

**Company No. 4402058**

**COMPANIES ACT 2006**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**NEW**

**ARTICLES OF ASSOCIATION**

**-of-**

**BROOKS MACDONALD GROUP PLC**

**(Adopted by special resolution passed on  
16 October 2009)**

## CONTENTS

<b>Article</b>		<b>Page</b>
1	Exclusion of Table A	1
2	Definitions and interpretation	1
3	Company name	4
4	Share capital	4
5	Share rights	4
6	Power to issue redeemable shares, treasury shares	5
7	Issue of new shares	5
8	Underwriting commission and brokerage	5
9	Fractions of shares	6
10	Variation of class rights	6
11	Share certificates	6
12	Joint holders of shares	7
13	Trusts not recognised	8
14	Disclosure of interests in shares	8
15	Uncertificated shares	10
16	Calls on shares	11
17	Forfeiture of shares	11
18	Lien on partly paid shares	12
19	Evidence of forfeiture, surrender or sale to satisfy lien	13
20	Transfer of shares	13
21	Power to refuse registration of transfers	14
22	Transmission of shares	14
23	Untraced Members	15
24	General meetings	16
25	Notice of general meetings	16
26	Chairman and quorum at general meetings	17
27	Adjournment of general meetings	18
28	General meetings at more than one place	18
29	Postponement of general meetings	19
30	Security arrangements at general meetings	20
31	Voting at general meetings	20
32	Amendments to resolutions at general meetings	21
33	Poll	21
34	Votes of Members	21
35	Appointment of a proxy	22
36	Delivery of a proxy	23
37	Directors	24
38	Powers and duties of directors	25
39	Summoning meetings of the Directors	25
40	Proceedings of directors	25
41	Chairman of the Directors	26
42	Executive directors	26
43	Delegation to committees	26
44	Alternate directors	27
45	Decisions in writing signed by all the Directors	27
46	Authorisation of Directors' conflicts of interest	28
47	Directors may hold other offices	29
48	Directors' interests in transactions or arrangements	29
49	Directors' declarations of interest	29
50	Restrictions on Directors voting and counting in the quorum	30
51	Remuneration and expenses of Directors	32

52	Directors' power to fill casual vacancy	33
53	Acts of Directors valid although appointment defective	33
54	Directors' retirement by rotation	33
55	Removal of a Director by the Company in general meeting	34
56	Disqualification of directors	34
57	Directors may act notwithstanding vacancy	35
58	Secretary	35
59	Attorneys	35
60	Authentication of documents	35
61	Minutes	36
62	Company seals	36
63	Pensions and benefits	36
64	Provision for employees on cessation or transfer of business	37
65	Subsidiaries	37
66	Local and other directors	37
67	Overseas branch register	38
68	Borrowing powers	38
69	Bonds, debentures, etc. to be subject to control of Directors	40
70	Dividends	41
71	Interim dividends	41
72	Right to retain dividend in certain cases	42
73	Method of payment of dividends	42
74	Distribution of assets in kind	43
75	Reserve fund	43
76	Capitalisation of reserves	43
77	Capitalisation of reserves in relation to option adjustment	45
78	Scrip dividends	45
79	Inspection of accounting records	46
80	Communication of documents and information	47
81	Members with non-UK addresses	48
82	Failure to notify contact details	48
83	Failure in communication	49
84	Communications by a relevant system	49
85	Destruction of documents	49
86	Indemnities, insurance and funding of defence proceedings	50
87	Winding up	51
88	Limited liability	51

COMPANIES ACT 2006

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NEW

ARTICLES OF ASSOCIATION

- of -

BROOKS MACDONALD GROUP PLC

(Adopted by Special Resolution passed

16 October 2009)

1 **Exclusion of Table A**

The regulations contained in the Schedule to the Companies (Tables A to F) Regulations 1985 shall not apply to the Company.

2 **Definitions and interpretation**

2.1 In these Articles, if not inconsistent with the context, the following words shall have the following meanings:

**the Act:** the Companies Act 2006;

**these Articles:** these Articles of Association, as amended from time to time by special resolution;

**the Auditors:** the auditors of the Company for the time being;

**cash memorandum account:** an account so designated by the operator of the relevant system;

**clear days:** in relation to a period of a notice means that period excluding the day when the notice is deemed to be received (or, if earlier, received) and the day of the meeting;

**company:** includes any body corporate;

**a Conflict Situation:** a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the Company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest;

**the Directors:** the directors of the Company for the time being;

**the Group:** the Company and its subsidiary undertakings from time to time (and “**member of the Group**” means each and any of them);

**an interest in shares:** has the meaning given to it in sections 820 to 825 of the Act;

**Member:** a registered holder(s) of shares, whether in certificated or uncertificated form;

**month:** a calendar month;

**the office:** the registered office of the Company from time to time;

**officer:** a Director, the Secretary or a manager of the Company, but not the Auditors;

**the register:** the register of Members required to be kept by the Company by the Statutes;

**the Regulations:** the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);

**relevant system:** a computer based system, and procedures, enabling title to shares to be evidenced and transferred without a written instrument, as defined in the Regulations;

**the seal:** the common seal of the Company and, as appropriate, any official seal kept by the Company by virtue of the Statutes;

**the Secretary:** the secretary of the Company or, if there are joint secretaries, any of the joint secretaries, and includes an assistant, deputy or temporary secretary and any person appointed by the Directors to perform any of the duties of the Secretary of the Company;

**share:** a share in the capital of the Company, whether held in certificated or uncertificated form;

**the Statutes:** the Act, every statutory modification or re-enactment of that act for the time being in force and every other act or statutory instrument for the time being in force concerning limited companies and affecting the Company;

**subsidiary:** a subsidiary within the meaning contained in section 1159 of the Act;

**subsidiary undertaking:** a subsidiary undertaking within the meaning contained in section 1162 of the Act;

**Uncertificated Proxy Instruction:** a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system and received by such participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system);

**United Kingdom:** Great Britain and Northern Ireland; and

**year:** a calendar year.

- 2.2 In these Articles, if not inconsistent with the context:
- 2.2.1 references to any act being done (including a consent or approval being given, a determination being made or a discretion being exercised) by the Directors shall be construed as referring to the Directors acting by resolution duly passed at a meeting of the Directors, or otherwise passed as permitted by these Articles;
  - 2.2.2 references to an uncertificated share or to a share (or to a holding of shares) being in, or held in, uncertificated form are references to that share being an uncertificated unit of a security (within the meaning of the Regulations) which is for the time being recorded in the register as being held in uncertificated form;
  - 2.2.3 references to a certificated share or to a share (or to a holding of shares) being in, or held in, certificated form are references to that share being a certificated unit of a security (within the meaning of the Regulations);
  - 2.2.4 references to issued shares of any class (whether of the Company or of any other company) shall not include any shares of that class held as treasury shares;
  - 2.2.5 without prejudice to Article 2.2.18, references to “electronic means”, “electronic form” and “hard copy” shall be construed in accordance with the Act;
  - 2.2.6 references to an “address” in relation to a communication in electronic form includes any number or address used for the purpose of such communication;
  - 2.2.7 any reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties;
  - 2.2.8 any notice, consent, approval or other document or information required to be given in writing may be given in writing in hard copy form or electronic form, save where expressly provided otherwise in these Articles or by the Statutes;
  - 2.2.9 references to any notice, consent, approval or other document or information being “signed” or to a “signature” include references to its being executed under hand or under seal or by any other method and, in the case of any such communication in electronic form, include references to its bearing an electronic signature or otherwise bearing the name of the sender;
  - 2.2.10 for the purposes of Articles 12.3 and 80 to 84, references to a document include a notice;
  - 2.2.11 references to a “recognised investment exchange” shall have the meaning attributed to it by section 285(1) of the Financial Services and Markets Act 2000;
  - 2.2.12 a reference to a person being “connected” with another shall have the meaning attributed to it by section 252 of the Act;
  - 2.2.13 words importing the masculine gender shall include the feminine gender and vice versa;
  - 2.2.14 words importing the singular shall include the plural and vice versa;
  - 2.2.15 references to persons shall include companies and unincorporated associations;

- 2.2.16 references to amounts being (or having been) paid in respect of a share shall (where the context permits) include references to amounts credited as paid;
- 2.2.17 references to any statute, statutory provision or statutory instrument shall be construed as relating to any statutory modification or re-enactment of it for the time being in force;
- 2.2.18 words or expressions which are not defined in these Articles but which are defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles (but excluding any modification of the Statutes not in force at the date of the adoption of these Articles); and
- 2.2.19 any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 2.3 In these Articles:
- 2.3.1 powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them;
- 2.3.2 no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and
- 2.3.3 except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Articles or under another delegation of the power.

### 3 **Company name**

The name of the Company may be changed by:

- 3.1 special resolution of the Members; or
- 3.2 resolution of the Directors; or
- otherwise in accordance with the Statutes.

### 4 **Share capital**

The share capital of the Company at the date of adoption of these Articles is divided into ordinary shares of 1 pence each.

### 5 **Share rights**

Without prejudice to any special rights conferred on the holders of any existing shares or of any class of shares (which rights may only be varied or abrogated in accordance with Article 10), any shares in the Company may be issued with or have attached to them such rights or restrictions as the Company may from time to time determine by ordinary resolution.

## 6 **Power to issue redeemable shares, treasury shares**

6.1 Subject to the Statutes and to any rights conferred on the holders of any existing shares or of any class of shares, any shares may be issued on terms that they are to be redeemed, or may be redeemed at the option of the Company or the Member, on such terms and conditions and in such manner as the Directors may from time to time determine.

6.2 Notwithstanding anything contained in these Articles, but subject to any rights specifically conferred on the holders of any class of shares from time to time, the rights attached to any class of shares shall be deemed not to be varied or abrogated by anything done by the Company pursuant to this Article 6.

6.3 The Company may not exercise any right in respect of treasury shares held by it, including any right to attend or vote at meetings, to demand a poll, to participate in any offer by the Company to shareholders or to receive any distribution (including in a winding-up), but without prejudice to its right to sell the treasury shares, to transfer the shares for the purposes of or pursuant to an employees' share scheme, to receive an allotment of shares as fully paid bonus shares in respect of the treasury shares or to receive any amount payable on redemption of any redeemable treasury shares.

## 7 **Issue of new shares**

7.1 Subject to these Articles and to the provisions of the Statutes relating to the allotment of shares, pre-emption rights and otherwise and to any resolution of the Company in general meeting passed pursuant to those provisions, the Directors are generally authorised to allot shares and to grant rights to subscribe for, or to convert any security into, shares, pursuant to those rights, to such persons, at such times and on such terms and in such manner as they think fit.

7.2 The Directors may at any time after the allotment of any share but before any person has been entered in the register as the holder of it:

7.2.1 recognise a renunciation of that share by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation; and/or

7.2.2 allow the rights represented thereby to be participating securities;

in each case, upon and subject to such terms and conditions as the Directors may think fit.

## 8 **Underwriting commission and brokerage**

8.1 The Company may exercise the power to pay commissions conferred by the Statutes to the full extent permitted by the Statutes and may, at the Directors' discretion, satisfy any obligation to pay commissions wholly or in part by the issue of shares credited as fully paid.

8.2 On any issue of shares the Company may also pay such brokerage as may be lawful.

## **Fractions of shares**

If on any consolidation (or any consolidation and division) of shares any Members would become entitled to any fractions of a share, the Directors may deal with the fractions in any manner they think fit. In particular, the Directors may, subject to the Statutes, sell all or any of such fractions and distribute the net proceeds among the Members entitled to such fractions in due proportion. In giving effect to any such sales, the Directors may, subject to the Statutes, authorise some person to transfer the shares sold to the purchaser of those shares and the purchaser shall be registered as the holder of the shares comprised in any such transfer and 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 or invalidity in the proceedings relating to the sale.

## **10 Variation of class rights**

10.1 If at any time there are different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Statutes conferring a right to object to variation, (and whether or not the Company is being wound up), be varied or abrogated in such manner (if any) as is provided by those rights, or with the consent in writing of the holders of three quarters of the issued shares of that 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.

10.2 Section 334 of the Act and the provisions of these Articles relating to general meetings shall, with necessary modifications, apply to every such separate general meeting, but so that any holder of shares of the class in question present in person or by proxy may demand a poll.

