

Company No. 1954085

THE COMPANIES ACT 2006

---

PUBLIC COMPANY LIMITED BY SHARES

---

NEW ARTICLES OF ASSOCIATION

OF

ARBUTHNOT BANKING GROUP PLC

Incorporated the 4th day of November, 1985

New Articles of Association to be adopted by special resolution on 11 May 2011

1.	Exclusion of Regulations .....	1
2.	Definitions.....	1
3.	Construction.....	5
4.	Liability of Members .....	6
5.	Rights Attaching to Shares.....	6
6.	Fractions.....	6
7.	Redeemable Shares .....	7
8.	Commissions on issue of shares .....	7
9.	Renunciation of allotment.....	7
10.	Trust etc. interests not recognised.....	7
11.	Uncertificated Shares .....	8
12.	Calls .....	9
13.	Time of Calls.....	9
14.	Liability of Joint Holders .....	9
15.	Interest Due on Non-Payment.....	9
16.	Sums Due on Allotment Treated as Calls.....	9
17.	Power to Differentiate.....	10
18.	Payment of Calls in Advance.....	10
19.	Notice if Call not Paid.....	10
20.	Contents of Notice .....	10
21.	Forfeiture for Non-Compliance and Surrender.....	11
22.	Notice after Forfeiture.....	11
23.	Disposal of Forfeited Shares .....	11
24.	Arrears to be Paid Notwithstanding Forfeiture.....	12
25.	Company's Lien on Shares Not Fully Paid .....	12
26.	Enforcement of Lien by Sale .....	12
27.	Application of Proceeds of Sale.....	13
28.	Statutory Declaration as Conclusive Evidence of Forfeiture, Surrender or Sale.....	13
29.	Variation .....	13
30.	Requirements for Meeting to Vary Rights.....	14
31.	No Variation by Creation or Issue of Ranking Shares.....	14
32.	Issue of Share Certificates .....	15
33.	Transfer .....	16
34.	Execution of Transfer .....	17
35.	Rights to Decline Registration of Partly Paid Shares .....	17
36.	Other Rights to Decline Registration.....	17
37.	No Fee for Registration.....	18
38.	Notice of Refusal to Register.....	18
39.	Transmission of Shares On Death.....	18

40.	Election by Person Entitled by Transmission .....	19
41.	Right on Transmission .....	20
42.	Power of Sale .....	20
43.	Execution of Transfer and Application of Proceeds of Sale.....	21
44.	Withholding Further Cheques, Warrants or Orders.....	22
45.	Annual General Meeting.....	22
46.	General Meeting.....	22
47.	Convening of General Meetings .....	22
48.	Length of Notice .....	23
49.	Short Notice .....	23
50.	Form of Notice.....	23
51.	Accidental Omission to Send or Non-Receipt of Notice .....	24
52.	Persons Entitled to Receive Notice and with Right to Attend and Vote .....	24
53.	Postponement of General Meetings .....	25
54.	Ordinary Business of Annual General Meeting.....	25
55.	Special Business.....	25
56.	Quorum .....	26
57.	Procedure if Quorum not present.....	26
58.	Right to Attend and Speak .....	26
59.	Chairman of a General Meeting.....	27
60.	Attendance and Participation at Different Places and by Electronic Means .....	27
61.	Power to Adjourn.....	28
62.	Proposed Amendments to Resolution .....	29
63.	Method of Voting.....	29
64.	Casting Vote.....	30
65.	Procedure for Poll .....	30
66.	Votes .....	31
67.	Joint Holders .....	32
68.	Authorised Representatives .....	32
69.	Restriction on Voting Rights where Sums Overdue on Shares .....	32
70.	Failure to Disclose Interest in Shares.....	33
71.	Objections or Error in Voting .....	35
72.	Appointment of a Proxy.....	36
73.	Corporate Representative.....	41
74.	Number of Directors .....	41
75.	Power of the Board to Appoint Directors .....	41
76.	Vacation of office .....	41
77.	Removal of Director .....	42
78.	Rotation and retirement of Directors .....	43
79.	Which Director to retire .....	43
80.	Meeting to fill up vacancies.....	43

81.	Retiring Directors may be Re-elected.....	43
82.	Appointment of Directors to be voted upon individually .....	44
83.	Right to Attend and Speak at General Meetings.....	44
84.	Other Directorships.....	44
85.	Remuneration and Expenses .....	44
86.	Committees .....	45
87.	Notice of Directors meetings .....	45
88.	Alternate Directors.....	46
89.	General Powers of Company Vested in Board and Validity of Proceedings .....	47
90.	Powers to award Pensions.....	48
91.	Directors' Interests.....	48
92.	Exercise of voting powers.....	53
93.	Directors may join Boards of other companies.....	54
94.	Board Meetings.....	54
95.	Quorum .....	54
96.	Chairman of a Meeting of the Directors .....	55
97.	Casting Vote.....	55
98.	Number of Directors below minimum.....	55
99.	Written Resolutions of Directors .....	55
100.	Appointment .....	56
101.	Termination of Appointment .....	56
102.	Remuneration.....	56
103.	Delegation of Powers.....	57
104.	Secretary .....	57
105.	President.....	57
106.	Local Management.....	57
107.	Local Board.....	57
108.	Powers of Attorney .....	58
109.	Sub-delegation .....	58
110.	Borrowing Powers of the Board .....	58
111.	The Seal .....	62
112.	Reserve.....	62
113.	Power to Choose Record Date .....	63
114.	Declaration of Dividends .....	64
115.	Interim & Fixed Dividends .....	64
116.	Restriction on Payment .....	64
117.	Entitlement to Dividends .....	64
118.	Deductions and Waivers .....	65
119.	Method of Payment.....	65
120.	No Interest on Dividends .....	66
121.	Unclaimed Dividends.....	66

122.	Retention of Dividends .....	67
123.	Capitalisation of Profits and Reserves .....	67
124.	Accounting Records to be Kept .....	69
125.	Inspection of Records .....	69
126.	Summary Financial Statements.....	69
127.	Service of Notices .....	69
128.	Record Date for Service.....	72
129.	Members Resident Abroad or on branch registers.....	72
130.	Service of Notice on Person Entitled by Transmission .....	73
131.	When Notice Deemed Served.....	74
132.	Notice When Post is Not Available .....	74
133.	Division of Assets .....	75
134.	Petition or Administration Order .....	75
135.	Provision for Employees.....	75
136.	Indemnity .....	76
137.	Presumptions Where Documents Destroyed .....	77

## INTERPRETATION

### 1. Exclusion of Regulations

No regulations set out in any statute or in any statutory instrument or other subordinate legislation made under any statute concerning companies, shall apply as the regulations or articles of the Company.

### 2. Definitions

**"the 2006 Act"**

the Companies Act 2006;

**"address"**

in relation to a communication made by electronic means, includes any number or address used for the purposes of such communications including, without limitation, in the case of Uncertificated Proxy Instructions (as defined in Article 72) an identification number of a participant in the Relevant System confirmed;

**"Annual General Meeting"**

means a meeting of the Members held in accordance with section 336 of the 2006 Act;

**"the Auditors"**

the auditors from time to time of the Company or, in the case of joint auditors, any one of them;

**"the Board"**

the board of Directors from time to time of the Company or the Directors present at a meeting of the Directors at which a quorum is present;

**"Certificated Share"**

a security which is recorded in the relevant register of securities as being held in certificated form;

<b>"clear days"</b>	in relation to a period of a notice, the period excluding the day on which a notice is received or deemed to have been received and the day for which it is given or on which it is to take effect;
<b>"Companies Acts"</b>	every statute (including any consolidation, re-enactment, modification or replacement of the same and any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company;
<b>"the Company"</b>	Arbuthnot Banking Group plc;
<b>"Directors"</b>	the directors for the time being of the Company;
<b>"electronic form"</b>	as defined in the Companies Acts;
<b>"electronic means"</b>	as defined in the Companies Acts;
<b>"electronic signature"</b>	anything in electronic form which the Directors require to be attached to or otherwise associated with an electronic communication for the purpose of ensuring the authenticity or integrity of the communication;
<b>"executed"</b>	means any mode of execution;
<b>"hard copy"</b>	as defined in the Companies Acts;
<b>"the holder" or "the registered holder"</b>	in relation to a share in the capital of the Company, the member whose name is entered on the Register as the holder of that

	share;
<b>"London Stock Exchange"</b>	the London Stock Exchange plc;
<b>"Member"</b>	a member for the time being of the Company;
<b>"the Office"</b>	the registered office for the time being of the Company;
<b>"Operator"</b>	Euroclear UK & Ireland Limited or such other person as may be approved under the Uncertificated Securities Regulations;
<b>"paid up"</b>	the amount paid up or credited as paid up;
<b>"Participating Security"</b>	a security, title to which is permitted to be transferred by means of a Relevant System;
<b>"the Register"</b>	the register of Members of the Company;
<b>"qualifying person"</b>	as defined in Article 56;
<b>"Relevant System"</b>	any computer-based system or procedures, permitted by the Uncertificated Securities Regulations and the rules of the UK Listing Authority, which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters;
<b>"the Seal"</b>	any official or common seal that the Company may be permitted to have under the Companies Acts;

**"the Secretary"**

the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the Company and includes an assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary;

**"these Articles"**

these Articles of Association as altered from time to time by special resolution or otherwise the Articles of Association of the Company from time to time in force and the expression "this Article" shall be construed accordingly;

**"Uncertificated Securities Regulations"**

the Uncertificated Securities Regulations 2001 as amended from time to time and any provisions of or under the Companies Acts which supplement or replace such regulations;

**"Uncertificated Share"**

a security, title to which is recorded on the relevant register of securities as being held in uncertificated form and title to which may be transferred by means of a Relevant System;

**"UK Listing Authority"**

the Financial Services Authority (or any other body from time to time) acting as the competent authority for the purposes of the Financial Services and Markets Act 2000;

**"Working day"**

as defined in the Companies Acts; and

**"in writing"**

includes handwriting, typewriting, printing, lithography, photocopying and other modes of representing or reproducing words in

legible and no-transit form including, unless provided otherwise, be electronic means or electronic form.

### **3. Construction**

- 3.1 References to a document being "**signed**" or to "**signature**" include references to it being executed under hand or under seal or by any other method and where pursuant to any provision of these Articles any notice, appointment of proxy or other document which is in electronic form is required to be signed or executed by or on behalf of any person, that signature or execution includes the affixation by or on behalf of that person of an electronic signature.
- 3.2 References to a "**person**" includes any individual, firm, company, corporation, government state, agency of state or any association, trust or partnership (whether or not having a separate legal personality).
- 3.3 Headings are included only for convenience and shall not affect meanings.
- 3.4 Words importing the singular number only shall include the plural number and vice versa; words importing the masculine gender only shall include the feminine gender and words importing individuals and words importing persons shall include bodies corporate and unincorporated associations.
- 3.5 Words or expressions contained in these Articles which are not defined in Article 2 but are defined in the Companies Acts have the same meaning as in the Companies Acts (but excluding any modification of the Companies Acts not in force at the date of adoption of these Articles) unless inconsistent with the subject or context.
- 3.6 Words or expressions contained in the Articles which are not defined in Article 2 but are defined in the Uncertificated Securities Regulations have the same meaning as in the Uncertificated Securities Regulations (but excluding any modification of the Uncertificated Securities Regulations not in force at the date of adoption of these Articles) unless inconsistent with the subject or context.

