

**THE COMPANIES ACT 2006**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**OF**

**PINNACLE TECHNOLOGY GROUP PLC**

**(As amended by Special Resolution passed on 27 March 2015)**

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**PRELIMINARY**

1. Neither the regulations in Schedule 3 to The Companies (Model Articles) Regulations 2008 (as amended) nor any Table A regulations under any former enactment relating to companies shall apply to the Company.

2. In these Articles the following words and expressions shall bear the following meanings:

**“2006 Act”**

means the Companies Act 2006, as amended, restated or re-enacted from time to time.

**“these Articles”**

means these Articles of Association as from time to time altered.

**“CREST Regulations”**

means the Uncertificated Securities Regulations 2001.

**“in writing”**

means written or produced by any substitute for writing or partly one and partly another.

**“Month”**

means a calendar month.

**“Office”**

means the registered office of the Company for the time being.

**“Operator”**

means Euroclear UK & Ireland Limited or such other person as may from time to time be approved by HM Treasury as Operator under the CREST Regulations.

**“Operator instruction”**

means a properly authenticated dematerialised instruction attributable to the Operator.

**“paid”**

means paid or credited as paid.

**“participating security”**

means a security title to units of which is permitted by the Operator to be transferred by means of a relevant system.

**“relevant system”**

means a computer-based system, and procedures, which enable title to units of a security to be evidenced and transferred without a written instrument pursuant to the CREST Regulations.

**“Seal”**

means the Common Seal (if any) of the Company.

**“Securities Seal”**

means an official seal kept by the Company by virtue of Section 50 of the 2006 Act.

**“Statutes”**

means the 2006 Act, the CREST Regulations and every other statute or statutory instrument, law or regulation for the time being in force concerning companies and affecting the Company including those of any applicable listing authority or recognised investment exchange.

**“Stock Exchange”**

means London Stock Exchange plc.

**“Transfer Office”**

means the place where the register of members is situate for the time being.

**“The United Kingdom”**

means The United Kingdom of Great Britain and Northern Ireland.

**“Year”**

means a calendar year.

The expressions “**debenture**” and “**debenture holder**” shall respectively include “**debenture stock**” and “**debenture stockholder**”.

The expression “**recognised clearing house**” and “**recognised investment exchange**” shall mean such bodies as shall be granted recognition under the Financial Services and Markets Act 2000.

The expression “**Secretary**” shall include any person appointed by the Directors to perform any of the duties of the Secretary including a joint, assistant or deputy Secretary.

All such of the provisions of these Articles as are applicable to paid-up shares shall apply to stock, and the words “**share**” and “**shareholder**” shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

References to any statute or statutory provision or statutory instrument shall be construed as relating to any modification or re-enactment thereof for the time being in force.

Subject as aforesaid any words or expressions defined in the 2006 Act or the CREST Regulations shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles. References to a share (or to a holding of shares) being in certificated or

uncertificated form are references, respectively, to that share being a certificated or an uncertificated unit of a security for the purposes of the CREST Regulations.

To the extent that any shares of the Company are held in treasury pursuant to Sections 724 to 731 of the 2006 Act then the terms of the Statutes, in so far as they relate to treasury shares, shall prevail over the terms of these Articles.

### **SHARE CAPITAL**

3. The issued share capital of the Company as at the date of adoption of these Articles is £ divided into 46,018,436 Ordinary Shares of £0.01 each ("**Ordinary Shares**").

### **SHARE RIGHTS**

4. Subject to the Statutes and without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be classified and be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may classify and determine) and the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed on such terms and in such manner as may be provided in these Articles.

### **AUTHORITY TO ALLOT**

5. Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, the Directors may allot and issue shares (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

### **COMMISSIONS**

6. The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.

### **REFUSAL TO REGISTER AN ALLOTMENT**

7. The Directors may refuse to register an allotment of shares (whether fully paid or not) in favour of more than four persons jointly. If the Directors refuse to register an allotment they shall within two months after the date on which either the letter of allotment was lodged with the Company (in the case of shares in certificated form) or the Operator instruction was received by the Company (in the case of shares held in

uncertificated form) send to the allottee notice of the refusal. The Directors may at any time after the allotment of any share but before any person has been entered in the register of members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

### **RECOGNITION OF TRUSTS**

8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and except as otherwise provided in these Articles or by law the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

### **ALTERATION OF SHARE CAPITAL**

9. The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of the Statutes and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

### **CONSOLIDATION, CANCELLATION & SUB-DIVISION**

10. The Company may by Ordinary Resolution:
  - 10.1 Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - 10.2 Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;
  - 10.3 Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the shares resulting from such sub-division, any of them may have any preference or advantage or special rights or be subject to any restrictions.

Whenever as a result of a consolidation or sub-division of shares any members would become entitled to fractions of a share, the Directors may deal with the fractions as they think fit and in particular may sell the shares representing the fractions to any person (including, subject to the provisions of the Statutes, the

Company) and distribute the net proceeds of sale (subject to retention by the Company of amounts not exceeding £3 (or such other amount as the Directors from time to time determine) due to any member) in due proportion among those members and the Directors may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

### **REDUCTION OF SHARE CAPITAL**

11. Subject to the provisions of the Statutes, the Company may reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner.

### **PURCHASE OF OWN SHARES**

12. Subject to the provisions of the Statutes, the Company may purchase any of its own shares (including any redeemable shares). Neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

### **VARIATION OF RIGHTS**

13. Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting (and to any separate meeting of the holders of shares of a particular class convened otherwise than in connection with the variation or abrogation of the rights attached to shares of that class) all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two or more persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as

if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

#### **FURTHER SHARES**

14. The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto or by the purchase by the Company of its own shares.

#### **ISSUE OF SHARE CERTIFICATES**

15. Every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) or otherwise executed by the Company in a manner permitted by the Statutes and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange.

