

**Registered No. 735438**

**The Companies Act 2006**

**A public company limited by shares**

**Memorandum**

**and**

**Articles of Association**

**of**

**Photo-Me International plc**

**(Incorporated on 14 September 1962)**

**The Companies Act 2006**  
**Company limited by Shares**

**Memorandum of Association**  
**of**  
**Photo-Me International plc**

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

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<b>Names, Addresses and Descriptions of Subscribers</b>	<b>Number of Shares taken by each Subscriber</b>
<b>Edward Frank Weston</b> 26 Astons Road Moor Park Hertfordshire  Chartered Accountant	One
<b>Percival Ronald Valdema Wheeler</b> Bury St. Austens Rudgwick Sussex  Member, Stock Exchange, London	One

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Dated the 26<sup>th</sup> day of August, 1962

WITNESS to all the above Signatures:

**D. Percy**  
170 Tippetdell Lane  
Park Street  
St. Albans  
Herts.

Chartered Accountant

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**Registered No. 735438**

**The Companies Act 2006**

**A public company limited by shares**

**Articles of Association**

**of**

**Photo-Me International plc**

**(adopted by a special resolution passed on 15 September 2010)**

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<b>Contents</b>	<b>Page</b>
<b>Exclusion of Table A and Model Articles</b>	<b>1</b>
<b>Interpretation</b>	<b>1</b>
<b>Limited Liability</b>	<b>3</b>
<b>Rights Attached to Shares</b>	<b>3</b>
<b>Redeemable Shares</b>	<b>3</b>
<b>Variation of Rights</b>	<b>4</b>
<b>Pari Passu Issues</b>	<b>4</b>
<b>Shares</b>	<b>4</b>
<b>Commissions</b>	<b>4</b>
<b>Trusts not Recognised</b>	<b>5</b>
<b>Share Warrants</b>	<b>5</b>
<b>Share Certificates</b>	<b>5</b>
<b>Uncertificated Shares</b>	<b>6</b>
<b>Lien</b>	<b>7</b>
<b>Calls on Shares</b>	<b>8</b>
<b>Forfeiture of Shares</b>	<b>9</b>
<b>Disclosure of Interests in Shares</b>	<b>10</b>
<b>Transfer of Shares</b>	<b>12</b>
<b>Transmission of Shares</b>	<b>14</b>
<b>Untraced Shareholders</b>	<b>15</b>
<b>Alteration of Share Capital</b>	<b>16</b>
<b>General Meetings</b>	<b>16</b>
<b>Notice of General Meetings</b>	<b>17</b>
<b>Proceedings at General Meetings</b>	<b>18</b>
<b>Amendments to Resolutions</b>	<b>20</b>
<b>Voting</b>	<b>20</b>

---

<b>Contents</b>	<b>Page</b>
<b>Proxies</b>	<b>23</b>
<b>Representation of Corporations at Meetings</b>	<b>25</b>
<b>Appointment and Retirement of Directors</b>	<b>25</b>
<b>Alternate Directors</b>	<b>28</b>
<b>Non-Executive Directors</b>	<b>29</b>
<b>Executive Directors</b>	<b>29</b>
<b>Directors' Expenses</b>	<b>30</b>
<b>Pensions and Other Benefits</b>	<b>30</b>
<b>Director's Interests</b>	<b>30</b>
<b>Powers of the Board</b>	<b>33</b>
<b>Delegation of Powers of the Board</b>	<b>34</b>
<b>Change of Company name</b>	<b>35</b>
<b>Provision for Employees on Cessation of Business</b>	<b>35</b>
<b>Borrowing Powers</b>	<b>35</b>
<b>Proceedings of the Board</b>	<b>37</b>
<b>Secretary</b>	<b>39</b>
<b>Authentication of Documents</b>	<b>39</b>
<b>Minutes</b>	<b>40</b>
<b>The Seal</b>	<b>40</b>
<b>Registers</b>	<b>40</b>
<b>Reserves</b>	<b>40</b>
<b>Dividends</b>	<b>41</b>
<b>Capitalisation of Reserves</b>	<b>44</b>
<b>Record Dates</b>	<b>46</b>
<b>Accounts and Accounting Records</b>	<b>46</b>
<b>Auditors</b>	<b>47</b>