## SHARE CAPITAL OF THE COMPANY

### 4. **Liability of Members**

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

### 5. **Rights Attaching to Shares**

Subject to the provisions of the Companies Acts and without prejudice to any special rights attached to any existing shares or class of shares, any share in the Company may be issued with such rights (including preferred, deferred or other special rights) or such restrictions, whether in regard to dividends, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Board may determine).

### 6. **Fractions**

- 6.1 Whenever as a result of a consolidation, consolidation and sub-division or sub-division of shares any Members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit. In particular the Board may sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Companies Acts, the Company) and distribute the net proceeds of sale in due proportion among those Members and the Board may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. For the purposes of effecting the sale, the Board may arrange for the shares representing the fractions to be entered in the register as Certificated Shares. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by an irregularity in, or invalidity of, the proceedings relating to the sale.

6.2 Subject to the Companies Acts, when the Board consolidates or sub-divides shares, it can treat Certificated and Uncertificated Shares which a member holds as separate shareholdings.

6.3 All new shares shall be subject to the provisions of the Companies Acts and these Articles.

## **7. Redeemable Shares**

Any shares may be issued on the terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms and in such manner as shall be determined by the Board ("**Redeemable Shares**").

## **8. Commissions on issue of shares**

The Company may in connection with the issue of any shares, exercise all powers of paying commissions and brokerage conferred or permitted by the Companies Acts to the full extent thereby permitted. Subject to the provisions of the Companies Acts, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly-paid shares or partly in one way and partly in the other.

## **9. Renunciation of allotment**

9.1 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:

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

9.1.2 allow the rights represented thereby to be one or more Participating Securities,

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

## **10. Trust etc. interests not recognised**

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any

way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the holder.

**11. Uncertificated Shares**

- 11.1 Subject to the Companies Acts, the Directors may resolve that a class of shares are to become Participating Securities or that a class of shares shall cease to be Participating Securities.
- 11.2 Uncertificated Shares of a class are not to be regarded as forming a separate class from Certificated Shares of that class.
- 11.3 A Member may, in accordance with the Uncertificated Securities Regulations, change a share of a class which is a Participating Security from a Certificated Share to an Uncertificated Share and from an Uncertificated Share to a Certificated Share.
- 11.4 The Company may give notice to a Member requiring the Member to change Uncertificated Shares to Certificated Shares by the time stated in the notice. The notice may also state that the Member may not change Certificated Shares to Uncertificated Shares. If the Member does not comply with the notice, the Board may authorise a person to change the Uncertificated Shares to Certificated Shares in the name and on behalf of the Member.
- 11.5 While a class of shares are Participating Security, these Articles only apply to an Uncertificated Share of that class to the extent that they are consistent with:
- 11.5.1 the holding of shares of that class in uncertificated form;
  - 11.5.2 the transfer of title to shares of that class by means of a Relevant System;  
and
  - 11.5.3 the Uncertificated Securities Regulations.

## **CALLS ON SHARES**

### **12. Calls**

Subject to the terms of issue, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not payable on a date fixed by or in accordance with the terms of issue, and each Member shall (subject to the Company serving upon him at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be made payable by instalments. A call may be revoked or postponed, in whole or in part, as the Board may decide. A person upon whom a call is made shall remain liable jointly and severally with the successors in title to his shares for all calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

### **13. Time of Calls**

A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

### **14. Liability of Joint Holders**

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

### **15. Interest Due on Non-Payment**

If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it is due and payable to the time of actual payment at such rate not exceeding 4% above the Bank of England base rate in effect from time to time per annum (or such lower rate as the Board may decide) and all expenses that have been incurred by the Company by reason of such non-payment, but the Board shall be at liberty in any case or cases to waive payment of the interest or expenses wholly or in part.

### **16. Sums Due on Allotment Treated as Calls**

Any amount which becomes payable in respect of a share on allotment or on any other date fixed by or in accordance with the terms of issue, whether in respect of the

nominal amount of the share or by way of premium or as an instalment of a call, shall be deemed to be a call and, if it is not paid, all the provisions of these Articles shall apply as if the sum had become due and payable by virtue of a call.

**17. Power to Differentiate**

The Board may on or before the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

**18. Payment of Calls in Advance**

The Board may, if it thinks fit, receive from any Member who is willing to advance them all or any part of the moneys uncalled and unpaid upon any shares held by him and on all or any of the moneys so advanced may (until they would, but for the advance, become presently payable) pay interest at such rate not exceeding (unless the Company by ordinary resolution shall otherwise direct) 4% above the Bank of England base rate in effect from time to time per annum (or such lower rate as the Board may decide).

**FORFEITURE AND LIEN**

**19. Notice if Call not Paid**

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

**20. Contents of Notice**

The notice shall name a further day (not being less than the expiration of 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made. The notice shall also state that in the event of non-payment in accordance therewith, the shares in respect of which such call or instalment is payable will be liable to be forfeited.

**21. Forfeiture for Non-Compliance and Surrender**

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall extend to all dividends declared and other moneys payable in respect of the shares so forfeited and not actually paid before such forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Directors. The Directors may accept a surrender of any share liable to be forfeited hereunder upon such terms and conditions as they think fit.

**22. Notice after Forfeiture**

When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share, or any person entitled to the share by transmission, and an entry of the forfeiture or surrender, with the date thereof shall forthwith be made in the Register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry as aforesaid.

**23. Disposal of Forfeited Shares**

- 23.1 A share so forfeited or surrendered shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder or to any other person upon such terms and in such manner, either subject to or discharged from all calls made or instalments due prior to the forfeiture or surrender, as the Directors think fit, provided that the Company shall not exercise any voting rights in respect of such share and any such share not disposed of in accordance with the foregoing within a period of three years from the date of its forfeiture or surrender shall thereupon be cancelled in accordance with the provisions of the Companies Acts. For the purpose of giving effect to any such sale or other disposition the Directors may authorise some person to transfer the share so sold or otherwise disposed of to the purchaser thereof or other person becoming entitled thereto.

23.2 The Directors may, at any time before any share so forfeited or surrendered shall have been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon such terms as they think fit.

**24. Arrears to be Paid Notwithstanding Forfeiture**

Any person whose shares have been forfeited or surrendered shall cease to be a Member in respect of those shares and shall, in the case of holders of Certificated Shares, surrender to the Company for cancellation the certificate for the forfeited or surrendered shares, but shall, notwithstanding such forfeiture or surrender, 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 thereon at 4% above the Bank of England base rate in effect from time to time per annum (or such lower rate as the Directors may decide) from the time of forfeiture or surrender until the time of payment, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares, together with interest as aforesaid. The Directors may, if they shall think fit, waive the payment of such interest or any part thereof. The Company may enforce payment of such moneys without being under any obligation to make any allowance for the value of the shares forfeited or surrendered or for any consideration received on their disposal.

**25. Company's Lien on Shares Not Fully Paid**

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

**26. Enforcement of Lien by Sale**

The Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, (i) stating, and demanding payment of, the sum presently payable, and (ii)

giving notice of intention to sell in default of such payment, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law.

**27. Application of Proceeds of Sale**

The net proceeds of such sale, after payment of the costs thereof, shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

**28. Statutory Declaration as Conclusive Evidence of Forfeiture, Surrender or Sale**

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

## **VARIATION OF RIGHTS**

**29. Variation**

If at any time the share capital is divided into different classes of shares, the rights attached to any class or any of such rights may, subject to the provisions of the Companies Acts, whether or not the Company is being wound up, be modified,

abrogated or varied either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class excluding any shares of that class held as treasury shares, or with the sanction of an special resolution passed at a separate meeting of the holders of the shares of that class (but not otherwise) and may be so modified, abrogated or varied either whilst the Company is a going concern or during or in contemplation of a winding up.

**30. Requirements for Meeting to Vary Rights**

30.1 Any meeting for the purpose of the last preceding Article shall be convened and conducted in all respects as nearly as possible in the same way as a General Meeting of the Company, provided that no Member, not being a Director, shall be entitled to notice thereof or to attend thereat unless he be a holder of shares of the class the rights or privileges attached to which are intended to be varied or abrogated by the resolution, and that no vote shall be given except in respect of a share of that class;

30.2 All provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every such separate general meeting, except that:

30.2.1 the necessary quorum shall be two persons present holding at least one-third in nominal value of the issued shares of the class excluding any shares of that class held as treasury shares (but so that if at any adjourned meeting a quorum as defined above is not present, one person present holding shares of the class in question shall be a quorum) provided that where a person is present by proxy or proxies, he is treated as holding only the shares in respect of those proxies which are authorised to exercise voting rights;

30.2.2 any holder of shares of the class present in person or by proxy may demand a poll; and

30.2.3 every such holder shall, on a poll, have one vote for every share of the class held by him.

**31. No Variation by Creation or Issue of Ranking Shares**

The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by the terms upon which such shares

are for the time being held, be deemed not to be modified, abrogated or varied by the creation or issue of further shares ranking pari passu therewith.

## **SHARE CERTIFICATES / MEMBERS' RIGHTS TO CERTIFICATES**

### **32. Issue of Share Certificates**

32.1 The provisions of sub-clauses 32.2 to 32.4 shall not apply so as to require the Company to issue to any person a certificate in respect of any share where such person holds Uncertificated Shares.

32.2 Every Member, on becoming the holder of any Certificated Share (except a person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) shall be entitled, without payment, to one certificate for all the Certificated Shares of each class held by him (and, on transferring a part of his holding of Certificated Shares of any class, to a certificate for the balance of his holding of Certificated Shares). He may elect to receive one or more additional certificates for any of his Certificated Shares if he pays for every certificate after the first a reasonable sum determined from time to time by the Board. Every certificate shall:

32.2.1 be executed under the Seal or in such other manner as the Board may approve; and

32.2.2 specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on the shares.

32.3 The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical, electronic or other means or may be printed on them or that the certificates need not be signed by any person.

32.4 The Company shall not be bound to issue more than one certificate for Certificated Shares held jointly by more than one person and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them. Shares of different classes may not be included in the same certificate.

- 32.5 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of any exceptional out-of-pocket expenses reasonably incurred by the Company in investigating evidence and preparing the requisite form of indemnity as the Board may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.
- 32.6 Subject to the provisions of the Companies Acts, the Company may issue Uncertificated Shares and permit the same (whether or not in such form) to be transferred without the production of written forms of transfer or the creation of certificates and the Board may from time to time lay down regulations governing such issue and transfer, which regulations shall (to the extent they specify) operate in substitution for the relevant provisions of these Articles governing share certificates and the transfer of shares.
- 32.7 Subject to the provisions of the Companies Acts, these Articles, the Uncertificated Securities Regulations and the rules of the Relevant System, upon the conversion of an Uncertificated Share into a Certificated Share, the holder thereof will be entitled (unless the terms of issue of that share provide otherwise) to a certificate, free of charge, in respect of all the Uncertificated Shares so converted into certificated form.

## **TRANSFER OF SHARES**

### **33. Transfer**

- 33.1 All transfers of Uncertificated Shares shall be made in the manner provided for in the rules and procedures of the Operator of the Relevant System and in accordance with and subject to the Uncertificated Securities Regulations.
- 33.2 Subject to such of the restrictions of these Articles as may be applicable:
- 33.2.1 any Member may transfer all or any of his Uncertificated Shares (subject to the class of shares becoming Participating Securities in accordance with the Uncertificated Securities Regulations) by means of a Relevant System in such manner provided for, and subject as provided in, the Uncertificated Securities Regulations and the rules of any Relevant System, and accordingly no provision of these Articles shall apply in respect of an

Uncertificated Share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred; and

33.2.2 any Member may transfer all or any of his Certificated Shares by an instrument of transfer in writing in any usual form or in any other form which the Board may approve.