#### **CERTIFICATES FOR JOINT HOLDINGS**

16. In the case of a share held jointly by several persons in certificated form, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of joint holders shall be sufficient delivery to all.

#### **ENTITLEMENT TO CERTIFICATES**

17. Any person whose name is entered in the register of members in respect of any shares in certificated form of any one class upon the issue or transfer thereof shall be entitled without payment within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within five business days after lodgement of a transfer or (in the case of a transfer of partly-paid shares) within two months after lodgement of a transfer to one certificate for all his shares of any one class or (upon payment of such charges as the Directors from time to time determine) several certificates each for one or more of his shares of any one class.

#### **PARTIAL SALES OF HOLDINGS**

18. Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without payment.

## **CONSOLIDATION AND REPLACEMENT OF CERTIFICATES**

- 19.
- 19.1 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu upon payment of such charges as the Directors from time to time determine.
- 19.2 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit and upon payment of such charges as they may from time to time determine, comply with such request.
- 19.3 If a share certificate shall be worn out, damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.
- 19.4 In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

## **CALLS ON SHARES**

20. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) but subject always to the terms of allotment of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

## **PAYMENT OF CALLS**

21. Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

## **INTEREST ON CALLS**

22. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum



from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

#### **DEEMED CALLS**

23. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of allotment the same becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

#### **DIFFERENTIATION OF AMOUNTS AND PAYMENT TIME**

24. The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

#### **PAYMENT OF INTEREST**

25. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 15 per cent. per annum) as the member paying such sum and the Directors may agree.

#### **FORFEITURE AND LIEN**

26. If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

#### **DATE ON NOTICE**

27. The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be

forfeited.

### **FAILURE TO COMPLY WITH NOTICE**

28. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

### **FORFEITED SHARES**

29. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

### **PAYMENT FOR FORFEITED SHARES**

30. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares (and shall surrender to the Company for cancellation any certificate for such shares) but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 15 per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.

### **LIENS**

31. The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article. The Company's lien on a share shall extend to all distributions and other amounts payable in respect of it.

## **SALES OF SHARES SUBJECT TO A LIEN**

32. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law.

## **PROCEEDS OF SALE**

33. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the amount in respect whereof the lien exists so far as the same are then payable and any residue shall upon surrender to the Company for cancellation of any certificate for the shares sold and subject to a like lien for sums not presently payable as existed upon the shares prior to the sale be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

## **STATUTORY DECLARATION**

34. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof shall (subject to the execution by the Company of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

## **MEANS OF TRANSFER OF SHARES**

- 35.
- 35.1 All transfers of shares which are in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect thereof.

- 35.2 All transfers of shares which are in uncertificated form may be effected by means of a relevant system.

### **REFUSAL TO REGISTER**

36. The Directors may, in the case of shares in certificated form, in their absolute discretion refuse to register any transfer of shares (not being fully-paid shares), provided that any such refusal does not prevent dealings in partly-paid shares from taking place on an open and proper basis. In addition, the Directors may, subject to the Crest Regulations, refuse to register a transfer of shares (whether fully-paid or not) in favour of more than four persons jointly or made to or by an infant or patient within the meaning of the Mental Health Act 1983. If the Directors refuse to register a transfer they shall as soon as practicable and, in any event, within two months after the date on which either the transfer was lodged with the Company (in the case of shares held in certificated form) or the Operator instruction was received by the Company (in the case of shares held in uncertificated form) send to the transferee notice of the refusal together with the reasons for the refusal.

### **RECOGNITION OF INSTRUMENT**

37. The Directors may decline to recognise any instrument of transfer relating to shares in certificated form unless the instrument of transfer is duly stamped, is in respect of only one class of share and is lodged at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer in certificated form by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

### **RETURN AND DESTRUCTION OF TRANSFERS**

- 38.
- 38.1 All instruments of transfer which are registered may be retained by the Company and any instrument of transfer which the Directors refuse to register shall (in the absence of suspected fraud or crime involving dishonesty in relation to the transfer) be returned to the person presenting the same.
- 38.2 The Company shall be entitled to destroy all instruments of transfer which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been

cancelled at anytime after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register of members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:

- 38.2.1 The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- 38.2.2 Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- 38.2.3 Reference herein to the destruction of any document include references to the disposal thereof in any manner.

#### **FEES FOR REGISTRATION**

- 39. No fee will be charged by the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the register of members affecting the title to any shares.

#### **SHARES IN UNCERTIFICATED FORM**

- 40.
  - 40.1 Subject to the Statutes and the rules (as defined in the CREST Regulations), the Directors may determine that any class of shares may be held in uncertificated form and that title to such shares may be transferred by means of a relevant system or that shares of any class should cease to be held and transferred as aforesaid.
  - 40.2 Provisions of these Articles shall not apply to shares of any class which are in uncertificated form to the extent that such provisions are inconsistent with:
    - 40.2.1 the holding of shares of that class in uncertificated form;

40.2.2 the transfer of title to shares of that class by means of a relevant system;  
or

40.2.3 any provision of the CREST Regulations.

### **TRANSMISSION OF SHARES**

41. In case of the death of a shareholder, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

### **REGISTRATION AND TRANSFER ENTITLEMENTS**

42. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the notice or transfer were a transfer executed by such member.

### **VOTING AND DIVIDEND ENTITLEMENTS**

43. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share. The Directors shall within two months after being supplied with evidence of proof of title to the share cause the entitlement of that person to be noted in the register of members.

### **UNTRACED SHAREHOLDERS**

44.