---

<b>Contents</b>	<b>Page</b>
<b>Communication with Members</b>	<b>47</b>
<b>Destruction of Documents</b>	<b>49</b>
<b>Indemnity and Insurance</b>	<b>50</b>

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**Registered No. 735438**

**The Companies Acts 1985 and 2006**

**A public company limited by shares**

**Articles of Association**

**of**

**Photo-Me International plc**

**(adopted by a special resolution passed on 15 September 2010)**

### **Exclusion of Table A and Model Articles**

*Table A and model articles*

1. The regulations in Table A of the Companies Act 1948, Table A of the Companies (Tables A to F) Regulations 1985, Table A to the Companies (Tables A to F) (Amendment) Regulations, the model articles for public companies adopted pursuant to the Act and any similar regulations in any other legislation relating to companies do not apply to the Company.

### **Interpretation**

*Definitions*

2. In these Articles unless the context otherwise requires:

**Act** means the Companies Act 2006 as in force from time to time.

**these Articles** means these articles of association or as from time to time altered.

**auditors** means the auditors of the Company.

**board** means the directors or any of them acting as the board of directors of the Company.

**clear days** in relation to the sending of a notice means the period excluding the day on which a notice is sent or deemed to be sent and the day for which it is sent or on which it is to take effect.

**Company** means Photo-Me International plc.

**Company Communications Provisions** has the meaning given to it in sections 1143 to 1148 of the Act.

**director** means a director of the Company.

**electronic signature** means anything in electronic form which the board requires to be incorporated into or otherwise associated with a communication sent in electronic form for the purpose of establishing the authenticity or integrity of the communication.

**entitled by transmission** means, in relation to a share, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law.

**holder** in relation to any shares means the member whose name is entered in the register as the holder of those shares.

**member** means a member of the Company.

**office** means the registered office of the Company.

**Operator** means CREST Co Limited or such other person as may for the time being be approved by HM Treasury as Operator under the Uncertificated Securities Regulations.

**ordinary shares** means the Company's ordinary shares.

**paid up** means paid up or credited as paid up.

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

**recognised investment exchange** means any investment exchange granted recognition under the Financial Services and Markets Act 2000.

**register** means the register of members of the Company and, at any time when the Company has shares in issue which are uncertificated shares, means either or both of the Operator register of members and the issuer register of members of the Company.

**relevant system** means a computer-based system and procedures which enable title to units of a security to be evidenced and transferred without a written instrument pursuant to the Uncertificated Securities Regulations or any regulations made pursuant to the Act.

**seal** means any common seal or official seal that the Company may be permitted to have under the Act.

**secretary** means the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the Company and includes any person appointed by the board to perform any of the duties of the secretary.

**Uncertificated Securities Regulations** means the Uncertificated Securities Regulations 2001 including any modification or re-enactment of them for the time being in force.

**United Kingdom** means Great Britain and Northern Ireland.

### *Construction*

- References to an address include any number or address (including an email address and an identification number of a participant in a relevant system) used for the purposes of sending or receiving notices, documents or information by electronic means and/or by means of a website.

References to a share being **certificated** or **uncertificated** are references, respectively, to that share being a certificated or an uncertificated unit of a security for the purposes of the Uncertificated Securities Regulations.

References to a **document** include, unless the context otherwise requires, references to a communication sent in electronic form.

References to a document being **executed** or **signed** or to **signature** include references to it being executed under hand or under seal or by any other method and, in the case of a



communication sent in electronic form or by electronic means, such references are to its bearing electronic signature.

The expressions **hard copy form**, **electronic form** and **electronic means** have the respective meanings given to them in section 1168 of the Act.

References to an **instrument** mean, unless the contrary is stated, a written document having tangible form and not comprised in electronic form.

References to a **meeting** shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by attendance by one person.

References to **writing** include references to any method of representing or reproducing words in a legible and non-transitory form including anything in electronic form, and **written** shall be construed accordingly.

Words denoting the singular number include the plural number and vice versa; words denoting the masculine gender include the feminine gender; and words denoting persons include corporations.

Words or expressions contained in these Articles which are not defined in Article 2 but are defined in the Act or the Uncertificated Securities Regulations have the same meanings as in the Act or, as applicable, the Uncertificated Securities Regulations.