33.3 The transferor of a share shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of it.

**34. Execution of Transfer**

The instrument of transfer of a Certificated Share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) the transferee. All instruments of transfer, when registered, may be retained by the Company.

**35. Rights to Decline Registration of Partly Paid Shares**

The Board may, in its absolute discretion and without giving any reason for so doing, decline to register any transfer of any share which is not a fully paid share.

**36. Other Rights to Decline Registration**

36.1 Registration of a transfer of an Uncertificated Share may be declined in any circumstance permitted or required by (i) the Uncertificated Securities Regulations; (ii) the Relevant System; and (iii) the London Stock Exchange. Registration may also be refused where, in the case of a transfer to joint holders, the number of joint holders to whom the Uncertificated Share is to be transferred exceeds four.

36.2 The Board may decline to recognise any instrument of transfer and may decline to register any transfer of a Certificated Share unless:

36.2.1 the instrument of transfer is duly stamped or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty and is left at the Office or such other place as the Board may from time to time determine accompanied (save in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued) by the certificate for the share to which it

relates and such other evidence as the Board may reasonably require to show the right of the person executing the instrument of transfer to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do;

36.2.2 the instrument of transfer is in respect of only one class of share; and

36.2.3 in the case of a transfer to joint holders, the number of joint holders to whom the Certificated Share is to be transferred does not exceed four.

The Board may also decline registration where the Company has a lien on the share.

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

**37. No Fee for Registration**

No fee shall be charged by the Company in respect of the registration of any transfer, document or instruction relating to or affecting the title to any share or for making any other entry in the Register affecting title to any share.

**38. Notice of Refusal to Register**

If the Directors refuse to register a transfer they shall, as soon as practicable but in any event within two months after the date on which the transfer was lodged with the Company or the instructions were received by the Operator of the Relevant System, send to the transferee notice of the refusal together with reasons for the refusal and (except in the case of fraud) where appropriate return to him the instrument of transfer.

## **TRANSMISSION OF SHARES**

**39. Transmission of Shares On Death**

In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the executors, administrators or legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons

recognised by the Company as having any title to his interest in the shares; but nothing in this Article shall release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.

**40. Election by Person Entitled by Transmission**

40.1 Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law may (subject as hereinafter provided), upon such evidence being supplied to the Company as may from time to time properly be required by the Directors elect either to be registered himself as holder of the share upon giving the Company notice in writing to that effect in accordance with Article 40.2 below or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the Member registered as the holder of any such share before his death or bankruptcy or other event, as the case may be.

40.2 If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall:

40.2.1 if the share is a Certificated Share, testify his election by executing to that person a transfer of the share; or

40.2.2 if the share is an Uncertificated Share:

(a) procure that instructions are given by means of a Relevant System to effect transfer of the share to that person; or

(b) change the share to a Certificated Share and execute an instrument of transfer of the share to that person.

40.3 All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member or other

event had not occurred and the notice or transfer were a transfer signed by the Member registered as the holder of any such share.

**41. Right on Transmission**

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law shall, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company (including meetings of the holders of any class of shares in the Company), provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and, if the notice is not complied with within 60 days, the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

**UNTRACED SHAREHOLDERS**

**42. Power of Sale**

42.1 The Company may sell any Certificated Shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares at the best price reasonably obtainable at the time of sale if:

42.1.1 the shares have been in issue either in Certificated or Uncertificated form throughout the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period;

42.1.2 no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares or by the transfer of

funds by means of a Relevant System at any time during the relevant period;

42.1.3 so far as any Director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares; and

42.1.4 the Company has caused two advertisements to be published, one in a newspaper with a national circulation and the other in a newspaper circulating in the area in which the last known postal address of the holder of, or person entitled by transmission to, the shares or the postal address at which service of notices may be effected under these Articles is located, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates.

42.2 For the purpose of this Article:

42.2.1 "**the qualifying period**" means the period of 12 years immediately preceding the date of publication of the advertisements referred to in sub-paragraph 42.1.4 above or of the first of the two advertisements to be published if they are published on different dates; and

42.2.2 "**the relevant period**" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs 42.1.1 to 42.1.4 above have been satisfied.

#### **43. Execution of Transfer and Application of Proceeds of Sale**

To give effect to any sale of shares pursuant to the preceding Article the Board may authorise some person to transfer the shares in question and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The

net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds, which may be employed in the business of the Company or as it thinks fit.

**44. Withholding Further Cheques, Warrants or Orders**

If on two consecutive occasions cheques, warrants or orders in payment of dividends or other moneys payable in respect of any share have been sent through the post or otherwise in accordance with the provisions of these Articles but have been returned undelivered or left uncashed during the periods for which the same are valid or any transfer by bank or other funds transfer system has not been satisfied, or, following one such occasion, reasonable enquiries have failed to establish any new address of the registered holder, the Company need not thereafter despatch further cheques, warrants or orders and need not thereafter transfer any sum (as the case may be) in payment of dividends or other moneys payable in respect of the share in question until the Member or other person entitled thereto shall have communication with the Company and supplied in writing to the Office an address for the purpose.

**GENERAL MEETINGS**

**45. Annual General Meeting**

The Company shall in each year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held at such time and place as may be determined by the Directors.

**46. General Meeting**

All General Meetings of the Company other than Annual General Meetings shall be called General Meetings.

**47. Convening of General Meetings**

The Directors may call a General Meeting. The Directors must call a General Meeting if the Members and the Companies Acts require them to do so. If at any time

there are not sufficient Directors capable of acting to form a quorum the Directors capable of acting may convene a General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

## **NOTICE OF GENERAL MEETINGS**

### **48. Length of Notice**

An Annual General Meeting shall be called by not less than 21 clear days' notice in writing, and a meeting of the Company other than an Annual General Meeting shall be called by not less than 14 clear days' notice in writing (subject to the Companies Acts).

### **49. Short Notice**

A meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed:

- 49.1 in the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- 49.2 in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

### **50. Form of Notice**

Notice of a general meeting shall be sent to a person in accordance with Article 127.

- 50.1 Every notice of meeting of the Company shall:
  - 50.1.1 state that it concerns a notice of a Company general meeting in accordance with the Articles and the Companies Acts;
  - 50.1.2 specify the place, date and time of the meeting;
  - 50.1.3 state whether the meeting is to be an Annual General Meeting or a general meeting.

- 50.1.4 state that a Member may appoint:
- (a) a proxy to exercise all or any of the Member's rights to attend, speak and vote at the meeting; and
  - (b) more than one proxy in relation to the meeting if each proxy is appointed to exercise the rights attached to a different share or shares held by the Member;
- 50.1.5 state in the case of any special business, the general nature of such business; and
- 50.1.6 if the meeting is called to consider a special resolution as the case may be, include the text of the resolution and specify the intention to propose the resolution as such.

**51. Accidental Omission to Send or Non-Receipt of Notice**

Subject to the exceptions prescribed by the Companies Acts, the accidental omission to give notice of a meeting (including where given by electronic means), or to send a form of proxy with a notice where required by the Companies Acts or these Articles, to any person entitled to receive notice, or the non receipt for any reason of notice of a meeting or form of proxy by any such person, whether or not the Company is aware of such non receipt, shall not invalidate the proceedings at that meeting.

**52. Persons Entitled to Receive Notice and with Right to Attend and Vote**

- 52.1 The notice of meeting shall be given to the Members (other than any who, under the provisions of these Articles or the terms of allotment or issue of shares, are not entitled to receive notice), to the Directors and to the Auditors.
- 52.2 The Directors may determine that persons entitled to receive notices of meeting are those persons entered on the Register at the close of business on a day determined by the Directors, provided that, if the Company is a participating issuer, the day determined by the Directors may not be more than 21 days before the day that the relevant notice of meeting is being sent.

52.3 The notice of meeting may also specify a time (which, if the Company is a participating issuer, shall not be more than 48 hours before the time fixed for the meeting) by which a person must be entered on the Register in order to have the right to attend or vote at the meeting. Changes to entries on the Register after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote.

**53. Postponement of General Meetings**

If the Directors, in their absolute discretion, consider that it is impractical or unreasonable for any reason to hold a general meeting at the time or place specified in the notice calling the General Meeting, they may postpone the general meeting to another date, time and/or place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be placed in a national newspaper in the United Kingdom. Notice of the business to be transacted at such postponed meeting shall not be required.

## **PROCEEDINGS AT GENERAL MEETINGS**

**54. Ordinary Business of Annual General Meeting**

The ordinary business of an Annual General Meeting shall be to receive and consider the profit and loss account, the balance sheet and reports of the Directors and of the Auditors, and the documents required by law to be annexed to the Company balance sheet, to elect Directors and officers in the place of those retiring pursuant to Article 78 or otherwise ceasing to hold office and fix their remuneration if required, to declare dividends, to appoint the Auditors (when special notice of the resolution for such appointment is not required by the Companies Acts) and to fix, or determine the manner of the fixing of, their remuneration.

**55. Special Business**

All business shall be deemed special that is transacted at a General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of that business deemed ordinary business at an Annual General Meeting under Article 54.

**56. Quorum**

- 56.1 No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a Chairman of the Meeting, which shall not be treated as part of the business of the meeting.
- 56.2 Two qualifying persons present at a meeting are a quorum unless each is a qualifying person only because he is appointed as proxy of a Member in relation to the meeting and they are all proxies of the same Member.
- 56.3 For the purposes of this Article a "**qualifying person**" is an individual who is a Member, a person authorised to act as the representative of a Member (being a corporation) in relation to the meeting or a person appointed as proxy of a Member in relation to the meeting.

**57. Procedure if Quorum not present**

If within 15 minutes (or such longer time not exceeding one hour as the Chairman of the meeting may decide) from the time appointed for the meeting a quorum is not present, the meeting is dissolved if the Members or any of them required the meeting to be called. In any other case it shall stand adjourned to such time (being not less than 14 days nor more than 28 days later) and place as the Chairman of the meeting shall appoint. If at such adjourned meeting a quorum be not present within 15 minutes from the time appointed therefore, the Member or Members present in person or by proxy and entitled to vote shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. The Company shall give not less than seven clear days' notice of any meeting adjourned for want of a quorum, and the notice shall state that the Member or Members present as aforesaid shall form a quorum and shall have the power aforesaid.

**58. Right to Attend and Speak**

- 58.1 A Director is entitled to attend and speak at a general meeting and at a separate meeting of the holders of a class of shares or debentures whether or not he is a Member.

58.2 The Chairman of the meeting may invite any person to attend and speak at any general meeting whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

**59. Chairman of a General Meeting**

The Chairman, if any, of the Board or, in his absence, the deputy Chairman (if any) of the Board or, in his absence, some other Director nominated by the Board, shall preside as Chairman at a general meeting of the Company. If neither the Chairman, deputy Chairman nor such other Director (if any) is present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the Directors present shall elect one of their number to be Chairman; or if no Director be present and willing to take the chair the Members present personally and entitled to vote shall choose one of their number to be Chairman of the Meeting.