- 44.1 The Company shall, subject to the Statutes, be entitled to sell the shares of a

member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that

- 44.1.1 during the period of twelve years prior to the date of the publication of the advertisements referred to in paragraph 44.1.2 below (or, if published on different dates, the first thereof) no communication has been received by the Company from the member or the person entitled by transmission or otherwise by operation of law and no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the member or to the person entitled by transmission or otherwise by operation of law to the shares at his address on the register of members or otherwise supplied by him pursuant to these Articles or other the last known address given by the member or the person entitled by transmission or otherwise by operation of law to which cheques and warrants are to be sent has been cashed or other directed payment system has worked and at least three dividends in respect of the shares in question have become payable and no dividend in respect of those shares has been claimed; and
  - 44.1.2 the Company shall on expiry of the said period of twelve years have inserted advertisements in both a national newspaper and in a newspaper circulating in the area in which the address referred to in paragraph 44.1.1 above is located giving notice of its intention to sell the said shares; and
  - 44.1.3 during the period of three months following the publication of the said advertisements the Company shall have received no communication from such member or person; and
  - 44.1.4 notice shall have been given to the Stock Exchange of its intention to make such sale.
- 44.2 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission or otherwise by operation of law to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any)

as the Directors may from time to time think fit.

### **ANNUAL GENERAL MEETING**

45. An Annual General Meeting shall be held once in every year, at such time (within a period of six months beginning with the day following the Company's accounting reference date) and place as may be determined by the Directors.

All other General Meetings shall be called General Meetings.

### **GENERAL MEETINGS**

46. The Directors may whenever they think fit convene a General Meeting and shall, following requisition in accordance with the Statutes, proceed to convene a General Meeting in accordance therewith.

### **CALLING OF GENERAL MEETINGS**

47. An Annual General Meeting of the Company shall be called by twenty-one days' notice in writing at the least and any other General Meeting by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of those Articles entitled to receive such notices from the Company: Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

- 47.1 in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- 47.2 in the case of any other General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

### **NOTICE OF GENERAL MEETINGS**

- 48.
- 48.1 Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him and that a proxy need not be a member of the Company. Where a member appoints more than one proxy in relation to a General Meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by that member.



- 48.2 In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- 48.3 In the case of any General Meeting, the notice shall specify the general nature of such business.

If any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect along with the full text of the Special Resolution.

- 48.4 For the purpose of determining which persons are entitled to attend or vote at a meeting and how many votes such person may cast, the Company may specify in the notice of the meeting at time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register in order to have the right to attend or vote at the meeting.
- 48.5 The Directors may make arrangements for members or their proxies to participate in any General Meeting by means of a form of audio-visual link. Such persons shall be deemed to be present at the General Meeting and the chairman of the meeting shall make appropriate arrangements for such persons to vote on any show of hands or poll as the case may require.

#### **CHAIRMAN OF A GENERAL MEETING**

49. The Chairman of the Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number or, if no Director be present or if all the Directors present decline to take the chair, the members present in person or by proxy shall choose one of their number to be chairman of the meeting.

#### **QUORUM**

- 50.
- 50.1 No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.
- 50.2 If within ten minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present or if during the meeting the quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day and such time and place as may have been specified for

the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine. At the adjourned meeting any two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

### **ADJOURNMENT**

51. The chairman of any meeting may at any time without the consent of the meeting (whether or not it has commenced or a quorum is present) adjourn any meeting to another time or place or otherwise alter the arrangements therefor where it appears to him that the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting or are otherwise unable to see, listen to and participate in the proceedings by the use of any form of audio-visual link or the conduct of persons present prevents or is likely to prevent the orderly continuation of business or an adjournment is otherwise necessary so that the business of the meeting may be properly or safely conducted. The chairman of any meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

### **NOTICE OF ADJOURNMENT**

52. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **CONFIDENTIAL INFORMATION**

53. No person present at a General Meeting is entitled to require disclosure of or any information about any detail of the Company's or any subsidiary's trading or any matter that is or may be in the nature of a trade secret, commercial secret or secret process or that may relate to the conduct of the business of the Company, if the directors decide it would be inexpedient in the interests of the Company to make that information public.

### **AMENDMENTS TO RESOLUTIONS**

54. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution no amendment thereto

(other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

## **POLLS**

55. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- 55.1 the chairman of the meeting; or
  - 55.2 not less than three members present in person or by proxy and entitled to vote; or
  - 55.3 a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - 55.4 a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
56. A demand for a poll may be withdrawn with the approval of the chairman of the meeting at any time before the poll is taken. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. Unless a poll is required a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

## **CASTING VOTE**

57. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

## **TIME FOR POLLS**

58. A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting or the adjourned meeting at which the poll was demanded) and place as the chairman of the meeting may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

### **VOTES OF MEMBERS**

59. Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

### **JOINT HOLDERS**

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

### **RECEIVERS**

61. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

### **UNPAID CALLS AND S.793 NOTICES**

62.  
62.1 No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting or meeting of the holders of any class of shares of the Company either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company or of the holders of any class of shares of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.

62.2 If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under Section 793 of the 2006 Act and is in default for the prescribed period in supplying to the Company the information thereby required, then (unless the Directors otherwise determine) in respect of:

62.2.1 the shares comprising the shareholding account in the register of members which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the “default shares”, which expression shall include any further shares which are issued in respect of such shares); and

62.2.2 any other shares held by the member;

the member shall not (for so long as the default continues) nor shall any transferee to whom any of such shares are transferred other than pursuant to an approved transfer or pursuant to paragraph 62.3.2 below be entitled to vote either personally or by proxy at a shareholders’ meeting or to exercise any other right conferred by membership in relation to shareholders’ meetings.