References to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification).

Headings and marginal notes are inserted for convenience only and do not affect the construction of these Articles.

## **Limited Liability**

### *Limited Liability*

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

## **Rights Attached to Shares**

### *Issue of shares with special rights*

5. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the board may determine.

## **Redeemable Shares**

### *Power to issue redeemable shares*

6. Subject to the provisions of the Act, and without prejudice to any rights attached to any existing class of shares, any shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

## Variation of Rights

### *Method of varying rights*

7. Subject to the provisions of the Act, all or any of the rights attached to any existing class of shares may from time to time (whether or not the Company is being wound up) be varied or abrogated either:

(A) with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares), which consent shall be by means of one or more instruments or contained in one or more communications in electronic form sent to such address (if any) for the time being notified by or on behalf of the Company for that purpose or a combination of both; or

(B) with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class,

but not otherwise. The provision of these Articles relating to general meetings of the Company shall, with any necessary modifications, apply to any such separate general meeting, but so that the necessary quorum shall be two persons entitled to vote and holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) (but provided that at any adjourned meeting one holder entitled to vote and present in person or by proxy (whatever the number of shares held by him) shall be a quorum), that every holder of shares of the class present in person or by proxy and entitled to vote shall be entitled on a poll to one vote for every share of the class held by him (subject to any rights or restrictions attached to any class of shares) and that any holder of shares of the class present in person or by proxy and entitled to vote may demand a poll. The foregoing provisions of this Article shall apply to the variation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class and their special rights were to be varied.

## Pari Passu Issues

### *Rights not varied by pari passu issues*

8. The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to, or the terms of issue of, such shares, be deemed to be varied by the creation or issue of further shares ranking pari passu with them.

## Shares

### *General power of board to dispose of shares*

9. Subject to the provisions of the Act and these Articles and to any resolution passed by the Company and without prejudice to any rights attached to any class of existing shares, the shares of the Company shall be at the disposal of the board, which may offer, allot, grant options over or otherwise deal with or dispose of them to such persons, at such times, for such consideration and upon such terms and conditions as the board may determine.

## Commissions

### *Power to pay commissions*

10. The Company may in connection with the issue of any shares exercise all powers of paying commissions or brokerage conferred or permitted by the Act. Subject to the provisions of the

Act, any such commissions or brokerage may be satisfied by the payment of cash, or by the allotment of fully or partly paid shares, or by the grant of an option to call for an allotment of shares, or by any combination of these.

## **Trusts not Recognised**

### *Trusts of shares not recognised*

11. Except as ordered by a court of competent jurisdiction or as required by law no person shall be recognised by the Company as holding any share upon any trust and (except only as otherwise provided by these Articles or as ordered by a court of competent jurisdiction or as required by law) the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any interest in any share (or in any fractional part of a share) except the holder's absolute right to the entirety of the share (or fractional part of the share).

## **Share Warrants**

### *Share warrants to bearer*

12. The Company may, with respect to any fully paid shares, issue a share warrant stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends or other moneys on the shares included in a share warrant. Any share while represented by such a warrant shall be transferable by delivery of the warrant relating to it.

### *Conditions attached to share warrants*

13. The powers referred to in Article 13 may be exercised by the board, which may determine and vary the conditions on which share warrants shall be issued, and in particular on which:
  - (A) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out, lost or destroyed (provided that no new share warrant shall be issued to replace one that has been lost unless the board is satisfied beyond reasonable doubt that the original has been destroyed);
  - (B) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;
  - (C) dividends will be paid; and
  - (D) a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it.

Subject to such conditions and to these Articles, the bearer of a share warrant shall be deemed to be a member for all purposes. The bearer of a share warrant shall be subject to the conditions for the time being in force and applicable thereto, whether made before or after the issue of such share warrant.

## **Share Certificates**

### *Members' rights to certificates*

14. Every person (except a person to whom the Company is not required by law to issue a certificate) whose name is entered as a holder of any certificated shares in the register shall be entitled, without payment, to receive within the time limits prescribed by the Act (or, if earlier, within any time specified when the shares were issued) one certificate for all those shares of any one class. In the case of a certificated share held jointly by several persons, the

Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A member who transfers some but not all of the shares comprised in a certificate shall be entitled to a certificate for the balance without charge. The Company shall in no case be bound to register more than four persons as the joint holders of any share. If a member requires additional certificates, he shall pay for each additional certificate such reasonable sum (if any) as the board may determine.