**60. Attendance and Participation at Different Places and by Electronic Means**

60.1 In the case of any general meeting, the Directors may, notwithstanding the specification in the notice convening the general meeting of the place at which the Chairman of the meeting shall preside (the "**Principal Place**"), make arrangements for simultaneous attendance and participation by electronic means allowing persons not present together at the same place to attend, speak and vote at the meeting (including the use of satellite meeting places). The arrangements for simultaneous attendance and participation at any place at which persons are participating, using electronic means may include arrangements for controlling or regulating the level of attendance at any particular venue provided that such arrangements shall operate so that all Members and proxies wishing to attend the meeting are able to attend at one or other of the venues.

60.2 The Members or proxies at the place or places at which persons are participating via electronic means shall be counted in the quorum for, and be entitled to vote at, the general meeting 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 meeting to ensure that the members or proxies attending at the places at which persons are participating via electronic means are able to:-

(A) participate in the business for which the meeting has been convened; and

(B) see and hear all persons who speak (whether through the use of microphones, loud speakers, audiovisual communication equipment or otherwise) in the Principal Place (and any other satellite meeting place at which persons are participating via electronic means).

For the purposes of all other provisions of these Articles (unless the context requires otherwise), the Members shall be treated as meeting at the Principal Place. If it appears to the Chairman of the meeting that the facilities at the Principal Place or any place at which persons are participating via electronic means have become inadequate for the purposes set out in sub-paragraphs (A) and (B) above, the Chairman of the meeting may, without the consent of the meeting, interrupt or adjourn the general meeting. All business conducted at the general meeting up to the point of the adjournment shall be valid. The provisions of Article 61 shall apply to that adjournment.

**61. Power to Adjourn**

The Chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place; but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Without prejudice to any other power which he may have under the Articles or at common law, the Chairman of the meeting may, without consent of the meeting, interrupt or adjourn the meeting from time to time and from place to place for an indefinite period if he decides that it has become necessary to do so in order to (1) secure the proper and orderly conduct of the meeting or (2) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting or (3) ensure that the business of the meeting is properly dealt with. When a meeting is adjourned for 30 days or more, notice of the date, time and place of the proposed meeting shall be placed in a national newspaper in the United Kingdom, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment. Any meeting may be adjourned more than once.

## **62. Proposed Amendments to Resolution**

- 62.1 If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 62.2 In the case of a resolution duly proposed as a special resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 62.3 In the case of a resolution duly proposed as an ordinary resolution no amendment thereto may be considered or voted on (other than a mere clerical amendment to correct a patent error) unless either (a) at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and the intention to move it has been delivered by means of an instrument to the office or to such other place as may be specified by or on behalf of the Company for that purpose, or received by electronic means at such address (if any) for the time being notified by or on behalf of the Company for that purpose, or (b) the Chairman of the meeting in his absolute discretion decides that the amendment may be considered and voted on.

## **63. Method of Voting**

- 63.1 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded. Subject to the provisions of the Companies Acts, a poll may be demanded:
- 63.1.1 by the Chairman of the meeting; or
- 63.1.2 by at least five Members present in person or by proxy and entitled to vote on the resolution; or
- 63.1.3 by any Member or Members present in person or by proxy and representing not less than 10% of the total voting rights of all the Members having the right to vote on the resolution (excluding any votes attached to any shares held as treasury shares); or

- 63.1.4 by a Member or Members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all shares conferring that right (excluding any shares conferring a right to vote on the resolution which are held as treasury shares).
- 63.2 Unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 63.3 If a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting directs and he may appoint scrutineers and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

**64. Casting Vote**

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

**65. Procedure for Poll**

A poll demanded on the election of a Chairman of the meeting or on the question of an adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days after the date of the meeting or adjourned meeting at which the poll is demanded) and place as the Chairman of the meeting may direct. Seven clear days' notice shall be given of a poll not taken immediately (unless the Chairman of the meeting otherwise directs). Any business other than that upon which a poll has been demanded, the election of a Chairman of the meeting or a question of adjournment may be proceeded with pending the taking of the poll. The demand for a poll may be

withdrawn with the consent of the Chairman of the meeting at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and in that event shall not invalidate the result of a show of hands declared before the demand was made.

## VOTES OF MEMBERS

### 66. Votes

66.1 Subject to any other provision of these Articles and without prejudice to any special rights, privileges or restrictions as to voting attached to any shares for the time being forming part of the capital of the Company:

- (a) on a show of hands:
  - (i) each Member (being an individual) present in person has in total one vote;
  - (ii) every proxy present who has been duly appointed by one or more Members entitled to vote on the resolution has one vote, except that if the proxy has been appointed by more than one Member entitled to vote on the resolution and is instructed by one or more of those Members to vote for the resolution and by one or more of those Members to vote against it, or is instructed by one or more of those Members to vote in one way and is given discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way) he has one vote for and one vote against the resolution; and
  - (iii) each corporate representative present who has been duly authorised by a Member (being a corporation) has the same voting rights as the corporation would be entitled to; and
- (b) on a poll each Member present in person or by proxy or (being a corporation) by a duly authorised representative has one vote for each share of which he is the holder or in respect of which his appointment as proxy or corporate representative has been made.

For the avoidance of doubt, the Company itself is prohibited (to the extent specified by the Companies Acts) from exercising any rights to attend or vote at meetings in respect of any shares held by it as treasury shares.

- 66.2 On a show of hands or on a poll, votes may be given either personally or by proxy or (in the case of a corporate Member) by a duly authorised representative and on a poll a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

**67. Joint Holders**

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

**68. Authorised Representatives**

A Member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and such receiver, curator bonis or other person may, on a poll, vote by proxy, provided that evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote has been delivered at the Office (or at such other place as may be specified in accordance with these Articles for the delivery of instruments appointing a proxy) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at that meeting or on the holding of that poll.

**69. Restriction on Voting Rights where Sums Overdue on Shares**

No Member shall, unless the Directors otherwise determine, be entitled, in respect of any share in the capital of the Company held by him, to be present or to vote on any question, (whether in person or by proxy or in the case of a corporate member, by a duly authorised representative), at any general meeting, or separate general meeting of the holders of any class of shares of the Company or upon a poll or to be reckoned in

a quorum, or to exercise any other right conferred by membership in relation to general meetings or polls if any call or other sum presently payable by him to the Company in respect of such share remains unpaid.

**70. Failure to Disclose Interest in Shares**

- 70.1 If any Member, or any other person appearing to the Directors to be interested in any shares in the capital of the Company held by such Member, has been duly served with a statutory notice in respect of those shares and is in default for the period of 14 days from the date of service of the notice in supplying to the Company the information thereby required, then the Company may (at the absolute discretion of the Directors) at any time thereafter by notice (a "restriction notice") to such Member direct that, in respect of the shares in relation to which the default occurred and any other shares held at the date of the restriction notice by the Member, or such of them as the Directors may determine from time to time (the "restricted shares", which expression shall include any further shares which are issued in respect of any restricted shares), the Member shall not be entitled to be present or to vote on any question, (whether in person or by proxy or in the case of a corporate member, by a duly authorised representative), at any general meeting of the Company or separate general meeting of the holders of any class of shares of the Company, or to be reckoned in a quorum.
- 70.2 Where the restricted shares represent at least 0.25% (in nominal value) of the issued shares of the same class as the restricted shares (subject to the Uncertificated Securities Regulations in the case of any Uncertified Shares and excluding any shares of that class held as treasury shares), then the restriction notice may also direct that:
- 70.2.1 any dividend or any part thereof or other moneys which would otherwise be payable on or in respect of the restricted shares shall be withheld by the Company; shall not bear interest against the Company; and shall be payable (when the restriction notice ceases to have effect) to the person who would but for the restriction notice have been entitled to them; and/or
- 70.2.2 where an offer of the right to elect to receive shares of the Company instead of cash in respect of any dividend or part thereof is or has been made by the Company, any election made thereunder by such Member in respect of such restricted shares shall not be effective; and/or

70.2.3 no transfer of any of the shares held by such Member shall be recognised or registered by the Directors unless:

- (a) the Member is not himself in default as regards supplying the information required by the statutory notice and proves to the satisfaction of the Directors that no person in default of supplying such information is interested in any of the shares which are the subject of the transfer; or
- (b) the transfer is of part only of the Member's holding and, when presented for registration, is accompanied by a certificate by the Member in a form satisfactory to the Directors to the effect that after due and careful enquiry the Member is satisfied that none of the shares the subject of the transfer are restricted shares; or
- (c) the transfer is made pursuant to acceptance of a takeover offer for the Company or in relation to any of its shares or in consequence of a sale to a bona fide third party, which will be deemed to include sale made through the London Stock Exchange or any recognised investment exchange or any stock exchange selected by the Company outside the United Kingdom on which the Company's shares are normally traded or is shown to the Board's satisfaction to be made in consequence of a sale in good faith of the whole of the beneficial interest in the shares to a person who is unconnected with the holder and with any other person appearing to be interested in the shares.

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

70.3 The Company shall send a copy of the restriction notice to each other person appearing to be interested in the shares the subject of such notice but the failure or omission by the Company to do so shall not invalidate such notice.

70.4 Any restriction notice shall have effect in accordance with its terms for so long as the default in respect of which the restriction notice was issued continues and for 7 days thereafter but shall cease to have effect in relation to any shares which are transferred by such Member in accordance with Article 70.2.3 above on receipt by the Company

70.5 For the purpose of this Article:

70.5.1 a person shall be treated as appearing to be interested in any shares if either (a) the Member holding such shares has given to the Company a notification, whether following service of a statutory notice or otherwise, which names such person as being so interested or (b) (after taking into account the said notification and any other relevant information in the possession of the Company) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares; and

70.5.2 "statutory notice" means a notice served by the Company under the Companies Acts requiring particulars of interests in shares or of the identity of persons interested in shares.

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

**71. Objections or Error in Voting**

If:

- (a) any objection shall be raised to the qualification of any voter; or
- (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
- (c) any votes are not counted which ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting or poll on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or poll at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to

the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same may have affected the decisions of the meeting. The decision of the Chairman on such matters shall be conclusive.

## **PROXIES**

### **72. Appointment of a Proxy**

72.1 A Member may appoint:

72.1.1 another person as his proxy to exercise all or any of his rights to attend, speak and vote and at a meeting; and

72.1.2 more than one proxy in relation to a meeting if each proxy is appointed to exercise the rights attached to a different share or shares held by the Member. Where a Member appoints more than one proxy, each such appointment shall state the whole number of shares in respect of which each proxy is appointed. An appointment of proxy that fails to do so shall be treated as invalid.

72.2 The appointment of a proxy shall be in any usual or common form or in any other form which the Board may accept shall be executed in such manner as may be approved by or on behalf of the Company from time to time. Subject thereto, the appointment of a proxy shall be executed by the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The signature on such appointment need not be witnessed.

72.3 An instrument appointing a proxy shall be deemed to include the power to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit and unless the contrary is stated therein be valid as well for any adjournment of the meeting as for the meeting to which it relates.

72.4 A proxy need not be a Member of the Company. Deposit of any appointment of proxy shall not preclude a Member from attending and voting in person at the meeting or any adjournment hereof.