62.3 Where the default shares represent at least 0.25 per cent of the issued shares of the class concerned, then the Directors may in their absolute discretion by notice ( a “direction notice”) to such member direct that:

62.3.1 any dividend (including a scrip dividend) or other money which would otherwise be payable on such shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member; and/or

62.3.2 no transfer of any of the shares held by such member shall be registered unless the transfer is an approved transfer or:

(a) the member is not himself in default as regards supplying the information requested; and

(b) the transfer is of part only of the member’s holding and when presented for registration is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares.

Upon the giving of a direction notice its terms shall apply accordingly. The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice.

- 62.4 Save as herein provided any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect thereafter upon the Directors so determining (such determination to be made within a period of one week of the default being duly remedied with written notice thereof being given forthwith to the member). Any direction notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with paragraph 62.3.2 above.
- 62.5 For the purpose of this Article:
- 62.5.1 a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 793 and either (a) the member has named such person as being so interested or (b) (after taking into account the response of the member to the notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
- 62.5.2 the prescribed period is 14 days from the date of service of the said notice under Section 793;
- 62.5.3 a transfer of shares is an approved transfer if but only if:
- (a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer for a company (as defined in Section 974 of the 2006 Act); or
  - (b) the Directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with a member and with other persons appearing to be interested in such shares; or
  - (c) the transfer results from a sale made through a recognised investment exchange or any stock exchange outside the United Kingdom on which the Company's shares are normally traded.
- 62.6 Nothing contained in this Article shall limit the power of the Directors under Section 794 and 795 of the 2006 Act.
- 62.7 The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent either generally or in respect of a particular matter or ratify any transaction not duly authorised by reason of a contravention of this Article.

## **OBJECTIONS TO ADMISSIBILITY OF VOTES**

63. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

## **VOTING ON POLLS**

64. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

## **PROXIES**

65. A proxy need not be a member of the Company.

## **INSTRUMENTS APPOINTING PROXIES**

66. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:
- 66.1 in the case of an individual shall be signed by the appointor or his attorney; and
- 66.2 in the case of a corporation shall be either given under its common seal or otherwise executed as a deed on its behalf or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.

Subject to the Statutes, and if and on the terms that the Directors so determine, an instrument appointing a proxy may be delivered electronically to an electronic address or facsimile number designated by the Company for this purpose, in which case the requirements of these Articles that an instrument appointing a proxy be signed or executed in any particular way or (as the case may require) be in writing shall not apply.

## **TIME FOR DELIVERY OF PROXIES**

67. An instrument appointing a proxy must be delivered in the manner specified in or by

way of note to or in any document accompanying the notice convening the meeting (or, if no manner is so specified, by delivery to the Transfer Office) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) not less than twenty-four hours before the time appointed for the taking of the poll at which it is to be used, and in default shall not be treated as valid. Provided that a proxy in respect of a poll to be taken otherwise than on the same day as a meeting but less than 48 hours thereafter shall be treated as valid if delivered to the chairman of the meeting at any time before the poll is taken. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates. An instrument of proxy may be revoked in writing or, if the Directors so permit, by electronic mail or telephone not less than forty-eight hours or such lesser time as the Directors may determine prior to the commencement of a meeting. In calculating such periods, no account shall be taken of any part of a day that is not a working day.

#### **RIGHT OF PROXY TO DEMAND A POLL**

68. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and to speak at the meeting.

#### **DEATH ETC OF PROXY**

69. A vote cast or a demand for a poll made by proxy shall not be invalidated by the previous death or insanity of the principal or (subject as provided in Article 67) by the revocation of the appointment of the proxy or of the authority under which the appointment was made, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the place at which instruments of proxy must be delivered in accordance with Article 67 or, subject as otherwise provided herein, that no transfer shall have been registered by the Company, at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

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

70. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or of any class of members of the Company. The person or any one of the persons so authorised shall



be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person or persons so authorised is or are present or deemed present thereat.

### **NUMBER OF DIRECTORS**

71. Subject as hereinafter provided the Directors shall not be less than two nor more than eight in number. The Company may by Ordinary Resolution from time to time vary the minimum and/or maximum number of Directors.

### **QUALIFICATION OF SHARES AND SPEAKING AT GENERAL MEETINGS**

72. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings.

### **DIRECTORS FEES**

73. The Directors (other than those holding executive office in the Company or any subsidiary of the Company) shall be entitled to remuneration for their services as Directors in such amount as the Directors may determine not exceeding in aggregate £115,000 per annum (or such higher amount as may from time to time be determined by the Company by Ordinary Resolution) and such remuneration shall be apportioned amongst them as the Directors may determine. In addition to the foregoing, any Director resident outside the United Kingdom and not holding full-time salaried employment in the Company or any subsidiary of the Company may be paid such extra remuneration as the Directors may determine.

### **REMUNERATION OF DIRECTORS**

74. Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such remuneration or extra remuneration by way of salary, commission or otherwise as the Directors may determine.

### **EXPENSES OF DIRECTORS**

75. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company or the proper exercise of his duties (including obtaining professional advice

thereon). The Company may also fund a Director's expenditure and that of a director of any subsidiary of the Company for the purposes permitted under the Statutes and may do anything to enable a Director or a director of any subsidiary of the Company to avoid incurring such expenditure as provided in the Statutes.

### **PENSIONS, GRATUITIES ETC**

76. The Directors may exercise all the powers of the Company to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is a subsidiary company of the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under such fund or scheme or otherwise). The Directors may exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

### **INSURANCE**

77. Without prejudice to the provisions of Article 144 the Directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any other such company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any other such company, subsidiary undertaking or pension fund.