#### *Consolidation of share certificates*

15. Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu on surrender of the original certificates for cancellation but the Company may charge to the member any expenses or fees thereby incurred.

#### *Splitting of share certificates*

16. If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the board may, if it thinks fit, comply with such request and may charge to the member any expenses or fees thereby incurred.

#### *Replacement certificates*

17. If a share certificate is defaced, worn out, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the board may think fit and, in case of defacement or wearing out, on delivery of the old certificate to the Company.

#### *Execution of share certificates*

18. Every share certificate shall be executed under a seal or in such other manner as the board may authorise and shall specify the number and class of the shares and distinguishing numbers (if any) to which it relates and the amount or respective amounts paid up on the shares. No certificate shall be issued representing shares of more than one class. 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 or other means or may be printed on them or that the certificates need not be signed by any person.

## **Uncertificated Shares**

#### *Power to permit uncertificated shares*

19. Subject to the provisions of the Uncertificated Securities Regulations, the board may permit the holding of shares in any class of shares in the form of uncertificated shares and the transfer of title to shares in that class by means of a relevant system and may determine that any class of shares shall cease to be a participating security.

#### *Conversion into and out of uncertificated form*

20. The board may allow, at its discretion, certificated shares to be converted into uncertificated shares and vice versa, but the board shall comply with the Uncertificated Securities Regulations and the requirements of the relevant system, in relation to such conversion.

*Details of uncertificated shares to be kept in register*

21. There shall be entered in the register details of the number of uncertificated shares held by each member. The register must be compiled and kept up to date so as to meet the requirements of the Uncertificated Securities Regulations and the relevant system.

*Certificated and uncertificated shares are one class*

22. Certificated and uncertificated shares of the same class shall be treated as one class of shares, notwithstanding that these Articles or the Uncertificated Securities Regulations require different treatment to be given to certificated or uncertificated shares.

*Powers in relation to uncertificated shares*

23. Where any class of shares is a participating security and the Company is entitled under any provision of the Act, the Uncertificated Securities Regulations or these Articles to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over an uncertificated share, the Company shall be entitled, subject to the provisions of the Act, the Uncertificated Securities Regulations, these Articles and the facilities and requirements of the relevant system:
- (A) to require the holder of that uncertificated share by notice to change that share into a certificated share within the period specified in the notice and to hold that share as a certificated share so long as required by the Company;
  - (B) to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice;
  - (C) to require the holder of that uncertificated share by notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the relevant system, necessary to transfer that share within the period specified in the notice;
  - (D) to require the Operator to convert that uncertificated share into a certificated share in accordance with Regulation 32(2)(c) of the Uncertificated Securities Regulations; and
  - (E) to take any action that the board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.

## **Lien**

*Company to have lien on shares*

24. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all amounts payable to the Company (whether presently or not) in respect of that share. The board may at any time, either generally or in any particular case, waive any lien that has arisen, or declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable in respect of it.

*Enforcement of lien by sale*

25. The Company may sell, in such manner as the board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 clear days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder of the share or the

person entitled by transmission. For giving effect to any such sale, if the share is a certificated share, the board may authorise any person to execute an instrument of transfer in respect of the share sold to, or in accordance with the directions of, the purchaser. If the share is an uncertificated share, the board may exercise any of the Company's powers under Article 23 to effect the sale of the share to, or in accordance with the directions of, the purchaser. The transferee shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.

#### *Application of proceeds*

26. The net proceeds, after payment costs, of the sale by the Company of any share on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the share sold and subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the holder immediately before such sale of the share or to any person who is entitled by transmission to the share.

### **Calls on Shares**

#### *Power to make calls*

27. 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 the amount, time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed in whole or in part as the board may determine. A member shall remain liable, jointly and severally with the successors in title to his shares, for all calls made on him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

#### *Time when call made*

28. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the board authorising the call was passed.

#### *Liability of joint holders*

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

#### *Interest payable*

30. If an amount called in respect of a share shall not be paid in whole or in part 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 became due and payable until it is paid. Interest shall be paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, the rate determined by the board, not exceeding 15 per cent. per annum, but the board shall be at liberty to waive payment of such interest wholly or in part.