10.3 This Article 10 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 of which were to be varied or abrogated.

10.4 For the avoidance of doubt, section 334 of the Act and the provisions of these Articles relating to general meetings shall apply, with necessary modifications, and subject as set out in Article 10.2, to any separate meeting of the holders of shares of a class held otherwise than in connection with the variation or abrogation of the rights attached to shares of that class.

10.5 The rights attached to any class of shares shall not (unless otherwise provided by the rights attached to the shares of that class) be deemed to be varied by the creation or issue of further shares ranking in some or all respects *pari passu* with them (but in no respect in priority to them) or by the purchase or redemption by the Company of any of its own shares.

## **11 Share certificates**

11.1 Every Member (except a person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled without payment to one certificate in hard copy form for all the shares registered in his name or, if shares of more than one class are registered in his name, to a separate certificate for each class of shares so registered. Every certificate shall specify the number and class of shares in respect of which it is issued, the

distinctive numbers, if any, of such shares and the amounts paid up on them respectively.

- 11.2 A certificate shall be delivered to a holder of certificated shares within two months after the allotment or, as the case may be, the lodging with the Company of the transfer, of the shares concerned. A certificate shall be delivered in accordance with, and in the time period permitted by, the Regulations to any holder of uncertificated shares following the change of those shares to certificated form.
- 11.3 Every certificate for shares or any other form of security shall be executed by the Company in such manner as the Directors may authorise having regard to the terms of issue and the requirements of the recognised investment exchange on which the Company's shares are dealt or traded (including bearing an imprint or representation of the seal). The Directors may determine that the signatures of one or more of the Directors or of the Secretary may be affixed to such certificates by mechanical or electronic means or may be printed on them, or that the certificate need not be signed by any person. No certificate shall be issued representing shares of more than one class.
- 11.4 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 the shares issued in lieu without charge.
- 11.5 Subject to Article 11.6:
- 11.5.1 if any Member requires additional certificates, he shall pay for each additional certificate such reasonable out-of-pocket expenses as the Directors determine; and
- 11.5.2 if a Member holding two or more certificates in respect of his shareholding requires the cancellation of any of those certificates, and the issue of one or more replacement certificates comprising different numbers of shares, he shall pay for each replacement certificate such reasonable out-of-pocket expenses as the Directors determine.
- 11.6 If any certificate is defaced, worn-out, lost or destroyed, a new certificate shall be issued without charge (other than exceptional out-of-pocket expenses) and the person requiring the new certificate shall first surrender the defaced or worn-out certificate or give such evidence of the loss or destruction of the certificate and such indemnity to the Company as the Directors may determine.

## 12 **Joint holders of shares**

- 12.1 Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint tenants with benefit of survivorship save that:
- 12.1.1 the maximum number of persons who may be registered as joint holders of any shares is four; and
- 12.1.2 the joint holders of any share shall be liable, severally as well as jointly, in respect of all payments which are to be made in respect of such share.
- 12.2 Any one of the joint holders may give valid receipts for any dividend, bonus, return of capital or other money payable in respect of a share to the joint holders.

- 12.3 Only the person whose name stands first in the register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share (if that share is held in certificated form), or to receive documents and information from the Company. Any document or information given or made available to such person shall be deemed to be given or made available to all the joint holders.
- 12.4 Any one of the joint holders of any share for the time being conferring a right to vote may vote either personally or by proxy at any meeting in respect of such share as if he were the sole holder, provided that if more than one of joint holders is present at any meeting, either personally or by proxy, the person whose name stands first in the register as one of such holders, and no other, shall be entitled to vote in respect of the share.
- 12.5 Anything to be agreed or specified by the holder of any share may, save where expressly stated otherwise in a document or information relating to the matter in question, be validly agreed or specified by the person whose name stands first in the register as one of the joint holders of any share. Schedule 5, Part 6, paragraph 16(2) of the Act shall apply accordingly.

### 13 **Trusts not recognised**

Save as required by statute or as provided in these Articles, the Company shall be entitled to treat the person whose name appears upon the register in respect of any share as the absolute owner of that share, and shall not be under any obligation to recognise any trust or equity or equitable claim to, or partial interest in, such share, whether or not it shall have express or other notice of any such interest.

### 14 **Disclosure of interests in shares**

14.1 In this Article 14, unless inconsistent with the context, the following words shall have the following meanings:

14.1.1 **section 793 notice:** a notice given by or on behalf of the Company requiring disclosure of interests in shares pursuant to section 793 of the Act;

14.1.2 **restrictions:** one or more, as the case may be, of the restrictions referred to in Article 14.3;

14.1.3 **interested:** has the meaning ascribed to it by sections 820 to 825 of the Act and so that a person other than the Member holding a share shall be treated as appearing to be interested in the share if the Member has informed the Company that the person is, or may be, so interested, or if the Directors (after taking account of any information obtained from the Member or, pursuant to a section 793 notice, from any other person) know or have reasonable cause to believe that the person is, or may be, so interested; and

14.1.4 **market transfer:** in relation to any share, a transfer pursuant to:

14.1.4.1 a sale of the share on a recognised investment exchange or on any stock exchange outside the United Kingdom on which shares of that class are listed or normally traded;

14.1.4.2 a sale of the whole beneficial interest in the share to a person whom the Directors are satisfied is unconnected with the existing holder or with any other person appearing to be interested in the share; or

- 14.1.4.3 an acceptance of a takeover offer (as defined in section 974 of the Act) which relates to the share.
- 14.2 If a Member or any person appearing to be interested in any share has been given a section 793 notice and, in respect of any share specified in the notice (a “default share”), has been in default for a period of fourteen days after the section 793 notice has been given in supplying to the Company the information required by the notice, the restrictions referred to below shall apply. Those restrictions shall continue for such period as the Directors may specify, but shall end not more than seven days after the earlier of:
- 14.2.1 the Company being notified that the default shares have been sold pursuant to a market transfer; or
- 14.2.2 due compliance, to the satisfaction of the Directors, with the section 793 notice.
- 14.3 The restrictions referred to above are as follows:
- 14.3.1 if the default shares in which any one person is interested or appears to the Company to be interested represent less than 0.25 per cent. of the issued shares of the relevant class (calculated exclusive of treasury shares), the Member holding the default shares shall not be entitled, in respect of those shares, to attend or to vote, either personally, by representative or by proxy, at any general meeting of the Company;
- 14.3.2 if the default shares in which any one person is interested or appears to the Company to be interested represent at least 0.25 per cent. of the issued shares of the relevant class (calculated exclusive of treasury shares), the Member holding the default shares shall not be entitled, in respect of those shares:
- 14.3.2.1 to attend or to vote, either personally, by representative or by proxy, at any general meeting of the Company;
- 14.3.2.2 to receive any dividend or other distribution; or
- 14.3.2.3 to transfer or agree to transfer any of those shares or any rights in them.
- 14.4 The restrictions in Articles 14.3.1 and 14.3.2 shall not prejudice the right of either the Member holding the default shares or, if different, any person having a power of sale over those shares to sell or agree to sell those shares under a market transfer.
- 14.5 If any dividend or other distribution is withheld under Article 14.3.2.2, the Member shall be entitled to receive it as soon as practicable after the restrictions cease to apply. The Member shall not be entitled to interest during the intervening period.
- 14.6 The Directors shall not be liable to any person as a result of having imposed restrictions or having failed to determine that such restrictions shall cease to apply if the Directors acted in good faith.
- 14.7 Shares issued in right of default shares in respect of which a Member is for the time being subject to restrictions under this Article shall on issue become subject to the same restrictions whilst held by that Member as the default shares in right of which they are issued. For this purpose, shares which the Company offers or

procures to be offered to shareholders pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain Members by reason of legal or practical problems associated with offering shares outside the United Kingdom) shall be treated as shares issued in right of default shares.

14.8 The Directors shall at all times have the right, at their discretion, to suspend, in whole or in part, any restrictions arising pursuant to this Article either permanently or for a given period and to pay to a trustee any dividend payable in respect of any default shares or in respect of any shares issued in right of default shares. Notice of suspension, specifying the restriction suspended and the period of suspension shall be given to the relevant Member in writing within seven days after any decision to implement such a suspension.

14.9 The provisions of this Article are without prejudice to, and shall not affect, the right of the Company to apply any of the provisions referred to in Part 22 of the Act.

## 15 **Uncertificated shares**

15.1 Subject to the Regulations and the facilities and requirements of the relevant system, the Directors shall have power to make such arrangements as they may think fit in order for any class of share to be a participating security, and the Company may issue shares of that class in uncertificated form and permit such shares to be transferred by means of the relevant system to the fullest extent available from time to time or determine that shares of any class shall cease to be held in uncertificated form and transferred by means of the relevant system. No provision of these Articles shall have effect to the extent that it is inconsistent with:

15.1.1 the holding of shares in uncertificated form;

15.1.2 the transfer of title to shares by means of the relevant system; or

15.1.3 the Regulations.

15.2 Without prejudice to the generality of Article 15.1, notwithstanding any provision of these Articles and subject always to the Regulations, where any class of share is a participating security:

15.2.1 the register relating to such class shall be maintained at all times in the United Kingdom;

15.2.2 shares of such class held by the same holder or joint holder in certificated form and in uncertificated form shall be treated as separate holdings, unless the Directors otherwise determine;

15.2.3 shares of such class may be changed from certificated to uncertificated form, and from uncertificated to certificated form, in accordance with the Regulations;

15.2.4 the Company shall comply with the requirements of the Regulations in relation to the rectification of and changes to the register relating to such class;

15.2.5 the provisions of these Articles with respect to meetings, including meetings of the holders of shares of such class, shall have effect subject to the provisions of the Regulations;

15.2.6 the Directors may, by notice in writing to the holder of any uncertificated shares of such class, require that holder to change the form of such shares to certificated form within such period as may be specified in the notice; and

15.2.7 the Directors may require that any fractional entitlements to shares arising on a consolidation (or consolidation and division) of shares held in uncertificated form are held in certificated form, and are entered into the register accordingly.

## 16 **Calls on shares**

16.1 Subject to the terms of allotment, the Directors may from time to time make calls upon the Members in respect of all or any moneys unpaid on their shares (whether in respect of the nominal amount or, when permitted, any premium). Each Member shall, subject to receiving not less than fourteen days' notice, specifying the time or times and place for payment, pay the amount called on his shares to the persons and at the times and places appointed by the Directors.

16.2 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 payable by instalments or postponed or revoked either wholly or in part as the Directors may determine. A person on whom a call is made shall remain liable for calls made on him even if the shares in respect of which that call was made are subsequently transferred.

16.3 On the issue of shares the Directors may differentiate between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.

16.4 If a call is not paid on or before the due date for payment, the person from whom it is due shall pay interest on the amount unpaid, from the due date for payment to the date of actual payment, at such rate as the Directors may decide (not exceeding three per cent. per annum above the base rate of Royal Bank of Scotland plc, on the date due for payment), but the Directors may waive payment of the interest, wholly or in part.

16.5 A sum which by the terms of allotment of a share is payable on allotment, or at a fixed time, or by instalments at fixed times, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date or dates fixed for payment and, in case of non-payment, these Articles shall apply as if that sum had become payable by virtue of a call duly made and notified.

16.6 The Directors may, if they think fit, receive all or any part of the moneys payable on a share beyond the sum actually called up on it if the Member is willing to make payment in advance and, on any moneys so paid in advance, may (until they would otherwise be due) pay interest at such rate as may be agreed between the Directors and the Member not exceeding (unless the Company by ordinary resolution directs) five per cent. per annum or, if higher, the appropriate rate (as defined in section 592 of the Act) paying the sum in advance but, for the avoidance of doubt, no dividend shall be payable in respect of any money so paid in advance.

## 17 **Forfeiture of shares**

17.1 If any Member fails to pay in full any call or instalment of a call on the day appointed for payment of it, the Directors may, at any time after that day, while any part of the call or instalment remains unpaid, give notice to him requiring him to pay so much of the call or instalment as is unpaid, together with interest accrued and any expenses incurred by reason of such non-payment.