### **EXECUTIVE OFFICERS**

78.  
78.1 The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of

Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

78.2 The appointment of any Director to the office of Chairman or Deputy Chairman or Chief Executive or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

78.3 The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

#### **POWERS OF EXECUTIVE DIRECTORS**

79. The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit (which may include authority to delegate any of the powers so entrusted or conferred), and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### **INELIGIBILITY FOR APPOINTMENT DUE TO AGE**

80. Any provision of the Statutes which would have the effect of rendering any person ineligible for appointment as a Director on account of his not having reached any specified age shall apply to the Company.

#### **VACATION OF OFFICE**

81. The office of a Director shall be vacated in any of the following events, namely:

81.1 If he shall become prohibited by law from acting as a Director;

81.2 If he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer;

81.3 If he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;

- 81.4 If in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- 81.5 If not having leave of absence from the Directors he or his alternate (if any) fail to attend the meetings of the Directors for twelve successive months unless prevented by illness, accident or other cause which may seem to the Directors to be sufficient and the Directors resolve that his office be vacated;
- 81.6 If he shall be removed from office by notice in writing served upon him signed by at least three-quarters in number of his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
- 81.7 If in the case of a Director who holds any executive office, he ceases to hold such office (whether because his appointment is terminated or expires) and the majority of his co-Directors so resolve.

#### **RETIREMENT BY ROTATION**

82. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation.

#### **DIRECTORS TO RETIRE BY ROTATION**

83. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting or who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last reelection or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election. In addition, any Director who would not otherwise be required to retire shall retire by rotation at the third Annual General Meeting after his last appointment or re-appointment.

#### **DEEMED RE-ELECTIONS**

84. The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill the office being vacated by electing thereto

the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been reelected except in any of the following cases:

- 84.1 Where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- 84.2 Where such Director has given notice in writing to the Company that he is unwilling to be re-elected;
- 84.3 Where the default is due to the moving of a resolution in contravention of the next following Article;
- 84.4 Where such Director holds executive office has attained any fixed retirement age applicable to him as holder of such office.
- 84.5 The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

#### **RESOLUTIONS FOR TWO OR MORE DIRECTORS**

85. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

#### **ELIGIBILITY FOR APPOINTMENT**

86. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than fourteen nor more than thirty-five clear days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

#### **REMOVAL BY RESOLUTION**

87. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Articles or of any agreement

between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

#### **APPOINTMENT BY RESOLUTION**

88. The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto the Directors shall have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles. Any person so appointed by the Directors must retire at, or at the end of, the next Annual General Meeting and shall be eligible for re-election thereat, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

#### **ALTERNATE DIRECTORS**

- 89.
- 89.1 Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors or unless the appointee is another Director, shall have effect only upon and subject to being so approved.
- 89.2 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director.
- 89.3 An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director for the purposes of the proceedings at any such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative. If his appointor is for the time being temporarily unable to act through ill health or disability his signature to any resolution in writing of the Directors shall be as effective as the

signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is member. An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

- 89.4 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### **MEETINGS OF DIRECTORS**

90. Subject to the provisions of these Articles the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. Any Director may waive notice of any meeting and such waiver may be retroactive.

### **QUORUM FOR MEETINGS**

91. The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.

### **MEETINGS BY CONFERENCE TELEPHONE ETC**

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

business transacted in such manner by the Directors or a committee of the Directors shall be deemed to be validly and effectively transacted at a meeting of the Directors or a committee thereof notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place.

### **INTERESTS OF DIRECTORS**

93.

93.1 A Director who is in any way, whether directly or indirectly, interested in any contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with the 2006 Act unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.

93.2 Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has an interest which (together with any interest of any person connected with him) 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. A Director shall not be counted in the quorum at the meeting in relation to any resolution on which he is debarred from voting.

93.3 Subject to the provisions of the Statutes and of Article 143, a Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

93.3.1 The giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;

93.3.2 The giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

93.3.3 Any contract or arrangement by a Director to participate in the underwriting or sub-underwriting of any offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription, purchase or exchange;

93.3.4 Any contract or arrangement concerning any other company in which the Director and any person connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the



2006 Act) representing one per cent. or more of either any class of the equity share capital, or the voting rights, in such company. For the purpose of this paragraph, there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder;

93.3.5 Any arrangement for the benefit of the Directors or employees of the Company or directors or employees of any of its subsidiaries which does not award him any privilege or benefit not generally awarded to the other persons to whom such arrangement relates;

93.3.6 Any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of inter alia any Directors of the Company.

93.4 Subject to the provisions of the Statutes and of Article 143, and provided that he had disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:

93.4.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

93.4.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

93.4.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

For the avoidance of doubt, the Company shall have no claim arising from, or in consequence of, the Director's interest in any contract or arrangement within the scope of this Article 93 and Article 143 and the Director shall not breach any of his duties to the Company as a result of having that interest.

For the purposes of this Article 93 and Article 143:

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;
- (b) an interest of a person who is, for any purpose of the 2006 Act (excluding any such modification thereof not in force when these articles became binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has; and
- (c) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

93.5 Subject to the provisions of sub-clause 93.6 of this Article, a Director shall not vote or be counted in the quorum present on any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.

93.6 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) or the termination of appointment (including fixing or varying the terms of such termination) of two or more Directors to or from offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and counted in the quorum) in respect of each resolution except that concerning his own appointment or termination of appointment.

93.7 Any Director may act by himself or by his firm in a professional capacity for the Company or any company in which the Company is interested, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

93.8 If any question shall arise at any time as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting (or if the Director concerned is the chairman to the other Directors at the meeting) and his or their ruling (as the case may be) shall be final and conclusive except in a case where the nature or extent of the interests of such

Director has not been fairly disclosed.

- 93.9 The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent generally or in respect of a particular matter or ratify any transaction not duly authorised by reason of contravention of this Article.