#### *Deemed calls*

31. Any amount payable in respect of a share on allotment or at any date fixed by or in accordance with the terms of issue, whether on account 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 duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable.

In the case of non-payment, all relevant provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a call duly made and notified.

#### *Differentiation on calls*

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

#### *Payment of calls in advance*

33. The board may, if it thinks fit, receive from any member willing to advance them all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for the advance, become presently payable) pay interest at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) 15 per cent. per annum, as may be agreed upon between the board and the member, but the member shall not be entitled to participate in any dividend or other distribution by virtue of such advance.

### **Forfeiture of Shares**

#### *Notice requiring payment of call*

34. If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the board may give the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. The board may accept the surrender of any share liable to be forfeited under these Articles and, in such case, references in these Articles to forfeiture shall include surrender.

#### *Forfeiture for non-compliance*

35. If that notice is not complied with, any share in respect of which it was sent may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture shall include all dividends or other monies payable in respect of the forfeited share which have not been paid before forfeiture. When a share has been forfeited, notice of the forfeiture shall be sent to the person who was the holder of the share before the forfeiture. Where the forfeited share is a certificated share, an entry shall be made promptly in the register opposite the entry of the share showing that notice has been sent, that the share has been forfeited and the date of forfeiture. No forfeiture shall be invalidated by the omission or neglect to send that notice or to make those entries.

#### *Sale of forfeited shares*

36. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be deemed to be the property of the Company and may, subject to the provisions of the Act, be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder of the shares or entitled to them or to any other person upon such terms and in such manner as the board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled on such terms as the board may think fit. Where for the purposes of its disposal a forfeited share which is a certificated share is to be transferred to any person, the board may authorise any person to execute an instrument of transfer of the share to that person. Where for the purposes of its disposal a forfeited share which is an uncertificated share is to be transferred to any person, the board may exercise any of the Company's powers under Article 23 to effect the transfer of the share to, or in accordance with

the directions of, the purchaser. The Company may receive the consideration given for the share on its disposal and may register the transferee as holder of the share.

#### *Liability following forfeiture*

37. A person whose shares are forfeited shall cease to be a member in respect of the forfeited shares, and shall, if the share is a certificated share, surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest on that amount at the rate at which interest was payable on those monies before the forfeiture or, if no interest was so payable, at the rate determined by the board, not exceeding 15 per cent. per annum, from the date of forfeiture until payment, and the board may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal or may waive payment in whole or in part.

#### *Evidence of forfeiture or surrender*

38. A statutory declaration by a director of the Company or the secretary that a share has been duly forfeited or surrendered (or sold to satisfy a lien of the Company) on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject if necessary to the execution of an instrument of transfer or transfer by means of the relevant system, as the case may be) constitute a good title to the share. The person to whom the share is sold or otherwise disposed of shall not be bound to see to the application of the purchase money (if any) and his title to the share shall not be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### *Extinction of rights*

39. The forfeiture of a share shall (subject to the Act and unless otherwise provided by these Articles) involve the extinction at the time of forfeiture of all interests in and all claims and demands against the Company in respect of that share and all other rights and liabilities incidental to that share as between the holder of that share and the Company.

### **Disclosure of Interests in Shares**

#### *Consequences of failure to comply with notice to disclose interest in shares*

40. (A) If any member, or any other person appearing to be interested in shares held by such member, shall have been duly served with a notice under section 793 of the Act (**Section 793 Notice**) and shall have been in default for the prescribed period (as defined below in this Article) in supplying to the Company the information required by the Section 793 Notice, then (unless the board shall otherwise determine) in respect of:
- (i) the shares in relation to which the default shall have occurred and any further shares which shall be issued in respect of such shares (**Default Shares**); or
  - (ii) any other shares held by the member,

the member shall (for so long as the default continues) not, nor shall any transferee to which any of such shares are transferred other than pursuant to an approved transfer within the meaning of paragraph (F)(v) of this Article or pursuant to paragraph (B)(ii) of this Article, be entitled to attend and vote either personally or by proxy at any general meeting of the Company or at any separate meeting of the holders of any class of shares or on a poll or to exercise any other right conferred by membership in relation to general meetings.