- 17.2 The notice shall specify a further day (not being earlier than fourteen days from the date of the notice) on or before which such unpaid call or instalment and all interest accrued and expenses incurred by reason of non-payment are to be paid, and it shall also specify the place where payment is to be made. The notice shall state that, in the event of non-payment at or before such time at the place specified, the shares in respect of which such call or instalment is payable will be liable to forfeiture.
- 17.3 If the requirements of any such notice are not complied with, any shares in respect of which such notice has been given may (before the payment required by the notice has been made), be forfeited by a resolution of the Directors to that effect, and any such forfeiture shall extend to all dividends declared in respect of the shares so forfeited but not actually paid before such forfeiture.
- 17.4 The Directors may accept surrender of any share liable to be forfeited under these Articles.
- 17.5 When any share has been forfeited, notice of the forfeiture shall be given to the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such notice.
- 17.6 Subject to the Statutes, any share forfeited or surrendered shall be deemed to be the property of the Company, no voting rights shall be exercised in respect of it and the Directors may cancel the same or, within three years of such forfeiture or surrender, sell, re-allot or otherwise dispose of the same in such manner as they think fit either to the person who was before the forfeiture or surrender the holder of it, or to any other person, and either with or without any past or accruing dividends and, in the case of re-allotment, with or without any money paid on it by the former holder being credited as paid up on it.
- 17.7 Any share not disposed of in accordance with Article 17.6 within a period of three years from the date of its forfeiture or surrender shall be automatically cancelled, subject always to, and in accordance with, the Statutes.
- 17.8 Any person whose shares have been forfeited or surrendered shall cease to be a Member in respect of those shares, but shall remain liable to pay to the Company all moneys which at the date of the forfeiture or surrender were presently payable by him to the Company in respect of the shares, together with interest on such moneys at the rate fixed by the conditions of the allotment of the shares in question or, if no rate is fixed, at such rate as the Directors shall determine, down to the date of payment, but his liability shall cease if and when the Company receives payment in full of all such moneys in respect of the shares, together with any such interest. The Directors may, if they think fit, waive the payment of such money and/or interest or any part of it.
- 18 **Lien on partly paid shares**
- 18.1 The Company shall have a first and paramount lien upon all the shares, other than fully paid shares, registered in the name of each Member (whether solely or jointly with other persons) for any amount payable in respect of such shares, whether presently payable or not, and such lien shall apply to all dividends from time to time declared or other moneys payable in respect of such shares.
- 18.2 Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

- 18.3 The Company shall in no circumstances have a lien over any fully paid shares.
- 18.4 For the purpose of enforcing such lien, the Directors may, subject (in the case of uncertificated shares) to the provisions of the Regulations, sell the shares subject to such lien, in such manner as they think fit, but no such sale shall be made until all or any part of the sum outstanding on the shares shall have become payable and until notice in writing stating, and demanding payment of, the sum payable and giving notice of the intention to sell in default of such payment shall have been given to such Member and default shall have been made by him in the payment of the sum payable for fourteen days after such notice.
- 18.5 The net proceeds of any sale made in accordance with Article 18.4, after payment of the costs of sale, shall be applied in or towards satisfaction of such part of the amount then payable in respect of the shares sold. The residue, if any, shall (upon surrender to the Company for cancellation of the certificate for any certificated shares sold, and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Member or as he shall direct in writing or the person (if any) entitled by transmission to the shares immediately before the sale.

## 19 **Evidence of forfeiture, surrender or sale to satisfy lien**

- 19.1 An entry in the Directors' minute book of the forfeiture or surrender of any shares, or that any shares have been sold to satisfy a lien, shall be sufficient evidence, against all persons claiming to be entitled to such shares, that the said shares were properly forfeited, surrendered or sold. Such entry, the receipt of the Company for the price of such shares and, if such shares are in certificated form, the appropriate share certificate shall constitute a good title to such shares, and the name of the purchaser or other person entitled shall be entered in the register as a Member, and he shall be entitled, if such shares are in certificated form, to a certificate of title to the shares. The purchaser 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 or invalidity in the proceedings in reference to the forfeiture, surrender or sale.
- 19.2 For giving effect to the sale of any forfeited or surrendered share, or the sale of any share to satisfy a lien, the Directors may, subject (in the case of uncertificated shares) to the provisions of the Regulations and the facilities and requirements of the relevant system, authorise some person to transfer any such shares to their purchaser. The remedy (if any) of the former holder of such shares, and of any person claiming under or through him, shall be against the Company and in damages only.

## 20 **Transfer of shares**

- 20.1 Subject to these Articles, a Member may transfer all or any of his shares in any manner which is permitted by the Statutes and is from time to time approved by the Directors.
- 20.2 All transfers of certificated shares shall be in hard copy in the usual common form or in any other form permitted by the Stock Transfer Act 1963 or approved by the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and, if the certificated shares transferred are not fully paid, by or on behalf of the transferee. An instrument of transfer need not be under seal.

- 20.3 Subject to these Articles, a Member may transfer all or any of his uncertificated shares by means of the relevant system or in any other manner which is permitted by the Statutes and is from time to time approved by the Directors and the Company shall register such transfer in accordance with the Statutes.
- 20.4 The transferor shall be deemed to remain the holder of the shares transferred until the name of the transferee is entered in the register in respect of those shares.
- 20.5 No fee shall be charged in respect of the registration of any transfer, probate, letters of administration, certificate of marriage or death, power of attorney or other document or instruction relating to or affecting the title to any shares.
- 20.6 Any instruments of transfer which are registered shall, subject to Article 85.1, be retained by the Company, but any instrument of transfer which the Directors refuse to register shall (except in any case of fraud) be returned to the persons depositing the same.

## 21 **Power to refuse registration of transfers**

- 21.1 The Directors may, in their discretion, refuse to register any transfer of certificated shares of any class which are not fully paid provided that, where any such shares are admitted to the Alternative Investment Market of the London Stock Exchange or to trading on any recognised investment exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.
- 21.2 The Directors may also refuse to register any transfer of a certificated share, unless the instrument of transfer, duly stamped, is deposited at the office or such other place as the Directors may appoint, accompanied by the certificate for the shares to which it relates if it has been issued, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.
- 21.3 The Directors may, in their discretion, refuse to register any transfer of an uncertificated share where permitted by the Regulations.
- 21.4 The Directors may refuse to register any transfer of shares unless it is in respect of only one class of shares.
- 21.5 If the Directors refuse to register a transfer they shall send to the transferee notice of the , together with, in the case of a transfer of certificated shares only, the reasons for the refusal, as soon as practicable and in any event within two months of:
- 21.5.1 in the case of a certificated share, the date on which the transfer was lodged with the Company; or
- 21.5.2 in the case of an uncertificated share, the date on which an instruction in respect of such transfer was duly received by the Company through the relevant system.

## 22 **Transmission of shares**

- 22.1 If a Member dies, the survivor(s), where the deceased was a joint holder, or his personal representatives, where he was a sole or the only surviving holder, shall be the only person or persons recognised by the Company as having any title to

his shares, but nothing in these Articles shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly.

- 22.2 Any person becoming entitled to a share by reason of the death or bankruptcy of a Member or of any other event giving rise to a transmission by operation of law may, upon such evidence being produced as may be required by the Directors, elect either to be registered as a Member in respect of such share, or to make such transfer of the share as the relevant Member could have made.
- 22.3 If the person so becoming entitled shall elect to be registered himself he shall give to the Company a notice bearing his signature to that effect.
- 22.4 The Directors shall, in either case, have the same right to refuse or suspend registration as they would have had if the event giving rise to transmission had not occurred and the notice of election or transfer were a transfer by the relevant Member.
- 22.5 Any person becoming entitled to a share by reason of the death or bankruptcy of a Member or of any other event giving rise to transmission shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, unless and until he is registered as a Member in respect of the share or unless the Directors otherwise determine, be entitled in respect of it to receive notice of, or to exercise any right conferred by membership in relation to, general meetings of the Company.
- 22.6 The Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer such share to some other person and, if such notice is not complied with within ninety days after service, the Directors may after that time withhold payment of all dividends and other moneys payable in respect of such share until the requirements of the notice have been complied with.

## 23 **Untraced Members**

- 23.1 Subject to the Statutes, the Company may sell at the best price reasonably obtainable at the time of sale any share of a Member or any share to which a person is entitled by transmission if:
- 23.1.1 during a period of twelve years prior to the publication of the advertisements referred to in Article 23.1.3 (or, if such advertisements are published on different dates, the first of them) at least three cash dividends have become payable in respect of the share to be sold and have been sent by the Company in accordance with Article 73;
- 23.1.2 during that period of twelve years no cash dividend payable in respect of the share has been claimed, no cheque, warrant, order or other payment for a dividend has been cashed, no dividend sent by means of a funds transfer system has been paid and no communication has been received by the Company from the Member or the person entitled by transmission to the share;
- 23.1.3 the Company has given notice of its intention to sell such share by advertisement in one national daily newspaper and in one local newspaper circulating in the area in which the last known address of the Member or of the person entitled to the share by transmission at which service of notices might be effected in accordance with these Articles is located; and

- 23.1.4 the Company has not, during the period of three months after the date of the advertisement and prior to the exercise of the power of sale, received any communication from the Member or person entitled by transmission.
- 23.2 The Company's power of sale shall extend to any further share which, on or before the date of publication of the first of any advertisements pursuant to Article 23.1.3, is issued in respect of a share to which Article 23.1 applies (or in respect of any share to which this Article 23.2 applies) if the conditions set out in Articles 23.1.2 to 23.1.4 are satisfied in relation to the further share (but as if the references to a period of twelve years were references to a period beginning on the date of allotment of the further share and ending on the date of publication of the first of the advertisements referred to above).
- 23.3 In order to give effect to any such sale, the Directors may, subject (in the case of uncertificated shares) to the provisions of the Regulations and the facilities and requirements of the relevant system, authorise some person to transfer any such shares to the purchaser of them. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to any such share be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 23.4 The net proceeds of such sale shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect of them for such Member or other person. Such proceeds may either 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. The Company shall not be required to pay interest on such proceeds or to account for any amounts earned on such proceeds.

## 24 **General meetings**

- 24.1 The Company shall in each year hold a general meeting as its annual general meeting, in addition to any other meetings in that year, in accordance with the Statutes. The annual general meeting shall be held at such time and place as the Directors shall appoint.
- 24.2 The Directors may, whenever they think fit, call a general meeting and shall do so upon a requisition made in accordance with the Statutes.
- 24.3 If, at any time, there shall not be present in the United Kingdom and capable of acting sufficient Directors to form a quorum, the Directors in the United Kingdom capable of acting, or if there shall be no such Directors then any two Members, may convene a general meeting in the same manner as nearly as possible as that in which general meetings may be convened by the Directors, and the Company at such meeting shall have power to elect Directors.
- 24.4 In the case of a general meeting called in pursuance of a requisition, unless such meeting shall have been called by the Directors, no business other than that stated in the requisition as the object of the meeting shall be transacted.

## 25 **Notice of general meetings**

- 25.1 An annual general meeting shall be called by at least twenty-one clear days' notice. Any other general meeting shall be called by at least fourteen clear days' notice, unless a longer period of notice is required by the Statutes in relation to a resolution to be proposed at such a meeting.

- 25.2 Notice of every general meeting shall be given to:
- 25.2.1 all Members on the register on the close of business on a day determined by the Directors, being not more than twenty-one days before the day on which the notice of meeting is despatched, other than any Member who, under the provisions of these Articles or the terms of issue of the shares they hold, is not entitled to receive such notices (whether pursuant to Articles 81 or 82 or otherwise);
- 25.2.2 the Auditors; and
- 25.2.3 each Director.
- 25.3 The notice shall specify the place, the date and the time of meeting (including any satellite meeting place arranged for the purpose of Article 28.1, which shall be identified by such notice). The notice shall be given in the manner provided in these Articles or in such other manner (if any) as may be prescribed by the Company in general meeting to such persons as are under these Articles entitled to receive such notices from the Company. Every notice calling an annual general meeting shall specify the meeting as such. Every notice convening a general meeting for the purpose of considering one or more special resolutions shall set out the text of such resolution or resolutions.
- 25.4 In every notice calling a meeting of the Company or of the holders of shares of any class there shall appear with reasonable prominence a statement informing each Member:
- 25.4.1 of his rights under the Act to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company;
- 25.4.2 that he may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise rights attached to a different share or shares held by such Member; and
- 25.4.3 that a proxy need not be a Member.
- 25.5 The accidental failure to give notice to any person entitled under these Articles to receive notice of a general meeting, or the non-receipt by any such person of such notice, shall be disregarded for the purposes of determining whether notice of the meeting or resolution has been duly given and shall not invalidate the proceedings at that meeting.
- 25.6 Where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective.