#### **VACANCIES AND MINIMUM NUMBER**

94. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling such vacancies or of summoning General Meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

#### **CHAIRMAN**

- 95.
- 95.1 The Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.
- 95.2 If at any time there is more than one Deputy Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairman present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

#### **RESOLUTIONS IN WRITING**

96. A resolution in writing signed by all the Directors entitled to vote thereon shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form each signed by one or more Directors.

#### **DELEGATION TO COMMITTEES**

97. The Directors may delegate any of their powers or discretions (including without limitation those involving the awarding or payment to Directors of remuneration and other benefits) to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons

other than Directors and for such co-opted members to have voting rights as members of the committee.

### **PROCEEDINGS OF COMMITTEES**

98. The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Article. Insofar as any such power is so delegated any reference in these Articles to the exercise by the Directors of such power shall be read and construed as if it were a reference to such committee.

### **DEFECT IN APPOINTMENTS**

99. All acts done by any meeting of the Directors, or of any such committee, or by any person acting as Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote.

### **BORROWING POWERS**

- 100.
- 100.1 Subject as hereinafter provided and to the provisions of the Statutes the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 100.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not at anytime without the previous sanction of an Ordinary Resolution of the Company exceed the greater of £5m and an amount equal to four times the Adjusted Capital and Reserves.
- 100.3 For the purpose of the foregoing limit the following provisions shall apply:
- 100.3.1 there shall be deemed, subject as hereinafter provided, to have been

borrowed and to be outstanding as borrowed moneys of the relevant member of the Group (to the extent that the same would not otherwise fall to be taken into account):

- (a) the principal amount of all debentures of any member of the Group which are not for the time being beneficially owned within the Group;
- (b) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;
- (c) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by other members of the Group;
- (d) the nominal amount of any other issued and paid up share capital and the principal amount of any other debentures or other borrowed moneys (not being shares or debentures which or borrowed moneys the indebtedness in respect of which is for the time being beneficially owned within the Group) the redemption whereof is guaranteed or wholly or partly secured by any member of the Group;
- (e) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account.

100.3.2 moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not during such period, except to the extent so applied, themselves be taken into account;

100.3.3 any amounts borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credits Guarantee Department or other like institution carrying on a similar business shall be deemed not to be borrowed moneys;

100.3.4 moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys

borrowed and owing to a partly-owned subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion; for the purposes aforesaid "minority proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary which is not attributable to the Company;

100.3.5 borrowed moneys of any member of the Group expressed in or calculated by reference to a currency other than sterling shall be translated into sterling by reference to the rate of exchange used for the conversion of such currency in the latest audited balance sheet of the relevant member of the Group or, if the relevant currency was not thereby involved, by reference to the rate of exchange or approximate rate of exchange ruling on such date and determined on such basis as the auditors may determine or approve.

100.4 In this Article 100 the expression "Adjusted Capital and Reserves" means at any material time a sum equal to the aggregate of:

100.4.1 the amount paid up on the issued share capital of the Company; and

100.4.2 the amount standing to the credit of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account or capital redemption reserve) after adding thereto or deducting therefrom any balance to the credit or debit of profit and loss account;

all based on a consolidation of the then latest available audited balance sheets of the Company and its subsidiaries but after:

100.4.3 excluding any sums set aside for taxation (other than deferred taxation) less any sums properly added back in respect thereof;

100.4.4 making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital or any such reserves subsequent to the relevant balance sheet date and so that for this purpose if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);

100.4.5 making such adjustments as may be appropriate in respect of any

distributions declared recommended or made by the Company or its subsidiaries (other than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or subsidiary (as the case may be) to the extent that such distribution is not provided for in such balance sheet;

100.4.6 making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiaries since the date of the latest audited balance sheet of the Company;

100.4.7 if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary, making all such adjustments as would be appropriate if such transaction had been carried into effect;

100.4.8 excluding minority interests in subsidiaries.

If in any case the latest available audited balance sheet of the Company or any of its subsidiaries has been prepared on a basis not being in substance a historical cost basis then all such adjustments shall be made therein as in the opinion of the auditors are appropriate to bring such balance sheet into line with the accounting bases and principles which were applied in relation to the last audited balance sheet of the Company or, as the case may be, the subsidiary concerned prepared on an historic cost basis and the balance sheet as so adjusted shall be treated as the latest available audited balance sheet for the purposes aforesaid.

The determination of the auditors as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding on all concerned and for the purposes of their computation the auditors may at their discretion make such further or other adjustments (if any) as they think fit. Nevertheless for the purposes of this Article 100 the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit hereinbefore contained is inadvertently exceeded an amount of borrowed moneys equal to the excess may be disregarded until the expiration of six months after the date on which by reason of a determination of the auditors or otherwise the Directors became aware that such a situation has or may have arisen.

100.5 No person dealing with the Company or any of its subsidiaries shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded.

## **GENERAL POWERS OF DIRECTORS**

101. The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

## **LOCAL BOARDS**

102. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

## **ATTORNEYS**

103. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

## **PRESIDENT**

104. The Directors may from time to time elect a President of the Company and may determine the period for which he shall hold office. Such President may be either



honorary or paid such remuneration as the Directors in their discretion shall think fit, and need not be a Director but shall, if not a Director, be entitled to receive notice of and attend and speak, but not to vote, at all meetings of the Directors.

### **BRANCH REGISTERS**

105. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

### **CHEQUES, PROMISSORY NOTES ETC**

106. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

### **SECRETARY**

107. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Assistant or Deputy Secretaries.

### **THE SEAL**

- 108.
- 108.1 The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.
- 108.2 Each of the Seal and the Securities Seal may be properly affixed to any document by impressing it by mechanical means or by printing it or a facsimile of it on such document or by any other means approved by the Directors.
- 108.3 Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors or by any other person or persons authorised by the Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or that facsimiles of such signatures or either of them shall be printed or applied by any

other means thereto.