72.5 The appointment of a proxy and the power of attorney or other authority, if any, under which it is executed, or a copy of the authority notarially certified or certified in some other way approved by the Board, shall be:

72.5.1 in the case of an appointment sent by post or by hand, be received at the Office or such other place as may be specified for that purpose in the notice convening the meeting or in the form of appointment of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time fixed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in the appointment proposes to vote; or

72.5.2 in the case of an appointment of a proxy sent by electronic means, where an electronic address has been specified for the purpose of receiving a proxy by electronic means:

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

be received at such electronic address not less than 48 hours before the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting not less than 24 hours before the time appointed for the taking of the poll at which it is to be used and in default the appointment of proxy shall not be treated as valid.

72.5.3 in the case of a meeting adjourned for less than 28 days but more than 48 hours or in the case of a poll taken more than 48 hours after it is demanded, received at least 24 hours before the time fixed for the holding of the adjourned meeting or the taking of the poll; or

72.5.4 in the case of a meeting adjourned for not more than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours after if

was demanded, received at the adjourned meeting or at the meeting at which the poll was demanded by the Chairman of the meeting or by the Secretary or by a Director.

- 72.6 In calculating the periods mentioned in this Article, no account is to be taken of any part of a day that is not a Working day, unless the Directors decide otherwise in relation to a specific general meeting.
- 72.7 No appointment of proxy shall be valid after the expiration of 12 months from the date of its execution except at an adjourned meeting or on a poll demanded at a meeting or adjourned meeting in cases where the meeting was originally held within 12 months from that date.
- 72.8 The appointment of a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 72.9 A vote given or poll demanded in accordance with the terms of an appointment of proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death, or insanity of the principal, or revocation of the proxy, or determination of the authority of the person voting, or demanding a poll, provided that no intimation in writing of such death, insanity, revocation or determination shall have been received by the Company at the Office or such other place (if any) as is specified for depositing the instrument of proxy before the commencement of the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given.
- 72.10 The termination of the authority of a person to act as proxy does not affect:
- 72.10.1 whether that person counts in deciding whether there is a quorum at a meeting, or the validity of a poll demanded by that person at a meeting unless the Company receives notice of termination before the commencement of the meeting; or
- 72.10.2 the validity of a vote given by that person unless the Company receives notice of the termination before the commencement of the meeting or adjourned meeting at which the vote is given or, in the case of a poll taken

more than 48 hours after it is demanded, before the time appointed for taking the poll.

The notice of the termination must be received at an address that is specified in Article 72.5.1 or, if the appointment of the proxy was sent by electronic means, at an address that is specified or deemed to be specified in Article 72.5.2.

72.11 Without limiting any other provision of these Articles, in relation to an Uncertificated Share the Directors may from time to time:

72.11.1 permit appointments of a proxy to be made by means of an Uncertificated Proxy Instruction;

72.11.2 where a proxy has been appointed by means of an Uncertificated Proxy Instruction, permit the revocation of the appointment by means of an Uncertificated Proxy Instruction;

72.11.3 prescribe the method for determining the time at which any such Uncertificated Proxy Instruction is to be treated as received by the Company (or a participant in the Relevant System concerned on its behalf); and

72.11.4 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.

72.12 For the purposes of this Article, "**Uncertificated Proxy Instruction**" means a communication in the form of:

72.12.1 an instruction which is properly authenticated as determined by the Uncertificated Securities Regulations;

72.12.2 any other instruction or notification; or

72.12.3 any supplemented or amended instruction or notification,

in each case sent by means of the Relevant System concerned and received by such participant in that system acting on behalf of the Company (and in such form and on

such terms and conditions) as the Board may determine subject to the facilities and requirements of that system.

## **FURTHER PROVISIONS AS TO GENERAL MEETINGS**

### **73. Corporate Representative**

A corporation which is a Member of the Company 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 separate general meeting of the holders of any class of shares. Such a corporation is for the purposes of these Articles deemed to be present in person at any meeting if a person or persons so authorised is or are present at it.

## **DIRECTORS**

### **74. Number of Directors**

Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors shall not be less than two, but shall not be subject to any maximum.

### **75. Power of the Board to Appoint Directors**

Without prejudice to the power of the Company pursuant to these Articles, the Directors shall have power at any time to appoint any person either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles. Subject to the provisions of these Articles, any Director so appointed shall hold office only until the dissolution of the Annual General Meeting of the Company next following such appointment unless he is re-elected during such meeting, and he shall not retire by rotation at such meeting or to be taken into account in determining the rotation of retirement of Directors at such meeting.

### **76. Vacation of office**

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

- 76.1 if he shall become prohibited by law from acting as a Director;

- 76.2 if (not being a Managing Director or Executive Director holding office as such for a fixed period) he shall resign by delivering a notice in writing at the Office or if he shall in writing offer to resign and the Board resolves to accept such offer;
- 76.3 if he shall have a bankruptcy order made against him or shall compound with his creditors generally;
- 76.4 if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- 76.5 if he shall be absent from meetings of the Directors for six months without leave and the Board resolves that his office be vacated; or
- 76.6 if a notice in writing is served upon him, by not less than three quarters of the other Directors for the time being, to the effect that his office as Director shall on receipt of such notice *ipso facto* be vacated, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company. For the avoidance of doubt, the notice in writing referred to in this Article 77.6 may be signed in any number of counterparts, all of which taken together shall constitute one and the same notice;
- 76.7 if a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director any may remain so for more than three months; or
- 76.8 if he ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Articles.

**77. Removal of Director**

The Company may in accordance with and subject to the provisions of the Companies Acts by ordinary resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Articles or of any

agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and elect another person in place of a Director so removed from office.

**78. Rotation and retirement of Directors**

At each Annual General Meeting, one-third of the Directors (or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third) shall retire from office. A Director retiring at a meeting shall retain office until the dissolution of such meeting. If there is only one Director subject to retirement by rotation, he shall retire.

**79. Which Director to retire**

The Directors to retire at each Annual General Meeting shall include so far as necessary to obtain the number required any Director who wishes to retire and not offer himself for re-election and any further Directors so to retire shall, including such Directors as aforesaid be the one-third or other nearest number who have been longest in office. As between two or more who have been in office an equal length of time, the Director to retire shall in default of agreement between them be determined by lot. The length of time a Director has been in office shall be computed from his last election or appointment when he has previously vacated office. A retiring Director shall be eligible for re-election.

**80. Meeting to fill up vacancies**

The Company, at any general meeting at which any Directors retire in manner aforesaid may, subject to any resolution reducing the number of Directors, fill up the vacated offices by electing a like number of persons to be Directors and may fill up any other vacancies.

**81. Retiring Directors may be Re-elected**

If at any general meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled up, then the Company may pass an ordinary resolution to re-elect every Director or Directors eligible to continue in office until the dissolution of the Annual General Meeting in the next year.

**82. Appointment of Directors to be voted upon individually**

A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless a resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.

**83. Right to Attend and Speak at General Meetings**

A Director shall not be required to hold any shares in the capital of the Company. A Director who is not a Member shall nevertheless be entitled to receive notice of and attend and speak at all general meetings of the Company and all separate general meetings of the holders of any class of shares in the capital of the Company.

**84. Other Directorships**

A Director of the Company may be or continue as or become a director or other officer, servant or member of, or otherwise interested in, any body corporate promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director (other than a Director appointed to hold executive office in relation to the management of the business of the Company) shall be accountable to the Company for any remuneration or other benefits received or receivable by him as a director or other officer servant or member of, or from his interest in, such other body corporate.

**85. Remuneration and Expenses**

85.1 Other than Managing Directors and Executive Directors whose remuneration shall be determined in accordance with Article 102, the Directors shall be entitled to be paid out of funds of the Company by way of fees for their services as Directors such sums (if any) as the Board may from time to time determine (not exceeding in the aggregate an annual sum (excluding amounts payable under any other provision of these Articles) of £400,000 or such larger amount as the Company may by ordinary resolution determine) and such remuneration shall be divided between the Directors as they shall agree or, failing agreement, equally. Such remuneration shall be deemed to accrue from day to day.

85.2 The Directors may also be paid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors

including any expenses incurred in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or of the holders of any class of shares or debentures of the Company or otherwise in connection with the business of the Company.

85.3 Any Director who is appointed to any executive office or who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, fees, percentage of profits or otherwise as the Board may determine.

## **86. Committees**

86.1 The Directors may delegate any of their powers to a committee or committees consisting of such member or members of their body as they think fit.

86.2 All committees shall in the exercise of the powers delegated to them and in the transaction of business, conform to any mode of proceedings and regulations which may be prescribed by the Directors, and subject thereto may regulate their proceedings in the same manner as the Directors may do.

## **87. Notice of Directors meetings**

A Director absent or intending to be absent from the United Kingdom may request the Board that notices of meetings of Directors shall during his absence be sent to him at his last known address or any other address (including an address for communications by electronic means) given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting of Directors to any Director who is for the time being absent from the United Kingdom if no such request is made or if the address given to the Company for the purpose of this Article is outside the United Kingdom and he has not provided an address for the purpose of communications by electronic means or otherwise. Where such address is outside the United Kingdom, notice may be sent by electronic means but the Company shall not be obliged to give the Director a longer period of notice than he would have been entitled to had he been present in the United Kingdom. Any Director may waive notice of any meeting and such waiver may be retrospective.

**88. Alternate Directors**

- 88.1 Each Director may appoint any person to be his Alternate (an "**Alternate Director**") and may at his discretion remove an Alternate Director so appointed. If the Alternate Director is not already a Director, the appointment, unless previously approved by the Board, shall have effect only upon and subject to its being so approved. Any appointment or removal of an Alternate Director shall be effected by notice in writing signed by the appointer and delivered to or received at the Office or tendered at a meeting of the Board, or in any other manner approved by the Board. An Alternate Director shall be entitled to receive notice of all meetings of the Board or of committees of the Board of which his appointor is a member. It shall not be necessary to give notice of such a meeting to an Alternate Director who is absent from the United Kingdom. An Alternate Director shall also be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and at such meeting to exercise and discharge all the functions, powers, rights and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director.
- 88.2 Every person acting as an Alternate Director shall (except as regards power to appoint an Alternate Director and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall during his appointment be an officer of the Company. An Alternate Director shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An Alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent as if he were a Director. An Alternate Director shall not be entitled to receive from the Company any fee in his capacity as an Alternate Director but the Company shall, if so requested in writing by the appointor, pay to the Alternate Director any part of the fees or remuneration otherwise due to the appointor.
- 88.3 A Director or any other person may act as an Alternate Director to represent more than one Director. Every person acting as an Alternate Director shall have one vote for each Director for whom he acts as alternate, in addition to his own vote if he is also a Director but he shall count as only one for the purposes of determining whether a quorum is present. Signature by an Alternate Director of any resolution in writing

of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as signature by his appointor.

88.4 An Alternate Director shall cease to be an Alternate Director:

88.4.1 if his appointor ceases for any reason to be a Director except that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired; or

88.4.2 on the happening of any event which if he were a Director would cause him to vacate his office as Director; or

88.4.3 if he resigns his office by notice in writing to the Company.

## **POWERS AND DUTIES OF THE BOARD**

### **89. General Powers of Company Vested in Board and Validity of Proceedings**

89.1 Subject to the provisions of the Companies Acts, the Memorandum of Association of the Company and these Articles and to any directions given by the Company in general meeting by special resolution, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company, whether relating to the management of the business of the Company or not. No alteration of the Memorandum of Association or these Articles and no special resolution shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that resolution had not been passed. The powers given by this Article shall not be limited by any special power given to the Board by any other Article. A meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Board of Directors.