## 26 **Chairman and quorum at general meetings**

- 26.1 The Chairman (if any) of the Directors shall preside as Chairman at every general meeting of the Company. If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or he is unwilling to act as Chairman, the Directors present shall choose one of their number present to be Chairman and, if there is only one Director present and willing to act, he shall be Chairman or if no Director is present and willing to act, the Members shall choose one of their number (whether present in person, by proxy or (in the case of a corporate Member) by representative) to be Chairman.

26.2 No business, other than the appointment of a Chairman of the meeting, shall be transacted at any general meeting unless a quorum of Members is present. Such quorum shall consist of not less than two Members present in person, by representative (in the case of a corporate Member) or by proxy and entitled to vote.

## 27 **Adjournment of general meetings**

27.1 If, within 15 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 a quorum ceases to be present, the meeting:

27.1.1 if convened by or on the requisition of Members, shall be dissolved; or

27.1.2 in any other case, shall stand adjourned to such day and to such time and place (being not less than seven clear days, nor more than thirty clear days, afterwards) as the Chairman of the meeting may determine. In default of such determination, it shall be adjourned to the same day in the following week or, if that day is not a business day, the next following business day at the same time and place. If, at such adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.

27.2 The Chairman of the meeting may, with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting without setting an alternative date or time, or from time to time and from place to place. No business shall be transacted at such adjourned meeting other than the business which might lawfully have been transacted at the meeting from which the adjournment took place.

27.3 The Chairman of the meeting may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced) either without setting an alternative date or time or to such time and place as the Directors or the Chairman may decide if it appears to him that:

27.3.1 the number of persons wishing to attend cannot be conveniently accommodated in the place(s) appointed for the meeting;

27.3.2 the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting;

27.3.3 an adjournment is otherwise necessary or desirable so that the business of the meeting may be properly conducted; or

27.3.4 a proposal of importance is made for the consideration of which a larger attendance of Members is desirable.

27.4 When a meeting is adjourned for thirty days or more or without setting an alternative date or time, seven days' notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at such meeting.

## 28 **General meetings at more than one place**

28.1 The Directors may resolve to enable persons entitled to attend a general meeting to do so by simultaneous attendance and participation at a satellite meeting place

anywhere in the world. Members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to vote at, the general meetings in question, and that meeting shall be duly constituted and its proceedings valid if the Chairman of the meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that Members attending at all meeting places are able to:

- 28.1.1 participate in the business for which the meeting has been convened;
- 28.1.2 hear and see all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment, electronic means or otherwise) in the principal meeting place and any satellite meeting place; and
- 28.1.3 be heard and seen by all other persons so present in the same way.

The Chairman of the meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place, such principal meeting place to be stated by the notice of meeting.

- 28.2 If it appears to the Chairman of the meeting that the facilities at the principal meeting place or any satellite meeting place have become inadequate for the purposes referred to in Article 28.1, then the Chairman may, without the consent of the meeting, interrupt or adjourn the general meeting. All business conducted at the general meeting up to the time of the adjournment shall be valid. The provisions of Article 27.3 shall apply to the adjournment.

- 28.3 The Directors may from time to time make any arrangements for controlling the level of attendance at any venue for which arrangements have been made pursuant to this Article 28 (including the issue of tickets or the imposition of some other means of selection) as they in their discretion consider appropriate, and may from time to time change those arrangements. The entitlement of any Member to be present at such venue in person or by proxy shall be subject to any such arrangement then in force and stated by the notice of meeting or adjourned meeting to apply to the meeting.

- 28.4 For the purposes of this Article 28, the right of a Member to participate in the business of any general meeting shall include the right to speak, vote on a show of hands, demand or join in demanding a poll, vote on a poll, be represented by a proxy and have access to all documents which are required by the Statutes or these Articles to be made available at the meeting.

## 29 **Postponement of general meetings**

- 29.1 If, after the giving of notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors decide that it is impracticable or undesirable for any reason to hold the meeting at the declared place (or any of the declared places, in the case of a meeting to which Article 28.1 applies) and/or at the declared date or time, they may change the place (or any of the places, in the case of a meeting to which Article 28.1 applies) and/or postpone the date and time at which the meeting is to be held. If such a decision is made, the Directors may then change the place (or any of the places, in the case of a meeting to which Article 28.1 applies) and/or postpone the date and time of the postponed meeting again if they decide that it is reasonable to do so. In either case:

- 29.1.1 no business shall be transacted at any postponed meeting other than the business which might lawfully have been transacted at the meeting which was postponed;
- 29.1.2 at least fourteen clear days' notice (or, in the case of a postponed annual general meeting, at least twenty-one clear days' notice) of the postponed meeting shall be given in accordance with Article 25. It shall not, however, be necessary to give notice of the nature of the business to be transacted at the postponed meeting;
- 29.1.3 the Directors shall, so far as practicable make arrangements for notices of the change of place and/or postponement to appear at the original place and at the original time and date; and
- 29.1.4 notwithstanding Article 36.1 but subject to Article 36.2, an appointment of a proxy may be delivered at any time not less than 48 hours before any new time appointed for holding the postponed meeting.

### 30 **Security arrangements at general meetings**

The Directors:

- 30.1 may direct that Members, proxies or other persons wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the Directors shall in their discretion consider appropriate in the circumstances; and
- 30.2 shall be entitled in their discretion to refuse entry to, or eject from, such general meeting any Member, proxy or other person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

### 31 **Voting at general meetings**

- 31.1 At any general meeting every question shall be decided by a show of hands unless a poll is (before a resolution is put to the vote on a show of hands, or on the declaration of the result of the show of hands) directed by the Chairman of the meeting or demanded by:
  - 31.1.1 at least three Members present in person or by proxy and entitled to vote; or
  - 31.1.2 one or more Members present in person or by proxy representing not less than one-tenth of the total voting rights of all the Members having the right to vote on the resolution in question; or
  - 31.1.3 one or more Members present in person or by proxy holding shares in the Company conferring a right to vote on the resolution in question, 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.
- 31.2 The demand for a poll may be withdrawn with the consent of the Chairman, and in the event that such demand is withdrawn following a show of hands on the resolution in question, the result of the show of hands shall remain valid.
- 31.3 A declaration by the Chairman that a resolution has been carried or not carried, or carried or not carried by a particular majority, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the facts, without proof of the number or proportion of the votes recorded in favour of or against such resolution.



by one or more duly appointed proxies shall have one vote for every share held by him.

34.2 On a poll:

34.2.1 votes may be given either personally or by proxy; and

34.2.2 a person entitled to more than one vote need not use all his votes, or cast all the votes he casts, in the same way.

34.3 A Member incapable by reason of mental disorder or otherwise of managing and administering his property and affairs may vote, whether on a show of hands or on a poll, by his receiver or other person appointed by any court of competent jurisdiction to act on his behalf. Any such person may, on a poll, vote by proxy provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been delivered to such address or location (including any number) and within such time period as is required by Article 36.1 for the appointment of the proxy. Such evidence shall either accompany the appointment of proxy to which it relates or clearly indicate the appointment of proxy to which it relates.

34.4 No Member shall be entitled to vote at any general meeting either on a show of hands or on a poll (in person or by proxy) unless all calls or other sums presently payable by him in respect of the shares held by him in the Company have been paid.

34.5 If any objection shall be raised as to the qualification of any person or it is alleged that any votes have been counted which should not have been counted or that any votes have not been counted which ought to have been counted, the objection or allegation shall not vitiate the decision on any resolution unless it is raised at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the alleged error occurs. Any objection or allegation made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

34.6 Any company which is a Member may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company, or at any meeting of any class of Members. The person or persons so authorised shall be entitled to exercise the same powers on behalf of the company which he represents as that company could exercise if it were an individual Member.

## 35 **Appointment of a proxy**

35.1 A proxy shall be appointed in writing either:

35.2 by means of completion and delivery of the usual or common form of instrument of proxy, or such other form as may be approved by the Directors from time to time, executed:

35.2.1 under the hand of the appointor (which, in the case of the joint holders of any share may be any one of the joint holders); or

35.2.2 if the appointor is a corporate Member either under its common seal or under the hand of a duly authorised officer of the corporate Member; or

- 35.2.3 under the hand of the duly authorised attorney of any appointor referred to in Articles 35.2.1 or 35.2.2; or
- 35.3 otherwise, and subject to such terms and conditions (including as to security), as the Directors shall determine from time to time (including in electronic form)
- provided that any form of proxy shall provide for voting either for or against the resolutions to be proposed at the meeting at which the proxy is to vote.
- 35.4 Any person may be appointed to act as proxy. A proxy need not be a Member.
- 35.5 The appointment of a proxy to vote on a matter at a meeting of the Company, authorises the proxy to demand or join in demanding a poll on that matter.
- 35.6 A vote cast or act done in accordance with the terms of an appointment of a proxy shall be valid notwithstanding the previous death or insanity of the appointor, or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, unless notice in writing of such death, insanity, revocation or transfer shall have been received by the Company at the office (or such other place as may be specified for delivery of the appointment of the proxy in or by way of the note to the notice convening the meeting) at least one hour before the commencement of the meeting or adjourned meeting or poll at which the vote was given or the act was done.

## 36 **Delivery of a proxy**

- 36.1 The appointment of a proxy, shall:
- 36.1.1 in the case of an instrument in hard copy, be delivered to the office (or such other address or location in the United Kingdom as may be specified for that purpose in or by way of note to the notice convening the meeting) not less than forty-eight hours before the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument is authorised to vote; or
- 36.1.2 in the case of an appointment in electronic form, be communicated so as to be delivered to an address or location (including any number) specified in the notice convening the meeting (or in any instrument of proxy sent out, or invitation in electronic form to appoint a proxy issued by or on behalf of the Company in relation to the meeting) not less than forty-eight hours before the time fixed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. In the case of any Uncertificated Proxy Instruction permitted pursuant to Article 36.4, the appointment shall include an identification number of a participant in the relevant system concerned;
- 36.1.3 in the case of a poll taken more than forty-eight hours after it was demanded, be delivered in accordance with Articles 36.1.1 or 36.1.2 (as the case may be) not less than twenty-four hours before the time appointed for the taking of the poll; or
- 36.1.4 in the case of a poll not taken immediately but taken not more than forty-eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman, the Secretary, any Director or the scrutineer.
- 36.2 The Directors may, in their sole discretion, determine from time to time that in calculating the periods referred to in Article 36.1 (and Article 29.1.4) no account shall be taken of any part of a day that is not a working day.

- 36.3 If the appointment of a proxy is executed under a power of attorney or other authority, such power of attorney or other authority (or a copy of it certified by a notary or a solicitor with a current practising certificate to be a true and complete copy of the original document) shall also be delivered to such address or location (including any number) and within such time period as is required by Article 36.1 for the appointment of the proxy. Such power of attorney or other authority (or certified copy of it) shall either accompany the appointment of proxy to which it relates or clearly indicate the appointment of proxy to which it relates.
- 36.4 Without limitation to any of the provisions of these Articles, in relation to any shares which are held in uncertificated form, the Directors may from time to time permit appointments of a proxy to be made by electronic means in the form of an Uncertificated Proxy Instruction and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means. The Directors may in addition prescribe the method of determining the time at which any such Uncertificated Proxy Instruction is to be treated as received by the Company or such participant. The Directors may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.
- 36.5 An appointment of a proxy which is not delivered in a manner permitted by Articles 36.1 to 36.4 shall be treated as invalid. An appointment of proxy in electronic form found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.
- 36.6 The appointment of a proxy relating to a meeting, having once been delivered in a manner permitted by Articles 36.1 to 36.4, shall be valid in respect of any adjournment of that meeting.
- 36.7 The appointment of a proxy relating to more than one meeting (including any adjournment), having once been delivered in a manner permitted by Articles 36.1 to 36.4 for the purposes of any meeting, shall not be required to be delivered again for the purposes of any subsequent meeting to which it relates.
- 36.8 In the event that more than one appointment of a proxy relating to the same share is delivered in a manner permitted by Articles 36.1 to 36.4 for the purposes of the same meeting, the appointment last delivered or received (whether in electronic form or not) shall prevail in conferring authority on the person named in it to attend the meeting and vote.
- 36.9 The delivery of an appointment of a proxy shall not preclude a Member from attending and voting at the meeting or at any adjourned meeting.