- 108.4 The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.
109. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

#### **AUTHENTICATION OF DOCUMENTS**

110. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

#### **RESERVES**

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

#### **AMOUNT OF DIVIDEND RECOMMENDED BY DIRECTORS**

112. The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

### **FIXED AND INTERIM DIVIDENDS**

113. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit. If the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

### **APPORTIONMENT OF DIVIDENDS**

114. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends may be declared or paid in any currency.

### **PROFITS AVAILABLE FOR DISTRIBUTION**

115. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.

### **RETROSPECTIVE APPORTIONMENT OF PROFITS**

116. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

### **DIVIDENDS NOT TO BEAR INTEREST**

117. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

## **RETENTION OF DIVIDENDS**

118.

118.1 The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

118.2 The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained or otherwise by operation of law entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

## **WAIVERS**

119. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

## **UNCLAIMED DIVIDENDS**

120. Any dividend or other moneys payable in respect of a share unclaimed for one year after having become due for payment may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend or other moneys payable in respect of a share unclaimed after a period of twelve years from the date such dividend or other moneys became due for payment shall be forfeited and shall revert to the Company.

## **DIVIDENDS IN SPECIE**

121. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties (subject to a retention by the Company of

amounts not exceeding £3 (or such other amount as the Directors may from time to time determine) due to any member) and may vest any such specific assets in trustees as may seem expedient to the Directors.

### **PAYMENT MECHANISMS**

122. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder or otherwise by operation of law, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. In addition, any such dividend or other moneys payable may be paid by any bank transfer system or such other means and to or through such person as the holder or joint holders may in writing direct and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such direction.

### **JOINT HOLDERS**

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

### **RECORD DATES**

124. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

## SCRIP DIVIDENDS

125. The Directors may, if authorised by an Ordinary Resolution of the Company, 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 Directors) of any dividend specified by the Ordinary Resolution. The following provisions shall apply:
- 125.1 An Ordinary Resolution may specify a particular dividend (whether or not already 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 following the date of the meeting at which the Ordinary Resolution is passed.
- 125.2 The Directors may determine the basis of entitlement of each holder of Ordinary Shares to new Ordinary Shares to be issued pursuant to this Article and the value of such new Ordinary Shares may be greater or less than the value of the relevant cash dividend, but shall never be less than the par value of the new Ordinary Shares.
- 125.3 On or as soon as practicable after announcing that they are to declare or recommend any dividend, the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention, and shall, after determining the basis of allotment, if they decide to proceed with the offer, notify the holders of Ordinary Shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which elections must be lodged in order for elections to be effective. The basis of allotment shall be such that no shareholder may receive a fraction of a share. The Directors may make such provisions as they think fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any holder and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such holder of fully paid shares and/or provisions whereby cash payments may be made to such holders in respect of their fractional entitlements.
- 125.4 The Directors shall not proceed with any election unless the Company has sufficient authority to allot and issue shares and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined.
- 125.5 The Directors may exclude from any offer any holders of Ordinary Shares where the Directors believe 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.

- 125.6 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 an election has been made (“the elected Ordinary Shares”) and instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment calculated as stated. For such purpose the Directors shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution as the Directors may determine, 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 Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that basis.
- 125.7 The additional Ordinary Shares when allotted shall rank *pari passu* in all respects with the fully-paid Ordinary Shares then in issue except that they will not be entitled to participation in the relevant dividend.
- 125.8 The Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of Ordinary Shares may maintain an election in respect of future rights offered to that holder under this Article until the election mandate is revoked in accordance with the procedure and may do all such acts and other things as they may consider necessary or expedient to give effect to this Article including, in their discretion, amending, suspending or terminating any offer in operation.
- 125.9 If the amount of cash dividend remaining payable to a holder in respect of elected Ordinary Shares is less than £3 (or such other amount as the Directors from time to time determine) then, if the Directors so resolve, such amount shall not be paid but retained for the benefit of the Company.

#### **RETURNED OR FAILED PAYMENTS**

126. The Company may cease to send any cheque or warrant through the post or cease to employ any other means of payment for any dividend or other amount payable in respect of any share in the Company if in respect of at least two consecutive payments in respect of such share the cheques or warrants have been returned undelivered or remain uncashed or the other means of payment has failed, or following one such payment and reasonable enquiries by the Company or its agents have failed to establish a new address or amendment to the payment instructions, and the provisions of Article 120 shall *mutatis mutandis* in the meantime apply provided that, subject to the provisions of these Articles, the Company shall recommence sending cheques or warrants or employing such means of payment in respect of such shares if the person entitled to receive payments in respect thereof so requests in writing.

## **CAPITALISATION OF PROFITS AND RESERVES**

127. The Directors may, with the sanction of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Ordinary Shares on the register of members at the close of business on the date of the Resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of Ordinary Shares and applying such sum on their behalf in paying up in full Ordinary Shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

## **ACCOUNTING RECORDS**

128. Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors or by the Company in General Meeting.

## **CIRCULATION OF ACCOUNTS**

129. Unless the Statutes from time to time otherwise permit, a copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be made available to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles. Provided that this Article shall not require a copy of such documents or any substitute permitted by the Statutes to be made available to more than one of joint holders or to



any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of such documents or any substitute permitted by the Statutes has not been made available shall be entitled to receive a copy free of charge on application at the Office. For these purposes “made available” means being sent by post or any other means permitted by the Statutes (including by electronic communications or by making them available on a website.)

### **DEFECT IN AUDITOR’S APPOINTMENT**

130. Subject to the provisions of the Statutes, 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.

### **AUDITOR’S RIGHTS AT GENERAL MEETINGS**

131. 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.