89.2 All acts done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a Director or as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had

vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee or sub-committee and had been entitled to vote.

**90. Powers to award Pensions**

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

**91. Directors' Interests**

91.1 The Board may in accordance with these Articles authorise a matter proposed to it which would, if not authorised, involve a breach by the Director of his duty under the Companies Acts to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. A matter referred to in this Article 91.1 is proposed to the Board by its being submitted in writing for consideration at a meeting of the Board or for the authorisation of the Board by resolution in writing, and in accordance with the Board's normal procedures or in such other manner as the Board may approve. A reference in these Articles to a conflict of interest involves a conflict of interest and duty and a conflict of duties.

91.2 The Board may authorise a matter pursuant to Article 91.1 on such terms and for such duration, or impose such limits or conditions as it thinks fit and vary the terms or duration of an authorisation (including any limits or conditions imposed on it) or revoke it and such authorisation is effective only if:

91.2.1 it is given in accordance with the requirements of the Companies Acts;

91.2.2 in the case of an authorisation given at a meeting of the Board;

- 91.2.3 any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other Director who has a direct or indirect interest in the matter being authorised (each such other Director being an " Other Interested Director");
- 91.2.4 the matter has been agreed to without the Director in question or any Other Interested Director voting or would have been agreed to if their votes had not been counted; and
- 91.2.5 in the case of an authorisation given by resolution in writing, the resolution is signed in accordance with Article 99 by all the Directors, and the number of Directors that sign the resolution (disregarding the Director in question and any Other Interested Director) is not less than the number required to form a quorum.
- 91.3 Any terms, limits or conditions imposed by the Board in respect of its authorisation of a Director's conflict of interest or possible conflict of interest, including (without limitation) an authorisation given pursuant to Article 91.1 may provide (without limitation) that:
- (i) if the relevant Director has (other than through his position as Director) information in relation to the relevant matter in respect of which he owes a duty of confidentiality to another person, he is not obliged to disclose that information to the Company or to use or apply it in performing his duties as a Director;
  - (ii) the Director is to be excluded from discussions in relation to the relevant matter whether at a meeting of the Board or any committee or sub-committee of the board or otherwise;
  - (iii) the Director is not to be given any documents or other information in relation to the relevant matter; and
  - (iv) the Director may or may not vote (or may not be counted in the quorum) at a meeting of the Board or any committee or sub-committee of the Board in relation to any resolution relating to the relevant matter.

A Director does not infringe any duty he owes to the Company under the Companies Acts if he acts in accordance with such terms, limits and conditions (if any) as the Board imposes in respect of its authorisation of the Director's conflict of interest, including (without limitation) an authorisation given pursuant to Article 91.1.

91.4 A Director shall not be required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration or other benefit which he derives from or in connection with in a relationship involving a conflict of interest of possible conflict of interest which has been authorised by the Board pursuant to Article 91.1 above or by ordinary resolution of the Company (subject to any terms, limits or conditions attaching to that authorisation).

91.5 A Director, provided that he has disclosed to the Board the nature and extent of his interest to the extent require by the Companies Acts, is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration or other benefit which he derives from or in connection with:

91.5.1 being a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is interested or a body corporate promoted by the Company or in which the Company is otherwise interested;

91.5.2 acting alone or through his organisation in a professional capacity for the Company (otherwise than as auditor) and he or that organisation is entitled to remuneration for professional services as if he were not a Director; and

91.5.3 being a director or other officer of, or employed by, or otherwise interested in, a body corporate promoted by the Company or in which the Company is otherwise interested.

A Director's receipt of any remuneration or other benefit referred to in Article 91.4. does not constitute infringement of his duty under the Companies Acts and a transaction or arrangement referred to in Article 91.4 is not liable to be avoided on the ground of any remuneration, benefit or interest referred to in that Article.

91.6 For the purpose of this Article:

- 91.6.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- 91.6.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 91.7 Except as provided by Article 91.9 or by the terms of any authorisation given by the Board, including (without limitation) pursuant to Article 91.1, or by the Company in general meeting, a Director must not vote at a meeting of the Board or any committee or sub-committee of the Board in respect of any contract, transaction, arrangement or proposal in which he has an interest (other than an interest in shares, debentures or other securities of or otherwise in or through the Company) which is to his knowledge a material interest.
- 91.8 A Director must not be counted in the quorum at a meeting of the Board or any committee or sub-committee of the Board in relation to any resolution on which he is not entitled to vote.
- 91.9 A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
- 91.9.1 the giving of any guarantee, security or indemnity to him in respect of money lent to, or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- 91.9.2 the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

- 91.9.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription, purchase or exchange in which he is, or is to be, interested as a participant in the underwriting or sub-underwriting thereof;
- 91.9.4 any contract, arrangement, transaction or other proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of a third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- 91.9.5 any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which either relates to both employees and Directors of the Company or any of its subsidiary undertakings and does not accord to any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates;
- 91.9.6 any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme for enabling employees including full time Executive Directors of the Company and/or any subsidiary undertaking to acquire shares of the Company or any arrangement for the benefit of employees of the Company or any of its subsidiary undertakings under which the Director benefits in a similar manner to employees;
- 91.9.7 any contract, policy, arrangement, transaction or proposal concerning the purchase of insurance for the benefit of the Directors whether under a Directors and Officers Liability Policy or otherwise; and
- 91.9.8 any proposal under which he may benefit concerning the provision of funds to Directors to meet expenditure incurred or to be incurred by them in defending proceedings or in connection with any application under any of the provisions

mentioned in the Companies Acts or otherwise enabling any such person to avoid incurring that expenditure.

91.10 A Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.

91.11 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 or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

91.12 If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in the case where the nature or extent of the interests of the Director concerned have not been fully disclosed.

91.13 The Company may by ordinary resolution suspend or relax the provisions of this Article either generally or in respect of any particular matter or ratify any transaction not duly authorised by reason of a contravention of this Article.

91.14 For the purpose of this Article an interest of a person who is for the purpose of the Companies Acts connected with a Director shall be treated as an interest of the Director and in relation to an Alternate Director an interest of his appointor shall be treated as an interest of the Alternate Director without prejudice to any interest which the Alternate Director has otherwise.

## **92. Exercise of voting powers**

The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such

other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors or other officers or servants of such company or voting or providing for the payment of remuneration to such officers or servants).

**93. Directors may join Boards of other companies**

A Director of the Company may continue or become a director or other officer, servant or member of any company promoted by the Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any remuneration or other benefits derived as director or other officer, servant or member of such company.

## **MEETINGS AND PROCEEDINGS OF DIRECTORS**

**94. Board Meetings**

95.1 Subject to the provisions of these Articles the Board may meet for the despatch of its business, adjourn and otherwise regulate its meetings as it sees fit. A Director may at any time and the Secretary on the requisition of a Director shall, summon a Board meeting.

95.2 The Board shall be deemed to meet together if, being in separate locations, they are nonetheless linked by conference telephone or other communication equipment which allows those participating to hear and speak to each other and a quorum in that event shall be two Directors so linked. Such a meeting shall be deemed to take place where the largest group of Directors participating is assembled or, if there is no such group, where the Chairman of the meeting is.

**95. Quorum**

The quorum necessary for the transaction of business of the Directors shall be any three Directors. 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.

**96. Chairman of a Meeting of the Directors**

96.1 The Directors may elect from their number a Chairman and a deputy Chairman (or two or more deputy chairmen) and determine the period for which each is to hold office. If no Chairman or deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or deputy Chairman shall be present within 15 minutes after the time appointed for holding the meeting, the Directors present shall choose one of their number to be Chairman of the meeting.

96.2 If at any time there is more than one deputy Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the deputy chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

**97. Casting Vote**

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

**98. Number of Directors below minimum**

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

**99. Written Resolutions of Directors**

A resolution in writing signed by all the Directors for the time being entitled to vote at a meeting of the Board or by all the members of a committee for the time being (not being in either case less than the number required to form a quorum) and sent to such address (if any) for the time being notified by the Company for that purpose, shall be as valid and effective for all purposes as a resolution passed at a meeting of the Board duly convened and held, and may consist of one or more documents in like form each signed by one or more of the Directors or members of such committee, provided that (a) such a resolution need not be signed by an Alternate Director if it is signed by the

Director who appointed him and (b) such resolution need not be signed by the appointing Director if it is signed by the Alternate Director that he has appointed.

## **MANAGING AND EXECUTIVE DIRECTORS**

### **100. Appointment**

Subject to the provisions of the Companies Acts, the Board may from time to time appoint one or more of its body to be Managing Director or Joint Managing Directors of the Company or to hold such other executive office (as "Executive Director") in relation to the management of the business of the Company as they may decide, for such period and on such terms as they think fit, and may, from time to time and (subject to the terms of any service contract entered into in any particular case and without prejudice to any claim for damages such Director may have for breach of any such service contract) may remove or dismiss him or them from such office and appoint another or others in his or their place or places.

### **101. Termination of Appointment**

101.1 Any appointment of a Director to Managing Director or Executive Director shall terminate if he ceases to be a Director but without prejudice to any rights or claims which he may have against the Company by reason of such cessation.

101.2 A Director appointed to Managing Director or Executive Director shall not cease to be a Director merely because his appointment to such Managing or Executive office terminates.

### **102. Remuneration**

The salary or remuneration of any Managing Director or such Executive Director of the Company shall, subject as provided in any contract, be such as the Board may from time to time determine, and may be of any description including, without limitation, a fixed sum of money, a sum altogether or in part be governed by the business done or profits made, the making of provisions for the payment to him or his other dependants of a pension on retirement from the office or employment to which he is appointed, or the participation in pension and life assurance and other benefits; or may otherwise be upon such other terms as the Board determines.

**103. Delegation of Powers**

The Directors may from time to time delegate entrust to and confer upon a Managing Director or such Executive Director such of the powers and discretions exercisable under these Articles by the Directors other than the power to make calls or forfeit shares upon such terms and conditions and with such restrictions as they may think fit, and may confer such power for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they may think expedient; and either collaterally with or to the exclusion of their own powers and discretions and may from time to time revoke, withdraw, alter or vary all or any of such powers or discretions.

**SECRETARY**

**104. Secretary**

Subject to the provisions of the Companies Acts, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they think fit; and any Secretary may be removed by the Board.

**PRESIDENT**

**105. President**

The Directors may from time to time appoint a president of the Company (who need not be a Director) and may determine his duties and remuneration and the period for which he is to hold office.

**DELEGATION OF POWERS**

**106. Local Management**

The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether at home or abroad, in such manner as they think fit.

**107. Local Board**

107.1 The Directors from time to time, and at any time, may establish a local board of Directors (the "**Local Board**") or agencies for managing any of the affairs of the

Company in any such specified locality, and may appoint any persons to be members of such Local Board, or any managers or agents, and may fix their remuneration.

107.2 The Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities, and discretions for the time being vested in the Directors, other than the power of making calls, and may authorise the members for the time being of any such Local Board, or any of them, to fill up the vacancies therein, and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

**108. Powers of Attorney**

The Directors may at any time and from time to time by power of attorney under the Seal, appoint any person or 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 presents), and for such period and subject to such conditions as the Directors may from time to time think fit; and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney or attorneys as the Directors may think fit.