## 37 **Directors**

- 37.1 Unless and until the Company in general meeting shall otherwise determine, the number of Directors shall be not less than two nor more than twelve.
- 37.2 A Director shall not require a share qualification. A Director shall be entitled to receive notice of and attend and speak at all general meetings of the Company and at all separate general meetings of the holders of any class of shares in the capital of the Company notwithstanding that he is not a Member.

38                   **Powers and duties of directors**

38.1               The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting, subject to the provisions of these Articles and of the Statutes and to such regulations as may be prescribed by the Company by special resolution but no regulation made by the Company by special resolution shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

38.2               The general powers conferred upon the Directors by Article 38.1 shall not be deemed to be abridged or restricted by any specific power conferred upon the Directors by any other Article.

39                   **Summoning meetings of the Directors**

39.1               A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.

39.2               Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally (including by telephone) or by word of mouth or in writing to his last known address or to any other address given by him to the Company for that purpose.

40                   **Proceedings of directors**

40.1               The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined, two Directors shall constitute a quorum. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

40.2               Any Director may participate in a meeting of the Directors or of a committee of the Directors by means of conference telephone or similar communications equipment or by electronic means, provided that all the Directors participating in the meeting can communicate simultaneously and in an interactive manner with each other. The Directors participating in this manner shall be deemed to be present in person at such meeting and shall accordingly be counted in the quorum and entitled to vote. Subject to the Statutes, all business transacted in such manner by the Directors or a committee of the Directors shall, for the purpose of these Articles, be deemed to be validly and effectively transacted at a meeting of the Directors or a committee of the Directors notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place at such place as the Directors shall at such meeting resolve or, in the absence of any such resolution, where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

40.3               Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote.

41                   **Chairman of the Directors**

The Directors may elect a Chairman and a Deputy Chairman of their meetings, and determine the period for which each is to hold office but if no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

42                   **Executive directors**

42.1               The Directors may from time to time appoint one or more of their number to an executive office, including the offices of Chairman, Deputy Chairman, managing Director, joint managing Director, assistant managing Director, Chief Executive Officer, Finance Director or manager or any other salaried office for such period and on such terms as they think fit. Without prejudice to any claim a Director may have for damages for breach of any contract of service between him and the Company, the appointment of any Director under this Article shall be subject to determination if he ceases from any cause to be a Director or (subject to the terms of any contract between him and the Company) if the Directors resolve that his term of office as an executive Director be determined.

42.2               The Directors may entrust to and confer upon a Director holding such executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, 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 but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

43                   **Delegation to committees**

43.1               The Directors may delegate any of their powers or discretions (including all powers and discretions to authorise any Conflict Situation and all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees, consisting of such one or more of their body as they think fit.

43.2               Such committees may also consist of persons who are not Directors provided that the presence of at least one Director shall be required for a quorum at any meeting of such committee and no resolution of any such committee shall be effective unless approved by a majority of the Directors present. Insofar as any such power or discretion is delegated to a committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to its exercise by such committee.

43.3               Any committee so formed shall, in the exercise of the powers and discretions so delegated and in its conduct of its meetings, conform to any regulations that may be imposed on it by the Directors and may, if and to the extent expressly permitted by such regulations, sub-delegate all or any of the powers or discretions delegated to it. Those of these Articles which deal with meetings and proceedings of Directors shall, so far as not altered by any regulations made by the Directors, apply also to the meetings and proceedings of any committee.

44                   **Alternate directors**

44.1               Any Director (other than an alternate Director) may at any time appoint another Director, or any other person approved by the Directors and willing to act, to be an alternate Director of the Company and may at any time remove any alternate Director appointed by him from office.

44.2               An alternate Director so appointed may be repaid by the Company such expenses as might properly have been paid to him if he had been a Director but shall not be entitled to receive any remuneration from the Company in respect of his services as an alternate Director except 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. An alternate Director shall not be required to hold any share qualification, nor be counted in reckoning the maximum and minimum number of Directors allowed or required by these Articles but shall otherwise be subject to the provisions of these Articles with regard to Directors.

44.3               An alternate Director shall (subject to his giving to the Company an address at which notices may be given to him) be entitled to receive notices of all meetings of the Directors and to attend and vote as a Director at any such meetings at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director.

44.4               A Director acting as an alternate for one or more other Directors:

44.4.1           shall be counted only once for the purpose of determining the presence of a quorum for the purposes of Article 40.1; and

44.4.2           shall have, in addition to his own vote, one vote for each Director for whom he acts as alternate.

44.5               An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director, provided that if any Director retires by rotation but is re-elected by the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not retired.

44.6               The appointment of an alternate Director shall automatically determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if he resigns his office by notice to the Company.

44.7               All appointments and removals of alternate Directors shall be effected in writing signed by the Director making or revoking such appointment delivered to or left or received at the office and shall take effect in accordance with the terms of the notice (subject to any approval required by Article 44.1) on receipt of such notice at the office.

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

45                   **Decisions in writing signed by all the Directors**

A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of Directors shall be as effective for all purposes as a

resolution of the Directors passed at a meeting duly convened and held. Any such resolution may consist of several documents in like form each signed by one or more of such Directors. Such a resolution need not be signed by an alternate Director if it is signed by the Director who appointed him and need not be signed by the appointing Director if signed by his alternate. Any such resolution shall be annexed or attached to the Directors' minute book.

46                    **Authorisation of Directors' conflicts of interest**

46.1                If a Conflict Situation arises, the Directors may authorise it for the purposes of section 175 of the Act by a resolution of the Directors made in accordance with these Articles.

46.2                Any authorisation made for the purposes of this Article 46 shall be effective only if:

46.2.1             any requirement as to the quorum at a meeting at which the Conflict Situation is authorised is met without counting the Director or any other Director to whom the Conflict Situation relates; and

46.2.2             the Conflict Situation was authorised without any such Director voting or would have been authorised if his or their votes had not been counted.

46.3                At the time of the authorisation, or at any time afterwards, the Directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all the circumstances, including that:

46.3.1             any information obtained by a Director concerned, other than in his capacity as a Director or employee of the Company, which is confidential in relation to a third party, need not be disclosed or used for the benefit of the Company where such disclosure or use would constitute a breach of confidence;

46.3.2             no Director concerned shall, by reason of his being a Director or his doing anything as a Director, be accountable to the Company for any remuneration or other benefit received from a third party as a result of the Conflict Situation;

46.3.3             no Director concerned shall be required or entitled to attend those parts of meetings of the Directors or meetings of a committee of the Directors at which matters to which the Conflict Situation relates are discussed; and

46.3.4             no Director concerned shall be entitled to receive any papers or other documents in relation to, or concerning, matters to which the Conflict Situation relates.

Subject to any such limitations, conditions or terms, any authorisation given by the Directors shall be deemed to be given to the fullest extent permitted by the Statutes.

46.4                Any authorisation made for the purposes of this Article may be revoked or varied at any time in the absolute discretion of the Directors.

46.5                A Director shall not be in breach of the duties he owes to the Company by virtue of sections 171 to 177 of the Act or otherwise because of anything done or omitted to be done in accordance with the provisions of this Article or the terms of any authorisation given by the Directors in accordance with this Article.

47                   **Directors may hold other offices**

47.1                Subject to the provisions of these Articles and the Statutes, and provided that he has declared to the Directors the nature and extent of any interest of his if so required by these Articles and the Statutes:

47.1.1            a Director is authorised to hold any office or place of profit under the Company in conjunction with the office of Director for such period, and on such terms as to remuneration and otherwise, as the Directors may determine;

47.1.2            a Director or any firm or body corporate in which he is interested is authorised to act in a professional capacity for the Company and he or such firm or body corporate shall be entitled to remuneration for professional services as if he were not a Director, provided that neither any Director nor any such firm or body corporate may act as the Auditors; and

47.1.3            a Director is authorised to be or become a director or other officer or servant of, or otherwise interested in, any other entity promoted by the Company or in which the Company may be in any way interested and shall not (in the absence of agreement to the contrary) be liable to account to the Company for any emoluments or other benefits received or receivable by him as director, or officer or servant of, or from his interest in, such other company.

47.2                A Director shall not require any separate authorisation by the Directors pursuant to Article 46 for matters falling within this Article 47, although the Directors may at any time impose any limitations, conditions or terms in relation to such matters which (in each case) they consider appropriate and reasonable in all the circumstances.

47.3                A Director shall not be in breach of the duties he owes to the Company by virtue of sections 171 to 177 of the Act or otherwise because of anything done or omitted to be done or any remuneration or other benefits received or receivable by him in accordance with the provisions of this Article 47.

48                   **Directors' interests in transactions or arrangements**

48.1                Subject to the provisions of these Articles and the Statutes, and provided that he has declared to the Directors the nature and extent of any interest of his if so required by these Articles and the Statutes, a Director may, notwithstanding his office, enter into or be interested in any transaction or arrangement with the Company and may have or be interested in dealings of any nature whatsoever with the Company.

48.2                No such transaction, arrangement or dealing shall be liable to be avoided, nor shall any Director so transacting, dealing or being so interested be in breach of the duties he owes to the Company or liable to account to the Company for any remuneration payable or profit arising out of any such transaction, arrangement or dealing to which he is a party or in which he is interested by reason of his being a Director or the fiduciary relationship thereby established.

49                   **Directors' declarations of interest**

49.1                A Director who is in any way, whether directly or indirectly, interested in:

49.1.1            any proposed transaction or arrangement with the Company; or

- 49.1.2 any transaction or arrangement which has been entered into by the Company shall declare the nature and extent of his interest to the other Directors in accordance with the provisions of the Statutes and this Article 49.
- 49.2 For the purposes of this Article 49:
- 49.2.1 a transaction or arrangement of the kind described in sections 197, 198, 200, 201 or 203 of the Act made with a Director or a person connected with such Director shall, if it would not otherwise be so treated (and whether or not prohibited by that section), be treated as a transaction or arrangement in which that Director is interested; and
- 49.2.2 a Director shall be deemed interested in any transaction or arrangement in which any person connected with him is interested, whether directly or indirectly.
- 49.3 With effect on and from 1 October 2008, a Director need not declare an interest:
- 49.3.1 if he is not aware of it or if he is not aware of the transaction or arrangement in question (and for these purposes a Director is treated as being aware of matters of which he ought reasonably to be aware);
- 49.3.2 if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- 49.3.3 if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- 49.3.4 if, or to the extent that, it concerns terms of his service contract that have been or are to be considered:
- 49.3.4.1 by a meeting of the Directors; or
- 49.3.4.2 by a committee of the Directors appointed for the purpose under these Articles.