### **NOTICES**

- 132.
- 132.1 Any notice or document may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid or, subject to the Statutes, electronically to an electronic address or facsimile number notified to the Company by the shareholder for this purpose or by reference to a particular website, provided that a share certificate may only be delivered personally or by post. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained.

Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours) (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Where a notice or document is sent electronically service or delivery is deemed to be effected at the time of transmission and in proving such service or delivery it shall be sufficient to

show that the sender's equipment indicates successful transmission. The accidental failure to send, or the non-receipt or the delayed receipt by any person entitled to, any notice of or other document relating to any meeting or other proceedings shall not invalidate the relevant meeting or other proceeding. Any notice or other document may be served or delivered by the Company by reference to the register of members as it stands at any time not more than 15 days before the date of service or delivery, no change in the register of members after that time shall invalidate that service or delivery. The provisions of Article 126 shall mutatis mutandis apply to any other notices or communications to shareholders.

132.2 Subject to the Statutes and Articles 132.1 above, the Company may also send any notice or other document pursuant to these Articles to a member by publishing that notice or other document on a website where:

132.2.1 the Company and the member have agreed to his having access to the notice or document on a website (instead of its being sent to him);

132.2.2 the notice or document is one to which that agreement applies;

132.2.3 the member is notified, in a manner for the time being agreed between him and the Company for the purpose of

(a) the publication of the notice or document on a website;

(b) the address of that website; and

(c) the place on that website where the notice or document may be accessed, and how it may be accessed;

132.3 the notice or document is published on that website throughout the period beginning with the giving of that notification and ending with the conclusion of the meeting to which it relates, and provided that, if the notice or document is published on that website for a part, but not all, of the publication period, the notice or document shall be treated as being published throughout that period if the failure to publish that notice or document throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid; and

132.4 A notice treated in accordance with this Article as sent to any person is to be treated as so sent at the time of the notification mentioned in Article 132.2.3.

#### **NOTICES TO JOINT HOLDERS**

133. Any notice given to that one of the joint holders of a share whose name stands first in the register of members in respect of the share shall be sufficient notice to all the joint

holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

#### **NOTICES FOLLOWING DEATH OR BANKRUPTCY**

134. A person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

#### **ADDRESS WITHIN THE UNITED KINGDOM**

135. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address with the United Kingdom for the service of notices shall not be entitled to receive notices either electronically or otherwise from the Company.

#### **DEEMED RECEIPT**

136. Any member present, either personally or by proxy, at any meeting of the Company or class of members of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

#### **PRIOR NOTICES**

137. Every person who by operation of law, transfer or any other means whatsoever, shall become entitled to any shares shall be bound by every notice (other than a notice served under Article 62.2 or 62.3 unless the said Article otherwise provides) in respect of such shares which previously to his name and address being entered in the register of members shall have been duly given to the person from whom he derives his title to such shares.

### **NOTICE IN A NATIONAL NEWSPAPER**

138. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised in at least one national newspaper with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

### **STATUTORY REQUIREMENTS**

139. Nothing in any of the preceding seven Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

### **DIRECTORS WINDING UP PETITION**

140. The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

### **ASSETS IN SPECIE**

141. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of a Special Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

### **INDEMNITY**

- 142.
- 142.1 Subject to the provisions of and so far as may be consistent with the Statutes, but without prejudice to any indemnity to which he may be otherwise entitled,
- 142.1.1 every Director, Secretary or other officer of the Company shall, and every

director, secretary or other officer of an associated company may, be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, or in relation to any regulatory investigation or action which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings or investigation are concluded, discharged or otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

142.1.2 every Director, Secretary or other officer of the Company shall, and every director, secretary or other officer of an associated company may, be entitled (a) 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, civil or criminal, or in connection with an application for relief (as defined in section 205(5) of the 2006 Act) or in relation to any regulatory investigation, or against action proposed to be taken by a regulatory authority; or (b) to receive assistance from the Company as will enable any such person to avoid incurring expenditure, which (in the case of (a) or (b)) relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings or investigation are concluded, discharged or otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

142.2 For the purpose of this Article 142 a director shall be entitled to vote and to be counted in the quorum at any meeting of the board or a committee of the board at which any indemnity, arrangement or proposal falling within this Article 142 is to be considered and, for the purpose of Article 93, any interest which any director may have in such indemnity, arrangement or proposal shall not be a material interest unless the terms of such indemnity, arrangement or proposal confer upon such director a privilege or benefit not available to, or awarded to, any other director in whose favour such indemnity, arrangement or proposal is given. The decision of the chairman of the meeting as to whether the indemnity, arrangement or proposal to be considered at the meeting falls within this Article 142 or as to the materiality of any

director's interest therein for the purposes of this Article and Article 93 shall be final and conclusive.

## **DIRECTORS' CONFLICTS OF INTEREST**

143.

143.1 A Director must declare to the other Directors any situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the Company unless it relates to a contract, transaction or arrangement with the Company or the matter has been authorised by the Directors or the situation cannot reasonably be regarded as likely to give rise to a conflict of interest.

143.2 The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:

143.2.1 any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties);

143.2.2 a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of this Article 143.2 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises, provided that for this purpose the Director in question and any other interested party are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted. In taking such decision, the directors must act in a way they consider, in good faith, will be most likely to promote the company's success.

143.3 If a matter, or office, employment or position, has been authorised by the Directors in accordance with this Article 143 then:

143.3.1 the Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;

143.3.2 the Director may absent himself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed; and

143.3.3 the Director may make such arrangements as such Director thinks fit for board and committee papers to be received and read by a professional adviser on behalf of that Director.

143.4 A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position.

COPY

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