**109. Sub-delegation**

Any such delegates or attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

## **BORROWING POWERS**

**110. Borrowing Powers of the Board**

110.1 Subject to the following provisions of this Article, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Companies Acts, to issue debentures and other

securities, whether outright or as collateral security, for a debt, liability or obligation of the Company or of a third party.

110.2 The Board shall restrict the borrowings of the Company and shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (as regards subsidiary undertakings, to the extent possible) that the aggregate principal amount outstanding in respect of moneys borrowed by the Company and its subsidiary undertakings (the Company and its subsidiary undertakings the "**Group**" for the purpose of this Article and each a "**Group Undertaking**") does not at any time without the previous sanction of an ordinary resolution of the Company exceed fifteen times the aggregate of:

- (a) the nominal capital of the Company for the time being issued and paid up; and
- (b) the amounts standing to the credit of the consolidated reserves of the Group whether distributable or undistributable and including (without limitation) the share premium account, capital redemption reserve and profit and loss account but excluding any negative reserve created as a result of writing off goodwill;

all as shown in a consolidation of the then latest audited balance sheets of the Group but after:

- (a) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital, the share premium account and the capital redemption reserve fund of the Company since the date of its latest audited balance sheet;
- (b) excluding therefrom (i) any sums set aside for future taxation, (ii) amounts attributable to outside shareholders in subsidiary undertakings;
- (c) deducting therefrom (i) an amount equal to any distribution by the Company out of profits earned prior to the date of its latest audited balance sheet and which have been declared, recommended or made since that date except so far as provided for in such balance sheet, and (ii) any debit balances on profit and loss account.

110.3 For the purposes of this Article "moneys borrowed" shall be deemed to include the following except in so far as otherwise taken into account:

110.3.1 the nominal amount of any issued share capital and the principal amount of any debentures or borrowed moneys, the beneficial interest whereof is not for the time being owned by any of the Group of any body whether corporate or unincorporated and the payment or repayment whereof is the subject of a guarantee or indemnity by any of the Group;

110.3.2 the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any of the Group;

110.3.3 the principal amount of any debenture (whether secured or unsecured) of any of the Group owned otherwise than by any of the Group;

110.3.4 the principal amount of any preference share capital of any subsidiary undertaking owned otherwise than by any of the Group; and

110.3.5 any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing;

but shall be deemed not to include:

110.3.6 borrowings for the purposes of repaying the whole or any part of borrowings by any of the Group for the time being outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period; and

110.3.7 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by any of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade or by any other Governmental department fulfilling a similar function, to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured;

110.3.8 moneys taken on deposit or current account maintained with the Company or any other Group Undertaking carrying on the business which includes

the regulated activity of accepting deposits, less the amount of the net indebtedness of other Group Undertakings whose business does not include accepting deposits to any such company; and

110.3.9 borrowings by one Group Undertaking from another, including the principal amount of any loan capital (whether secured or unsecured) and the nominal amount of any allotted or issued share capital (not being any equity share capital) of a Group Undertaking beneficially owned, directly or indirectly, by another Group Undertaking.

110.4 A Report by the Auditors as to the aggregate amount which may at any one time in accordance with the provisions of Article 110.2 be owing by the Company and its subsidiary undertakings without such sanction as aforesaid shall be conclusive in favour of the Company and all persons dealing with the Company.

110.5 When the aggregate amount of borrowings required to be taken into account for the purposes of this Article on any particular day is being ascertained, any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:

(a) at the rate of exchange prevailing on that day in London provided that all but not some only of such moneys shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business);

or where the repayment of such moneys is expressly covered by a forward purchase contract, currency option, back-to-back loan, swap or any other arrangement taken out or entered into to reduce the risk in respect of repayment of those moneys:

(b) at the rate of exchange specified therein.

110.6 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this Article shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or would thereby be

exceeded. No lender or other person dealing with the Company is concerned to see or enquire whether the limit is observed.

## **THE SEAL**

### **111. The Seal**

111.1 The Directors shall provide a Seal for the Company and shall have power from time to time to destroy the same and to substitute a new Seal in lieu thereof.

111.2 The Directors shall provide for the safe custody of the Seal, which shall not be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, which authority may be of a general nature and need not apply only to specific documents or transactions. Subject to Article 33 every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors, save that as regards any certificates for shares or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

111.3 Where the Companies Acts so permit, any instrument signed by one Director and the Secretary or by two Directors or by a Director in the presence of a witness who attests the signature and in each case expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to be a deed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

## **RESERVE**

### **112. Reserve**

The Directors may from time to time set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the

Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide. Any such setting aside of sums or carry forward of profits shall be subject to the terms of the Companies Acts.

## **RECORD DATES**

### **113. Power to Choose Record Date**

- 113.1 Notwithstanding any other provision of these Articles, but subject to the Companies Acts and any preferential or other special rights attached to shares, the Company or the Board may (by resolution) fix any date as the record date for a dividend, distribution, allotment or issue (the "**Record Date**"). The Record Date may be on or at any time before the date on which the dividend, distribution, allotment or issue is declared, made or paid.
- 113.2 The Company or the Board may, for the purpose of determining which persons are entitled to attend and vote at a general meeting of the Company, or a separate General Meeting of the holders of any class of shares in the capital of the Company, and how many votes such persons may cast, specify in the notice of meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting; changes to the Register after the time specified by virtue of this Article 113.2 shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- 113.3 For the purpose of sending notices of general meetings of the Company, or separate general meetings of the holders of any class of shares in the capital of the Company under these Articles, the Company or the Board may determine that such persons entitled to receive such notices are those persons entered on the Register at the close of business on a day determined by the Company or the Board, which day may not be more than 21 days before the day that notices of the meeting are sent.

## **DIVIDENDS**

### **114. Declaration of Dividends**

Subject to the provisions of the Companies Acts, the Company in general meeting may declare dividends in accordance with the respective rights of the Members, but no dividend shall exceed the amount recommended by the Board.

### **115. Interim & Fixed Dividends**

115.1 Subject to the provisions of the Companies Acts, the Board:

115.1.1 may from time to time pay such interim dividends as appear to the Board to be justified by the financial position of the Company; and

115.1.2 may also pay the fixed dividends payable on any shares of the Company at intervals settled by the Board if it appears to the Board that the financial position of the Company justifies such payment.

If the Board acts in good faith, it shall not incur any liability to the holders of any class of shares for any loss they may suffer in consequence of the payment of an interim or fixed dividend on any other class of shares ranking *pari passu* with or after those shares.

### **116. Restriction on Payment**

No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of the Companies Acts.

### **117. Entitlement to Dividends**

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid on a share in advance of calls shall be treated for the purpose of this Article as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up 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 as if paid up in full or in part from a particular date, whether past or future, such share shall rank for dividend accordingly.

#### **118. Deductions and Waivers**

- 118.1 The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company. Sums so deducted can be used to pay amounts owing to the Company in respect of the shares.
- 118.2 The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the Member (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

#### **119. Method of Payment**

- 119.1 All dividends and other distributions shall be paid (subject to any lien of the Company) to those Members whose names shall be on the Register as at the Record Date.
- 119.2 The Company may pay any dividend or other sum payable in cash in respect of shares by direct debit, electronic payment (including, but not limited to, bank or other funds transfer system or in respect of shares held in Uncertificated form, by means of a Relevant System in any manner permitted by the rules of the Relevant System concerned), cheque, dividend warrant or money order and may remit the same by post directed to the registered address of the holder or person entitled thereto (or, in the case of joint holders or of two or more persons entitled thereto, to the registered address of the person whose name stands first in the Register), or to such person and to such address as the holder or joint holders or person or persons may in writing direct, and the Company shall not be responsible for any loss of any such cheque, warrant or order nor for any loss in the course of any such transfer or where it has acted on any such directions. Every such cheque, warrant or order shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders or person or persons entitled may in writing direct, and the payment of

such cheque, warrant or order shall be a good discharge to the Company. Any one of two or more joint holders of any share, or any one of two or more persons entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the share.

119.3 Any general meeting declaring a dividend may, upon the recommendation of the Board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, and where difficulty arises in regard to the distribution, the Board may settle it as it thinks expedient, and in particular may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any assets or any part thereof to be distributed and may determine that cash shall be paid to any Members upon the footing of the value so fixed in order to secure equality of distribution and may vest any assets to be distributed in trustees as may seem expedient to the Board.

**120. No Interest on Dividends**

Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other moneys payable on or in respect of a share shall bear interest against the Company.

**121. Unclaimed Dividends**

121.1 The payment of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

121.2 Any dividend unclaimed after a period of twelve years from the date on which:

121.2.1 such dividend was declared; or

121.2.2 such dividend became due for payment

shall be forfeited and shall revert to the Company.

## **122. Retention of Dividends**

122.1 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 moneys payable to the Company in respect of that share.

122.2 The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained 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.

## **RESERVES**

## **123. Capitalisation of Profits and Reserves**

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

123.1.1 subject to the provisions of this Article, resolve to capitalise any undistributed profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or other fund, including without limitation the Company's share premium account and capital redemption reserve, if any;

123.1.2 appropriate the sum resolved to be capitalised to the Members or any class of Members on the record date specified in the relevant resolution who would have been entitled to it if it were distributed by way of dividend and in the same proportions;

123.1.3 apply that sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full shares, debentures or other obligations of the Company of a nominal amount equal to that sum but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up shares to be allotted to Members credited as fully paid;

- 123.1.4 allot the shares, debentures or other obligations credited as fully paid to those Members, or as they may direct, in those proportions, or partly in one way and partly in the other;
- 123.1.5 Where shares or debentures become, or would otherwise become, distributable under this Article in fractions, make such provision as they think fit for any fractional entitlements including, without limitation, authorising their sale and transfer to any person, resolving that the distribution be made as nearly as practicable in the correct proportion but not exactly so, ignoring fractions altogether or resolving that cash payments be made to any Members in order to adjust the rights of all parties;
- 123.1.6 authorise any person to enter into an agreement with the Company on behalf of all the Members concerned providing for either:
- (a) the allotment to the Members respectively, credited as fully paid, of any shares, debentures or other obligations to which they are entitled on the capitalisation; or
  - (b) the payment up by the Company on behalf of the Members of the amounts, or any part of the amounts, remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised,
- and any agreement made under that authority shall be binding on all such Members;
- 123.1.7 generally do all acts and things required to give effect to the ordinary resolution; and
- 123.1.8 for the purposes of this Article, unless the relevant resolution provides otherwise, if the Company holds treasury shares of the relevant class at the record date specified in the relevant resolution, it shall be treated as if it were entitled to receive the dividends in respect of those treasury shares which would have been payable if those treasury shares had been held by a person other than the Company.

## ACCOUNTS AND INSPECTION OF RECORDS

### 124. Accounting Records to be Kept

The Board shall cause to be kept accounting records sufficient to show and explain the Company's transactions, and such as to disclose with reasonable accuracy at any time the financial position of the Company at that time, and which accord with the Companies Acts.

### 125. Inspection of Records

No Member in his capacity as such shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law, ordered by a court of competent jurisdiction or authorised by the Board or by ordinary resolution of the Company.

## SUMMARY FINANCIAL STATEMENTS

### 126. Summary Financial Statements

The Company may send summary financial statements to Members of the Company instead of copies of its full accounts and sending financial statements for the purposes of this Article includes communications sent by electronic means and publication on a website in accordance with the Companies Acts.