## 50 **Restrictions on Directors voting and counting in the quorum**

- 50.1 Save as set out in this Article 50, a Director shall not vote on, nor be counted in the quorum in relation to, any resolution of the Directors relating to any transaction or arrangement in respect of which he is required to make a declaration of interest pursuant to Article 49, or would be so required but for Articles 49.3.3 or 49.3.4.
- 50.2 Subject to any limitations, conditions or terms attaching to any authorisation given by the directors pursuant to Article 46, the prohibition in Article 50.1 shall not apply to any resolution relating to any transaction, arrangement or matter in respect of which the interest of the Director in question arises only from one or more of the following matters:
- 50.2.1 his interest in shares or debentures or other securities in the Company;
- 50.2.2 his interest in any other company attributable to his interest in shares or debentures or other securities in the Company itself;

- 50.2.3 any proposal to give him any security, guarantee or indemnity in respect of money lent or obligations incurred by him for the benefit of the Company or any of its subsidiaries;
- 50.2.4 any proposal to give a third party any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- 50.2.5 his entitlement as a holder of shares, debentures or other securities to participate in an offer for subscription or purchase of shares or debentures or other securities in the Company or in any of its subsidiaries or his proposed participation in the underwriting or sub-underwriting of any such offer;
- 50.2.6 his interest in any present or proposed capacity in any arrangement which the Company has in place, or proposes to put in place, for the benefit of employees of, or persons that provide services to, the Company or any of its subsidiaries provided that the arrangement does not award him any privilege or benefit not generally awarded to the persons to whom such arrangement relates;
- 50.2.7 any proposal for the Company to give him an indemnity (other than an indemnity referred to in Article 50.2.3) where all other Directors are also being offered indemnities on substantially the same terms;
- 50.2.8 his interest as an insured under any insurance policy which the Company proposes to purchase or maintain for the benefit of any or all Directors or for the benefit of persons including Directors;
- 50.2.9 any proposal for the Company to fund expenditure incurred or to be incurred by him in defending proceedings referred to in section 205 of the Act or in connection with an application for relief referred to in that section or for the Company or any of its subsidiaries to take any action to enable such expenditure not to be incurred, in each case where all other Directors are also being offered substantially the same arrangements; and
- 50.2.10 his interest, direct or indirect and whether as an officer, employee, shareholder, creditor or otherwise, in any other company with which the Company proposes to enter into any transaction or arrangement (save that any such company shall not include any company in which he, so far as he is aware, holds an interest in shares representing one per cent. or more of the issued equity share capital of such company (or of any other company through which such interest is derived) or of the voting rights available to members of the relevant company).
- 50.3 For the purposes of Article 50.2 there shall be treated as the interests of the Director in question any interest of a person connected with him (other than the Company itself, if applicable). Accordingly, references in Article 50.2 to:
- 50.3.1 (i) any interest, benefit or entitlement which the Director has or may have; or (ii) any obligation incurred by the Director or for which he has assumed responsibility; or (iii) any proposal to give the Director anything or any transaction or arrangement to which he is or may be a party or in which he participates or may participate
- shall be deemed to include references to:

- 50.3.2 (i) the interests, benefits or entitlements of any such connected person; or (ii) an obligation incurred or responsibility assumed by any such connected person; or (iii) any proposal to give any such connected person something or for that person to be a party to or participate in any transaction or arrangement.
- 50.4 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company, such proposals may be divided and considered in relation to each Director separately and in such cases, each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 50.5 If any question shall arise at any meeting as to:
- 50.5.1 whether a Director is required to declare an interest pursuant to Article 49 or the Statutes, or would be so required but for Articles 49.3.3 or 49.3.4; or
- 50.5.2 whether a Director is entitled to vote or is prohibited from voting pursuant to Article 50
- 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 and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature and extent of the interest which the Director is required to declare pursuant to Article 49, or would be so required but for Articles 49.3.3 or 49.3.4, has not been fairly disclosed to the meeting.
- 50.6 Subject to the Statutes, the Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of this Article 50.

## 51 **Remuneration and expenses of Directors**

- 51.1 The remuneration of the Directors for their services in the office of director shall in the aggregate not exceed £150,000 per annum and such remuneration shall be divided amongst the Directors as they shall agree or, in default of agreement, equally. The Directors may also be paid by way of additional remuneration such further sums as the Company in general meeting may from time to time determine, and any such additional remuneration shall be divided among the Directors as they shall agree or, in default of agreement, equally.
- 51.2 The Company 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.
- 51.3 Any Director who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid, in addition to any remuneration to which he may be entitled under Article 51.1, such remuneration by way of salary, percentage of profits or otherwise, and/or may receive such other benefits, as the Directors may determine.

52                   **Directors' power to fill casual vacancy**

The Directors shall have power at any time to appoint any other person to be a Director of the Company, either to fill a vacancy or as an addition to the board of Directors, but so that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with Article 37.1. Any Director so appointed shall hold office only until the next following annual general meeting, when he shall retire but shall be eligible for election. Any Director who retires under this Article shall not be taken into account in determining the number of Directors who are to retire by rotation at the relevant annual general meeting.

53                   **Acts of Directors valid although appointment defective**

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

54                   **Directors' retirement by rotation**

54.1                At every annual general meeting after the date of adoption of these Articles there shall retire from office:

54.1.1            one third of the Directors for the time being, or if their number is not three or a multiple of three then the number nearest to one third, the Directors to so retire in each year being those who have been longest in office since their appointment or (if more recent) their last election, but as between persons who were elected or re-elected on the same day those to retire shall (unless otherwise agreed between them) be determined by lot; and

54.1.2            such additional Director or Directors as the board of Directors may require to retire in order to ensure (so far as practicable) that each Director offers himself for re-election no less often than once every three years.

54.2                A retiring Director shall be eligible for re-election.

54.3                At the annual general meeting at which any Director retires pursuant to Article 54.1 the Company may appoint a person to the vacated office, fill any vacancies in the office of Director or appoint additional Directors, provided that the maximum number fixed in accordance with Article 37.1 is not exceeded. The Company may also at any general meeting, if notice has been duly given, fill any vacancies in the office of Director, or appoint additional Directors, provided that the maximum number fixed in accordance with Article 37.1 is not exceeded.

54.4                No person, other than a Director retiring at the meeting or a person who is recommended by the Directors for election, shall be eligible for election to the office of Director at any general meeting unless, not less than seven nor more than forty two days before the day appointed for the meeting, there shall have been left at the office notice in writing, signed by a Member duly qualified to attend and vote at such meeting, of his intention to propose such person for

election, and also notice in writing signed by that person of his willingness to be elected.

- 54.5 If at any general meeting at which an election of Directors should take place the place of any retiring Director is not filled, such retiring Director shall (unless a resolution for his re-election shall have been put to the meeting and lost) continue in office until the annual general meeting in the next year, and so on from time to time until his place has been filled, unless at any such meeting it shall be determined to reduce the number of Directors in office.

55 **Removal of a Director by the Company in general meeting**

The Company may, in accordance with and subject to the provisions of the Statutes, by ordinary resolution, of which special notice has been given in accordance with the Statutes, remove any Director (including a managing or other executive Director) before the expiration of his period of office (notwithstanding anything in these Articles or in any agreement between the Company and such Director but without prejudice to any claim for damages in respect of the breach of any such agreement), and may by ordinary resolution appoint another person in his place.

56 **Disqualification of directors**

The office of a Director shall be vacated if the Director:

- 56.1 is declared bankrupt or insolvent or compounds with his creditors generally or applies for an interim order under the Insolvency Act 1986 or makes a proposal for the adoption of a voluntary arrangement under the Insolvency Act 1986;
- 56.2 is, or may be, suffering from mental disorder and either:
- 56.2.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984 or lacks capacity in accordance with the Mental Capacity Act 2005 section 2; or
- 56.2.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
- 56.3 becomes prohibited from being a Director by reason of any order made under the Company Directors Disqualification Act 1986;
- 56.4 is convicted of an indictable offence (not being an offence which, in the opinion of the Directors, does not affect his character or position as a Director of the Company);
- 56.5 is absent from meetings of the Directors for a period of six months (without leave having been given by a resolution of the Directors) and the Directors resolve that his office be vacated;
- 56.6 resigns his office by notice in writing left or received at the office or he in writing offers to resign and the Directors accept such resignation;

56.7 is removed from office under section 168 of the Act or as provided in Article 55;  
or

56.8 is requested in writing by all of the other Directors to resign his office

but any act done in good faith by a Director whose office is so vacated shall be valid unless, prior to the doing of such act, written notice shall have been given to the Company or an entry shall have been made in the Directors' minute book stating that such Director has ceased to be a Director of the Company.

## 57 **Directors may act notwithstanding vacancy**

The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as the number of Directors is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.

## 58 **Secretary**

58.1 The Directors shall appoint, and may remove at their discretion, a Secretary, or two persons to act jointly as Secretary and shall fix his or their remuneration and terms and conditions of employment.

58.2 Anything required or authorised to be done by the Secretary by the Statutes or these Articles may if there are joint Secretaries in office be done by either of them.

58.3 A provision of the Statutes or these Articles requiring or authorising a thing to be done by a Director and the Secretary shall not be satisfied by its being done by the same person acting both as Director and as, or in place of, the Secretary.

## 59 **Attorneys**

The Directors may from time to time by power of attorney executed under the seal or otherwise by the Company as its deed appoint any company, firm or person or body of persons 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 powers of attorney may contain such provisions for the protection of persons dealing with any such attorney as the Directors may decide and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

## 60 **Authentication of documents**

60.1 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 of them or extracts from them as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the office, the manager or other officer of the Company having

the custody of them shall be deemed to be a person appointed by the Directors under this Article.

- 60.2 A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with Article 60.1 shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors.

## 61 **Minutes**

The Directors shall cause minutes to be made in the Company books provided for the purpose:

- 61.1 of all appointments of officers made by the Directors;
- 61.2 of the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and
- 61.3 of all resolutions and proceedings at all meetings of the Company and the holders of any class of shares in the Company and of the Directors and of committees of the Directors,

and any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or at the meeting at which they are read, shall be sufficient evidence of the proceedings at the meeting without any further proof of the facts stated therein.

## 62 **Company seals**

- 62.1 The Company may exercise the powers conferred by the Statutes with regard to having a common seal, official seal for use outside the United Kingdom, or official seal for securities and such powers shall be vested in the Directors. The Directors shall provide for the safe custody of the seals from time to time.
- 62.2 The common seal shall not be affixed to any instrument except by the express authority of a resolution of the Directors or of a committee of the Directors. Every instrument to which the common seal is so affixed (subject to the provisions of Article 11) shall be signed by two Directors, or one Director and the Secretary, or by such other person or persons as the Directors may appoint for the purpose.
- 62.3 Subject always to Article 11, certificates for shares of the Company and (subject to the terms or conditions of their issue) debentures or other forms of security may at the discretion of the Directors be issued without any signature or counter-signature.

## 63 **Pensions and benefits**

- 63.1 Without prejudice to the generality of Article 38, the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been employed by or in the service of the Company (including Directors who have held any executive office under the Company) and to the wives, husbands, civil partners, widows, widowers, children and other relatives and dependants of any such persons and may set up, establish,

join with other companies (being subsidiaries of the Company or companies with which it is associated in business), support and maintain pension, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of such persons or any of them or any class of them.

63.2 Any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit. Any such pension or the participation in any such funds or schemes may, as the Directors consider desirable, be granted to an employee either (i) before, and in anticipation of, or (ii) upon, or at any time after, his actual retirement.

#### 64 **Provision for employees on cessation or transfer of business**

64.1 The Directors may, subject to Article 64.2, exercise the power 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.

64.2 Any exercise by the Directors of the power to make provision of the kind referred to in Article 64.1 (including, without prejudice to the provisions of Article 51, remuneration) for the benefit of directors, former directors or shadow directors employed or formerly employed by the Company or any of its subsidiaries must be approved by an ordinary resolution of the Company before any payment to or for the benefit of such persons is made.

#### 65 **Subsidiaries**

The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on as or through one or more subsidiaries, and they may, on behalf of the Company, make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing, assisting or subsidising any such subsidiary or guaranteeing its contracts, obligations or liabilities, and they may appoint, remove and re-appoint any persons (whether Directors or not) to act as directors, managing directors or managers of any such subsidiary or any other company in which the Company may be interested and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any persons so appointed, and any Directors may retain any remuneration so payable to them.

#### 66 **Local and other directors**

The Directors may, from time to time, pursuant to this Article appoint any other persons to any post with such descriptive title including that of director (whether as local, associate, executive, group, divisional, departmental, deputy, assistant, advisory director or otherwise) as the Directors may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties, and subject to any contract between him and the Company may remove from such post any person so appointed. A person so appointed shall not be a Director of the Company for any of the purposes of these Articles or of the Statutes.

67 **Overseas branch register**

The Company may exercise the powers conferred upon it by the Statutes with regard to the keeping of an overseas branch register, and the Directors may (subject to the provisions of the Statutes) make and vary such provisions as they may think fit respecting the keeping of any such register.

68 **Borrowing powers**

68.1 Subject to the provisions of this Article, the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge all or any part of its undertaking, property and uncalled capital and to issue debentures and other securities whether outright or as security (principal or collateral) for any debt, liability or obligation of the Company or any third party.