## SERVICE OF NOTICES AND DOCUMENTS

### 127. Service of Notices

127.1 Documents, information and notices (including a share certificate) may be sent or supplied by the Company to any person entitled to receive such documents, information or notice in any of the forms permitted under the Companies Acts.

127.2 Any document, information or notice is validly sent or supplied by the Company in hard copy if it is handed to the intended recipient or sent or supplied by hand or through the post in a prepaid envelope:

127.2.1 to an address specified for the purpose by the intended recipient;

- 127.2.2 if the intended recipient is a company, to its registered office;
  - 127.2.3 to the address shown in the Company's register of members;
  - 127.2.4 to any address to which any provision of the Companies Acts authorises it to be sent or supplied;
  - 127.2.5 if the Company is unable to obtain an address falling within paragraphs 127.2.1 to 127.2.4, to the last address known to the Company of the intended recipient.
- 127.3 Any document, information or notice is validly sent or supplied by the Company in electronic form:
- 127.3.1 to a person if that person has agreed (generally or specifically) that the document, information or notice may be sent or supplied in that form and has not revoked that agreement; or
  - 127.3.2 to a company that is deemed to have so agreed by the Companies Acts.
- 127.4 Any document, information or notice is validly sent or supplied by the Company by electronic means if it is sent or supplied:
- 127.4.1 to an address specified for the purpose by the intended recipient (generally or specifically); or
  - 127.4.2 where the intended recipient is a company, to an address deemed by the Companies Acts to have been so specified.
- 127.5 Any document, information or notice is validly sent or supplied by the Company to a person by being made available on a website if:
- 127.5.1 the person has agreed (generally or specifically) that the document, information or notice may be sent or supplied to him in that manner, or he is taken to have so agreed under the Companies Acts and in either case he has not revoked that agreement;
  - 127.5.2 the Company has notified the intended recipient of:

- (a) the presence of the document, information or notice on the website;
- (b) the address of the website;
- (c) the place on the website where it may be accessed;
- (d) how to access the document, information or notice; and
- (e) any other information prescribed by the Companies Acts including, when the document, information or notice is a notice of meeting, that fact, the place, date and time of the meeting and whether the meeting is an Annual General Meeting; and

128.5.3 the document, information or notice is available on the website throughout the period specified by the Companies Acts or, if no such period is specified, the period of 28 days starting on the date on which the notification referred to in Article 127.5.2 is sent to the relevant person.

127.6 In respect of joint holdings all documents, information and notices shall be sent or supplied to the joint holder whose name stands first in the Register in respect of such joint holding, and notice so sent or supplied shall be sufficient notice to all the joint holders. A joint holder whose name stands first in the Register but who has no specified or registered address in the United Kingdom for the service of notices shall be disregarded for this purpose except to the extent that the Company intends to send or supply a notice by electronic means and the joint holder whose name stands first in the Register has agreed (generally or specifically) to the sending or supply of that document, information or notice by electronic means and has not revoked that agreement and he has notified the Company of an address for that purpose. Anything to be agreed or specified in respect of a joint holding may be agreed or specified by the joint holder whose name stands first in the Register.

127.7 A Member present either in person or by proxy, or in the case of a corporate member by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

127.8 Nothing in this Article shall invalidate the proceedings of a general meeting where:

127.8.1 any notice that is required to be published as mentioned in this Article is published for a part, but not all, of the period mentioned in that Article; and

127.8.2 the failure to publish that notice throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

127.9 If on three consecutive occasions a document, information or notice sent to a Member has been returned undelivered, (including where sent by electronic means) such Member shall not thereafter be entitled to receive documents, information or notices from the Company until he shall have communicated with the Company and supplied to the Company (or its agent) a new registered address, or a postal address within the United Kingdom for the service of notices, or shall have informed the Company, in such manner as may be specified by the Company, of an address for the service of documents, information or notices by electronic means. For these purposes, a document, information or notice sent by post shall be treated as returned undelivered if the notice is sent back to the Company (or its agent), and a document, information or notice sent by electronic means shall be treated as returned undelivered if the Company (or its agent) receives notification that the notice was not delivered to the address to which it was sent.

**128. Record Date for Service**

Any document, information or notice may be served, sent or delivered by the Company by reference to the Register as it stands at any time not more than 15 days before the date of service, sending or delivery. No change in the Register after that time shall invalidate that service, sending or delivery. Where any document, information or notice is served on or sent or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service, sending or delivery of that document, information or notice.

**129. Members Resident Abroad or on branch registers**

129.1 Any Member whose registered address is not within the United Kingdom and who gives to the Company a postal address within the United Kingdom at which

documents, information or notices may be served upon, or delivered to, him shall be entitled to have documents, information or notices served on or sent or delivered to him at that address. Any Member whose registered address is not within the United Kingdom and who gives to the Company an address for the purposes of serving documents, information or notices by electronic means may, at the absolute discretion of the Board, have documents, information or notices sent to him at that address. Otherwise, a Member whose registered address is not within the United Kingdom shall not be entitled to receive any document, information or notice from the Company.

129.2 For a Member registered on a branch register, documents, information or notices can be posted or despatched in the United Kingdom or in the country where the branch register is kept.

**130. Service of Notice on Person Entitled by Transmission**

A person who is entitled by transmission to a share, upon supplying the Company with a postal address within the United Kingdom for the service of documents, information or notices, shall be entitled to have served upon or delivered to him at such address any documents, information or notice to which he would have been entitled if he were the holder of that share. A person who is entitled by transmission to a share, upon supplying the Company with an address for the purposes of the service of documents, information or notices by electronic means, at the absolute discretion of the Board, may have sent to him at such address any documents, information or notice to which he would have been entitled if he were the holder of that share. In either case, such service, sending or delivery shall for all purposes be deemed a sufficient service, sending or delivery of such documents, information or notices on all persons interested (whether jointly with or as claimants through or under him) in the share. Otherwise, any documents, information or notice served on or sent or delivered to any Member pursuant to these Articles shall, notwithstanding that the Member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the Company has notice of the death, bankruptcy or other event, be deemed to have been properly served, sent or delivered in respect of any share registered in the name of that Member as sole or joint holder.

**131. When Notice Deemed Served**

Any document, information or notice, if sent by the Company by post, shall be deemed to have been served or delivered on the day following that on which it was put in the post if first class post was used, or 72 hours after it was posted if first class post was not used and, in proving service or delivery, it shall be sufficient to prove that the document, information or notice was properly addressed, prepaid and put in the post. Any document, information or notice not sent by post but left by the Company at a registered address or at an address (other than an address for the purposes of communication by electronic means) notified to the Company in accordance with these Articles by a person who is entitled by transmission to a share shall be deemed to have been served or delivered on the day it was so left. Any document, information or notice served or delivered by the Company by means of a Relevant System shall be deemed to have been served or delivered when the Company or any sponsoring system-participant acting on its behalf sends the issuer-instruction relating to the documents, information or notice. Any documents, information or notice sent by the Company by electronic means shall be deemed to have been received on the day following that on which it was sent. In proving such service, it shall be sufficient to prove that the document, information or notice was properly addressed. A document, information or notice placed on the Company's website or websites shall be deemed to have been received by the recipient when the material was first made available on the website, or if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website. Any document, information or notice given by advertisement shall be deemed to have been delivered or served on the day on which the advertisement appears. Any document, information or notice served, sent or delivered by the Company by any other means authorised in writing by the Member concerned shall be deemed to have been served, received or delivered when the Company has carried out the action it has been authorised to take for that purpose.

**132. Notice When Post is Not Available**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom or some part of the United Kingdom or of the relevant electronic system used to send documents by electronic means the Company is unable effectively to convene a general meeting by notice sent through the post or by

electronic means, notice of the general meeting may be given to Members affected by the suspension or curtailment by a notice advertised in at least one newspaper with a national circulation. Notice published in this way shall be deemed to have been properly served on all affected Members who are entitled to have notice of the Meeting served upon them, on the day when the advertisement has appeared in at least one such paper. If at least six clear days prior to the Meeting, the sending of notices by post or by electronic means has again become generally possible, the Company shall send confirmatory copies of the notice by post or by electronic means to the persons entitled to receive them.

## **WINDING UP**

### **133. Division of Assets**

If the Company shall be wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Acts, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other securities or other assets whereon there is any liability.

### **134. Petition or Administration Order**

The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the winding up of the Company or for an administration order to be made in relation to the Company.

## **PROVISION FOR EMPLOYEES**

### **135. Provision for Employees**

The Board may exercise any power conferred by the Companies Acts to make provision for the benefit of persons employed or formerly employed by the Company

or any of its subsidiary undertakings in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary undertaking.

## **INDEMNITY**

### **136. Indemnity**

- 136.1 Subject to the provisions of, and so far as may be permitted by and consistent with, the Companies Acts, every Director and officer of the Company or any associated company shall be indemnified by the Company out of its own funds against (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company; and (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Where a Director or officer is indemnified against any liability in accordance with this Article 136.1, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.
- 136.2 Without prejudice to Article 136.1 above, the Directors shall have the power to purchase and maintain insurance for or for the benefit of (i) any person who is or was at any time a Director or officer of any Relevant Company (as defined in Article 136.5 below), or (ii) any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by or attaching to him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto).
- 136.3 Subject to the provisions of and so far as may be permitted by the Companies Acts, the Company may:

136.3.1 provide a Director, secretary or officer of any Relevant Company with funds to meet expenditure incurred or to be incurred by him;

(a) in defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company of the Company;

(b) in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company or the Company and

136.3.2 do anything to enable any such Director, secretary or other officer to avoid incurring such expenditure.

136.4 For the purpose of Article 136.1, 136.2 and 136.3 above, an officer does not include an auditor.

136.5 For the purpose of Article 136.2 and 136.3 above, "**Relevant Company**" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.

## **DESTRUCTION OF DOCUMENTS**

### **137. Presumptions Where Documents Destroyed**

If the Company destroys or deletes:

137.1 any share certificate which has been cancelled at any time after a period of one year has elapsed from the date of cancellation; or

137.2 any instruction concerning the payment of dividends or other moneys in respect of any share or notification of change of name or address at any time after a period of

two years has elapsed from the date the instruction or notification was recorded by the Company; or

137.3 any instrument of transfer or Operator-instruction for the transfer of shares which has been registered by the Company at any time after a period of six years has elapsed from the date of registration; or

137.4 any other document on the basis of which any entry is made in the Register at any time after a period of six years has elapsed from the date the entry was first made in the Register in respect of it and the Company destroys or deletes the document or instruction in good faith and without express notice that its preservation was relevant to a claim, it shall be presumed irrebuttably in favour of the Company that every share certificate so destroyed was a valid certificate and was properly cancelled, that every instrument of transfer or Operator-instruction so destroyed or deleted was a valid and effective instrument of transfer or instruction and was properly registered and that every other document so destroyed was a valid and effective document and that any particulars of it which are recorded in the books or records of the Company were correctly recorded. If the documents relate to Uncertificated Shares, the Company must comply with any requirements of the Uncertificated Shares Regulations which limit its ability to destroy these documents. Nothing contained in this Article shall be construed as imposing upon the Company any liability which, but for this Article, would not exist or by reason only of the destruction of any document of the kind mentioned above before the relevant period mentioned in this Article has elapsed or of the fact that any other condition precedent to its destruction mentioned above has not been fulfilled. References in this Article to the destruction of any document include references to its disposal in any manner.