68.2 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 undertakings (if any) so as to secure (as regards subsidiary undertakings so far as by such exercise it can secure) that the aggregate amount owing by members of the Group in respect of moneys borrowed by them or any of them (exclusive of moneys owing by one member of the Group to another) shall not at any time without the previous sanction of the Company by ordinary resolution exceed an amount equal to 2.5 times the aggregate of:

68.2.1 the nominal amount paid up on the issued share capital of the Company (including any shares held as treasury shares); and

68.2.2 the amounts standing to the credit of the capital and revenue reserves (including any share premium account, capital redemption reserve, revaluation reserve or merger reserve) of members of the Group, plus or minus any balance standing to the credit or debit on profit and loss account whether distributable or undistributable

all as shown in the then latest audited consolidated balance sheet of the Group, but after:

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

68.2.4 deducting an amount equal to any distribution by the Company or any other member of the Group (other than to another member of the Group) out of profits (whether of a capital or revenue nature) accrued prior to the date of such balance sheet which have been made, declared, or recommended since such date and were not provided for in the balance sheet;

- 68.2.5 deducting amounts attributable to goodwill or other intangible items but adding back a sum equal to the goodwill and intangible items arising pursuant to acquisitions of companies and businesses remaining within the Company and/or its subsidiary undertakings including any which has been written off in accordance with International Financial Reporting Standards; and
- 68.2.6 making such other adjustments (if any) as the Auditors may consider appropriate or necessary.
- 68.3 For the purposes of this Article, the expression “moneys borrowed” includes the following, except in so far as otherwise taken into account:
- 68.3.1 the principal amount (together with any fixed or minimum premium payable on final repayment) owing by any member of the Group under any debenture, debenture stock, bond or other security whether constituting a charge over the assets of such company or not, and whether issued for cash or otherwise;
- 68.3.2 the principal amount owing by any member of the Group under any acceptance credit opened on its behalf by any bank, acceptance house or finance company other than acceptances relating to the purchase or sale of goods in the usual course of trading;
- 68.3.3 the principal amount owing by any member of the Group in respect of any loan or advance from, or overdraft facility with, any bank, acceptance house or finance company;
- 68.3.4 the principal amount owing by any member of the Group under or in respect of any hire purchase agreement, finance lease (as defined in Statement of Standard Accounting Practice 21), conditional sale agreement, credit sale agreement or other agreement of a similar nature;
- 68.3.5 any deferred payment facilities from suppliers (which shall mean inter alia all trade credit in excess of ninety days granted to or taken by any member of the Group);
- 68.3.6 the nominal amount of any issued share capital and the principal amount of any borrowings (together, in each case, with any fixed or minimum premium payable on final repayment) the repayment of which is guaranteed or secured or is the subject of an indemnity given by any member of the Group and the beneficial interest in which is not owned by another member of the Group;
- 68.3.7 the nominal amount (including any fixed or minimum premium payable on final repayment) of any issued share capital, other than equity share capital, of any member of the Group the beneficial interest in which is not owned by another member of the Group
- but shall not include:
- 68.3.8 borrowings which are made for the express purpose of repaying the whole or any part of moneys borrowed falling to be taken into account for the purpose of this Article (including any fixed or minimum premium payable on final repayment) and which are to be applied for that purpose within one month of being first borrowed (in which event they shall thereafter be treated as moneys borrowed falling to be taken into account for the purpose of this Article);

- 68.3.9 a proportion of the borrowings of any partly owned subsidiary undertaking (but only to the extent that an amount equivalent to such proportion exceeds the amount of any borrowings from such partly owned subsidiary undertaking by the Company or another member of the Group) such proportion being the proportion of the issued equity share capital of such partly owned subsidiary undertaking the beneficial interest in which is not owned directly or indirectly by a member of the Group;
- 68.3.10 borrowings by a member of the Group for the purpose of financing any contract for the sale of goods to the extent that the purchase price receivable under such contract is guaranteed or insured by the Export Credits Guarantee Department of the Department for Business, Innovation and Skills or any other company, firm or institution carrying on similar business;
- 68.3.11 any amounts which, but for the provisions of this Article 68, would be taken into account as moneys borrowed by any undertaking which became a member of the Group after the date of its most recent audited consolidated balance sheet, to the extent that such amounts do not exceed its borrowings outstanding on the date on which it became a subsidiary undertaking, but only until six months after such date;
- 68.3.12 any client money held by any member of the Group in trust for clients under any applicable law or regulation;
- 68.3.13 borrowings to the extent they are cash-collateralised or that cash or cash equivalents are set aside or deposited (including cash amounts held in escrow) for the purpose of securing, covering or repaying such borrowings;
- and so that:
- 68.3.14 moneys borrowed and outstanding in a currency other than sterling shall be converted into sterling at the London spot buying rate for such currency as quoted at about 11 a.m. on the day in question by Royal Bank of Scotland plc; and
- 68.3.15 any company which it is proposed shall become or cease to be a subsidiary undertaking contemporaneously with any relevant transaction shall be treated as if it had already become or ceased to be a subsidiary undertaking.
- 68.4 A certificate by the Auditors as to the aggregate amount of moneys borrowed which may at any one time in accordance with Article 68.2 be owing by members of the Group without such sanction as is provided for in that Article, or as to the actual amount of moneys borrowed at any time, shall be conclusive and shall be binding upon the Company, its Members and all persons dealing with the Company.
- 68.5 No liability or security given in respect of moneys borrowed in excess of the limit imposed by Article 68.2 shall be invalid or ineffectual except in the case of express notice at the time when the liability was incurred or security given that the limit had been or was thereby exceeded.

69 **Bonds, debentures, etc. to be subject to control of Directors**

Subject to the provisions of the Statutes, any debentures or other securities issued or to be issued by the Company shall be under the control of the Directors, who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

70                   **Dividends**

- 70.1               Subject to the Statutes and the rights of the holders of any shares entitled to any priority, preference or special privileges, and to the terms of issue of any shares:
- 70.1.1           all dividends shall be declared and paid to the Members in proportion to the amounts paid up (as to nominal value) on the shares held by them respectively. No amount paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share;
- 70.1.2           all dividends shall be apportioned and paid proportionately to the amounts paid up (as to nominal value) on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend from a particular date, or *pari passu* as regards dividends with a share already issued, it shall rank accordingly.
- 70.2               In respect of each dividend to be paid by the Company the Directors may determine a record date, and the dividend shall be payable to those persons registered as Members at the close of business on the record date in respect of that dividend, and the amount payable to each Member shall be determined by reference to the number of shares (or, where appropriate, the number of shares of the relevant class) registered in his name at that time.
- 70.3               The Directors shall lay before the Company in general meeting a recommendation as to the amount (if any) which they consider should be paid by way of dividend, and the Company in general meeting may declare the dividend to be paid, but such dividend shall not exceed the amount recommended by the Directors.
- 70.4               No dividend or interim dividend shall be paid otherwise than out of profits available for distribution in accordance with the provisions of the Statutes.
- 70.5               No dividend, interim dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

71                   **Interim dividends**

- 71.1               The Directors may from time to time pay to the Members, or any class of Members, such interim dividends as appear to the Directors to be justified by the profits of the Company.
- 71.2               If at any time the capital of the Company is divided into different classes of shares, the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer on their holders deferred or non-preferred rights as well as in respect of those shares which confer on their holders preferential or special rights with regard to dividends, and provided that the Directors act *bona fide* they shall not incur any responsibility to the holders of any shares for any damage that they may suffer by reason of the payment of an interim dividend on any shares.
- 71.3               The Directors may also pay half yearly or at other suitable intervals to be determined by them any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment.

72 **Right to retain dividend in certain cases**

72.1 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.

72.2 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 contained in these Articles, 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.

73 **Method of payment of dividends**

73.1 Any dividend or other money payable in respect of a share may be paid by cheque or warrant or similar financial instrument sent by ordinary post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register or to such person and to such address as the person or persons entitled may in writing direct. Every cheque or warrant or similar financial instrument shall be made payable to, or to the order of, the person or persons entitled or to such other person as the person or persons entitled may in writing direct.

73.2 Any such dividend or other money may be paid by any other method (including by direct debit, bank transfer or otherwise electronically) which the Directors consider appropriate (including in respect of uncertificated shares, where the Directors are authorised to do so by or on behalf of the holder or joint holders in such manner as the Directors shall from time to time consider sufficient, by means of the relevant system concerned and subject always to the facilities and requirements of that relevant system).

73.3 Payment by direct debit, bank transfer or otherwise electronically pursuant to Article 73.2 shall be made to the bank or other account of the person otherwise entitled to receive payment by cheque or warrant or similar financial instrument pursuant to this Article 73 details of which account have been provided to the Company in writing by the person entitled to receive the same, save in respect of payments through a relevant system which shall be made in such manner as is consistent with the facilities and requirements of the relevant system, including by the sending of an instruction to the operator of the relevant system to credit the cash memorandum account of the person entitled to receive payment or to such other person as the person or persons entitled may in writing direct.

73.4 The Company may cease to send any cheque or warrant or similar financial instrument (or to use any other method of payment) for any dividend payable in respect of a share if, in respect of at least two consecutive dividends payable on that share, the cheque or warrant or similar financial instrument has been returned undelivered or remains uncashed (or that other method of payment has failed), or after only one occasion if reasonable enquiries by the Company have failed to establish any new address of the registered holder, but, subject to the provisions of these Articles, shall recommence sending cheques or warrants or similar financial instruments (or using another method of payment) for dividends payable on that share if the person or persons entitled so request.

73.5 Payment by such cheque or warrant or similar financial instrument or the collection of funds from, or transfer of funds by, any bank or other person so authorised on behalf of the Company in accordance with such direct debit or bank transfer or by electronic means (including the making of a payment in accordance with the facilities and requirements of a relevant system) shall be an absolute discharge to the Company.

73.6 Any one of the joint holders or other persons jointly entitled to a share as aforesaid may give valid receipts for any dividend or other money payable in respect of the share.

73.7 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 of it and any dividend unclaimed after a period of 12 years from the date of declaration of such dividend, or from the date such dividend becomes due for payment, shall be forfeited and shall revert to the Company.

#### 74 **Distribution of assets in kind**

A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of specific assets (and, in particular, of paid up shares or debentures of any other company) and, where any difficulty arises in regard to the distribution, the Directors may (i) settle the same as they think fit and fix the value for distribution of any assets, (ii) determine that cash shall be paid to any Member upon the basis of the value so fixed in order to adjust the rights of Members and (iii) may vest any assets in trustees.

#### 75 **Reserve fund**

Before recommending a dividend the Directors may set aside any part of the net profits of the Company to a reserve fund, and may apply the same either by employing it in the business of the Company or by investing it in such manner as they think fit, and the income arising from such reserve fund shall be treated as part of the gross profits of the Company. Such reserve fund may, subject to the Statutes, be applied for the purpose of maintaining the property of the Company, replacing wasting assets, meeting contingencies, forming an insurance fund, equalising dividends, paying special dividends or bonuses, or for any other purpose for which the profits of the Company may lawfully be used, and until the same shall be so applied it shall be deemed to remain undistributed profit. The Directors may also carry forward to the accounts of the succeeding year or years any profit or balance of profits which they shall not think fit to distribute or to place to reserve.

#### 76 **Capitalisation of reserves**

76.1 Subject to the provisions of the Statutes, the Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve funds or reserve accounts (including any undistributable reserves) or to the credit of the profit and loss account (not being required for the payment of or provision for any fixed preferential dividend) and accordingly that such sum be applied:

- 76.1.1 on behalf of the Members who would have been entitled to it if distributed by way of dividend and in the same proportion either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full shares or debentures of the Company to be allotted and issued credited as fully paid up to and among such Members in the proportion aforesaid or partly in the one way and partly in the other; or
- 76.1.2 otherwise as directed by such resolution
- and in each case the Directors shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of shares to be allotted to Members as fully paid shares.
- 76.2 The following provisions of this Article (which are without prejudice to the generality of the provisions of Article 76.1) apply:
- 76.2.1 where a person is granted pursuant to an employees' share scheme a right to subscribe for shares in the Company in cash at a subscription price less than their nominal value; or
- 76.2.2 where, pursuant to an employees' share scheme, the terms on which any person is entitled to subscribe in cash for shares in the Company are adjusted as a result of a capitalisation issue, rights issue or other variation of capital so that the subscription price is less than their nominal value.
- 76.3 In any such case the Directors:
- 76.3.1 may transfer to a reserve account a sum equal to the deficiency between the subscription price and the nominal value of the shares (the "cash deficiency") from the profits or reserves of the Company which are available for distribution and not required for the payment of any preferential dividend; and
- 76.3.2 (subject to Article 76.5) if such transfer is made, shall not apply that reserve account for any purpose other than paying up the cash deficiency upon the allotment of those shares.
- 76.4 Whenever the Company is required to allot shares pursuant to such a right to subscribe, the Directors may (subject to the Statutes) appropriate to capital out of the reserve account an amount equal to the cash deficiency applicable to those shares, apply that amount in paying up the deficiency on the nominal value of those shares and allot those shares credited as fully paid to the person entitled to them.
- 76.5 If any person ceases to be entitled to subscribe for shares as described above, the restrictions on the reserve account shall cease to apply in relation to such part of the account as is equal to the amount of the cash deficiency applicable to those shares.
- 76.6 No right shall be granted under any employees' share scheme under Article 76.2.1 and no adjustment shall be made as mentioned in Article 76.2.2 unless there are sufficient profits or reserves of the Company available for distribution and not required for the payment of any preferential dividend to permit the transfer to a reserve account in accordance with Articles 76.1 to 76.6 of an amount sufficient to pay up the cash deficiency applicable to the shares concerned.

76.7 Following the passing of a resolution as referred to in Article 76.1, 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 the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or the benefit of fractional entitlements 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 such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

77 **Capitalisation of reserves in relation to option adjustment**

Notwithstanding any other provisions contained in these Articles, if an adjustment is made to the option price payable by an option holder under any employees' share scheme operated by the Company which results in the adjusted price per share payable on the exercise of any option in respect of any share being less than the nominal value of such share ("the adjusted price"), the Directors may upon the allotment of any share in respect of and following the exercise of the relevant option ("the New Share") capitalise any sum standing to the credit of any of the Company's reserve accounts which is available for distribution (excluding any share premium account, capital redemption reserve or other undistributable reserve) by appropriating such sum to the option holders concerned and applying such sum on their behalf in paying up in full an amount equal to the difference between the adjusted price and the nominal value of the New Share. The Directors may take such steps as they consider necessary to ensure that the Company has sufficient reserves available for such application. No further authority of the Company in general meeting shall be required.

78 **Script dividends**

78.1 Subject to approval by the Company in a general meeting and subject to these Articles, the Directors may at their discretion resolve (at the same time as they resolve to recommend or to pay any dividend on any shares in the capital of the Company) that the Members will have the option to elect to receive in lieu of any dividend on any shares in the capital of the Company (or part of it) an allotment of additional ordinary shares in the capital of the Company credited as fully paid provided that the approval by the Company in a general meeting may not be given for a period in excess of five years.

78.2 A Member may exercise such option to elect in respect of one dividend only or (if the Directors resolve that Members should be so permitted) in respect of all future dividends (a "continuing election"). Subject to Article 78.4, any such continuing election shall cease to have effect upon being revoked by notice in writing delivered by the Member to, or received at, the office or such other place as the Company may direct from time to time.

78.3 The number of ordinary shares in the capital of the Company to be allotted in lieu of any amount of dividend shall be determined by the Directors so that the value of such shares shall equal (as nearly as possible without exceeding) such amount and for this purpose the value of an ordinary share shall be deemed to be the average of the middle market quotations of such shares as shown in the Daily Official List of the London Stock Exchange (adjusted as below) on the ex-dividend date and on the next four business days and each such middle market

quotation as is not “ex-dividend” shall be adjusted by deducting therefrom the cash amount of such dividend per share.

78.4 The Directors, after determining the maximum number of ordinary shares in the capital of the Company to be allotted, shall give notice to the Members of the option to elect accorded to them and shall send with such notice forms of election which specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective. If appropriate such notice will also refer to the fact that any continuing elections remain in effect and specify the place at which and the latest date and time by which notices of revocation must be lodged if the continuing election is not to apply in respect of the dividend in question.

78.5 The Directors shall allot to the holders of those shares in respect of which the share election has been or is duly exercised in lieu of the dividend (or that part of the dividend in respect of which the right of election has been accorded) such number of additional ordinary shares in the capital of the Company determined in accordance with this Article 78 and for such purpose the Directors shall appropriate and capitalise out of any reserve or fund (including any share premium account or capital redemption reserve or profit and loss account) as they shall determine an amount equal to the aggregate nominal amount of the additional ordinary shares to be so allotted and apply the same in paying up in full the appropriate number of ordinary shares for allotment and distribution to and amongst those Members who have given notices of election, such additional ordinary shares to rank *pari passu* in all respects with the fully paid ordinary shares in the capital of the Company then in issue save only as regards participation in the relevant dividend.

78.6 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 the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or the benefit of fractional entitlements 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 such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

78.7 The Directors may on any occasion determine that rights of election shall not be made available to any Members with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of rights of election would or might be unlawful and in such event the provisions aforesaid shall be construed subject to such determination.

## 79 **Inspection of accounting records**

The Directors may from time to time determine whether and to what extent and at what times and places, and on what conditions, the accounting records of the Company, or any of them, shall be open to the inspection of the Members (not being Directors), and the Members shall have only such rights of inspection as are given to them by the Statutes or by such determination of the Directors.

- 80                   **Communication of documents and information**
- 80.1               The company communications provisions (as defined in the Act) shall also apply to any document or information not otherwise authorised or required to be sent or supplied by or to a company under the Companies Acts (as defined in the Act) but to be sent or supplied by or to the Company pursuant to these Articles.
- 80.2               The provisions of section 1168 of the Act (hard copy and electronic form and related expressions) shall apply to the Company as if the words “and the Articles” were inserted after the words “the Companies Acts” in sections 1168(1) and 1168(7).
- 80.3               The Company may, subject to the provisions of the Act, send or supply documents or information to Members by making those documents or that information available on a website.
- 80.4               Section 1147 of the 2006 Act shall apply to any document or information to be sent or supplied by the Company to its Members under the Companies Acts or pursuant to these Articles as if:
- 80.4.1             section 1147(2) were deleted and replaced with the following:
- “Where the document or information is sent by post (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the intended recipient (a) where first class post was used, 24 hours after it was posted; or (b) where first class post was not used, 48 hours after it was posted.”;
- 80.4.2             in section 1147(3) the words “48 hours after it was sent” were deleted and replaced with the words “when sent, notwithstanding that the Company may be aware of the failure in delivery of such document or information. Without prejudice to such deemed receipt, if the Company is aware of the failure in delivery of a document or information sent by electronic means and has sought to send or supply the document or information by such means at least three times, it shall send the notice in writing by post within 48 hours of the original attempt.”;
- 80.4.3             a new section 1147(4)(A) were inserted as follows:
- “Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered.”;
- 80.4.4             section 1147(5) were deleted.
- 80.5               Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was properly addressed as required by section 1147(3) of the Act and that the document or information was sent or supplied.
- 80.6               A document or other information in electronic form found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.

80.7 A document or other information may be communicated by the Company to the person entitled to a share in consequence of the death or bankruptcy of a Member by communicating it to the representative or representatives of the deceased, or trustee of the bankrupt (either under the Member's name or under the title of the representative or representatives of the deceased or the trustee of the bankrupt or like description) either:

80.7.1 to the address or address or location (including any number) for communication in electronic form (if any) agreed by the Company with the person claiming to be so entitled for the purpose of such communication; or

80.7.2 (until such an address or location (including any number) has been so agreed) by delivering the document or information in any manner in which the same might have been given if the death or bankruptcy had not occurred.

## 81 **Members with non-UK addresses**

81.1 No Member shall be entitled to have a document or information delivered to him in hard copy or in electronic form at any address not within the United Kingdom. Any Member whose registered address is not within the United Kingdom may, by notice in writing, supply to the Company a postal address within the United Kingdom for the sending or supplying of any document or information by post including, where applicable, any notification that a document or information is available on a website. Any such postal address shall, for the purpose of the sending or supplying of any document or information, be deemed to be the Member's registered address.

81.2 A Member who has no registered address within the United Kingdom and has not given notice pursuant to Article 81.1 shall not be entitled to receive any document or information from the Company, unless (i) the directors have resolved to communicate with him by alternative means of communication and (ii) the Member has agreed with the Company to accept communication by such alternative means of communication.

## 82 **Failure to notify contact details**

82.1 If the Company sends two consecutive documents or pieces of information to a Member over a period of not less than 12 months and:

82.1.1 each of them is returned undelivered; or

82.1.2 the Company receives notification that neither of them has been delivered; that Member ceases to be entitled to receive documents or information from the Company.

82.2 A Member who has ceased to be entitled to receive documents or information from the Company shall become entitled to receive documents or information again by sending the Company:

82.2.1 a new address to be recorded in the register; or

82.2.2 if the Member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

83                   **Failure in communication**

The Company shall not be responsible for any failure in communication beyond its control. Any accidental failure to send any document or information to any person entitled to it under these Articles, or the non-receipt by any such person of such document or information, shall be disregarded.

84                   **Communications by a relevant system**

84.1               Subject to the Statutes and to the provisions of these Articles, the Company may also communicate a document or information to a Member by a relevant system, provided that the Member has agreed with the Company to accept communication by a relevant system either in relation to the particular communication concerned or in relation to communications generally or in relation to the particular class of communications which includes the particular communication concerned.

84.2               If a document or information is sent by a relevant system, it shall be treated as being delivered when the Company (or a sponsoring system-participant acting on its behalf) sends the issuer-instruction relating to the document or information.

84.3               In proving delivery of a document or information by a relevant system, it shall be sufficient to show that it was properly addressed and put into the relevant system with any fee or charge payable for communication paid or otherwise accounted for.

85                   **Destruction of documents**

85.1               Subject to compliance with the rules (as defined in the Regulations) applicable to shares in uncertificated form the Company shall be entitled to destroy the following documents at the following times:

85.1.1           registered instruments of transfer or dematerialised instructions transferring shares and any other documents which were the basis for making an entry on the register: at any time after the expiration of six years from the date of their registration;

85.1.2           allotment letters: at any time after the expiration of six years from the date of their issue;

85.1.3           dividend mandates, powers of attorney, grants of probate and letters of administration: at any time after the account to which the relevant mandate, power of attorney, grant of probate or letters of administration related has been closed;

85.1.4           proxy forms (whether lodged in electronic form or otherwise): where no poll is held, at any time after the expiration of one month after the date of the meeting to which the proxy relates; where a poll is held, at any time after the expiration of one year after the date of the meeting to which the proxy relates.

85.1.5           notifications of change of address: at any time after the expiration of two years from the date on which the change is recorded by the Company; and

85.1.6           cancelled share certificates: at any time after the expiration of one year from the date the cancellation is made by the Company.

- 85.2 Any document referred to above may, subject to the Statutes, be destroyed before the end of the relevant period so long as a copy of such document (whether made electronically, by microfilm, by digital imaging or by any other means) has been made and is retained until the end of the relevant period.
- 85.3 It shall conclusively be presumed in favour of the Company:
- 85.3.1 that every entry in the register purporting to be made on the basis of any such documents so destroyed was duly and properly made;
- 85.3.2 that every such document so destroyed was valid and effective and had been duly and properly registered, cancelled, or recorded, as the case may be, in the books or records of the Company.
- 85.4 The provisions of Articles 85.1 and 85.3 shall apply to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant.
- 85.5 Nothing in this Article 85 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 85.
- 85.6 References in this Article 85 to the destruction of any document include the disposal of it in any manner.

## 86 **Indemnities, insurance and funding of defence proceedings**

- 86.1 This Article 86 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly. This Article 86 is also without prejudice to any indemnity to which any person may otherwise be entitled.
- 86.2 The Company:
- 86.2.1 may indemnify every person who is a Director, Secretary or other officer of the Company; and
- 86.2.2 may indemnify any person who is a Director, Secretary or other officer of any associated company of the Company
- in each case out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company or any associated company of the Company.
- 86.3 The Company may indemnify any person who is a director or Secretary of a company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) out of the assets of the Company from and against any loss, liability or expense incurred by him or them in connection with such company's activities as trustee of the scheme.
- 86.4 The Directors may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer of the Company or of any associated company of the Company,

Secretary or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company or of any associated company of the Company.

86.5 The Directors may, subject to the provisions of the Statutes, exercise the powers conferred on them by sections 205 and 206 of the Act to:

86.5.1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in section 205; or

86.5.2 take any action to enable such expenditure not to be incurred.

86.6 In this Article 86, “associated company” has the meaning given to it in section 256 of the Act.

## 87 **Winding up**

If the Company is wound up, the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall be applied, first, in repaying to the Members the amounts paid up (as to nominal value) on the shares held by them respectively, and the balance (if any) shall be distributed among the Members in proportion to the number of shares held by them respectively. Provided always that the provisions of this Article shall be subject to the rights of the holders of shares (if any) issued upon special conditions.

## 88 **Limited liability**

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