- (B) Where the Default Shares represent at least 0.25 per cent in nominal value of the issued shares of any class of shares (calculated exclusive of treasury shares), the board may, in its absolute discretion, by notice (a **Direction Notice**) to such member direct that:
- (i) all or any part of any dividend or any other moneys which would otherwise be payable in respect of the Default Shares shall (in whole or any part thereof) be retained by the Company without any liability to pay interest thereon, and the member shall not be entitled to elect, pursuant to Article 173, to receive shares instead of any such dividend, but any dividend or other moneys withheld shall be paid to the member as soon as practicable following receipt by the Company of the information requested by the Section 793 Notice or after the Direction Notice ceases to have effect pursuant to paragraph (E) of this Article; and/or
  - (ii) no transfer of any of the shares held by such member shall be registered unless:
    - (a) the member is not himself in default as regards supplying the information requested and 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 board to the effect that after due and careful enquiry the member is, from time to time, satisfied that none of the shares which are the subject of the transfer are Default Shares; or
    - (b) the transfer is an approved transfer; or
    - (c) registration of the transfer is required by the Uncertificated Securities Regulations,

and for the purpose of enforcing any direction pursuant this paragraph (B), the Direction Notice may require the relevant member to change the Default Shares which are uncertificated shares to certificated shares by the time stated in the Direction Notice, and may also state that the member may not change any of the Default Shares which are certificated shares to uncertificated shares, and if the member does not comply with the Direction Notice, the board may authorise any person to instruct the Operator to change the relevant Default Shares which are uncertificated shares to certificated shares.

- (C) The Company shall send to each other person appearing to be interested in the shares which shall be the subject of any Direction Notice a duplicate copy of the Direction Notice. No Direction Notice shall be invalidated by any omission or neglect in sending or non-receipt of a Direction Notice or any duplicate copy.
- (D) Any Direction Notice shall have effect in accordance with the terms of such Direction Notice for so long as the default in respect of which such Direction Notice shall be issued shall continue and shall cease to have effect only upon the board so determining (such determination to be made within one week immediately following the default being duly remedied) and notice of such determination shall be sent forthwith to the member.
- (E) Any Direction Notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with paragraph (B)(ii) of this Article.
- (F) For the purposes of this Article:

- (i) a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a Section 793 Notice and either:
  - (a) the member shall have named such person as being so interested; or
  - (b) (after taking into account the response of the member to the Section 793 Notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
- (ii) **interested** shall be construed as it is for the purpose of section 793 of the Act;
- (iii) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes:
  - (a) reference to his having failed or refused to give all or any part of it; and
  - (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
- (iv) the **prescribed period** is the period of 28 days immediately following the date of service of the Section 793 Notice except that if the Default Shares represent at least 0.25 per cent of the issued shares of any class of share at the time the Section 793 Notice shall be given, the prescribed period shall be the period of 14 days immediately following the date of service of the Section 793 Notice; and
- (v) a transfer of shares is an **approved transfer** if the board is satisfied that:
  - (a) the transfer is made pursuant to a sale, in good faith, of the whole of the beneficial ownership of such shares to a party unconnected with the member; or
  - (b) the transfer results from a sale made through a recognised investment exchange or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
  - (c) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer (as defined in section 974 of the Act).
- (G) The provisions of this Article are in addition to and shall not limit the provisions of the Act.

## Transfer of Shares

### *Method of transfer of certificated and uncertificated shares*

41. Subject to such of the restrictions of these Articles as may be applicable:
- (A) any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the board may approve; and
  - (B) any member may transfer all or any of his uncertificated shares 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.

*Transferor to remain member until transferee registered*

42. 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.

*Persons to sign transfer of certificated shares*

43. The instrument of transfer of a certificated share shall be executed by or on behalf of the transferor and, unless the share is a fully paid share, the transferee. An instrument of transfer need not be under seal.

*Transfer of partly paid shares*

44. Subject to Article 46, the board may, in its absolute discretion and without giving any reason, decline to register any transfer of any share which is not a fully paid share.

*Invalid transfer of shares*

45. The board may also decline to register any transfer of a certificated share unless:
- (A) the instrument of transfer, duly stamped (or duly certified or otherwise shown to the satisfaction of the board to be exempt from stamp duty), is lodged at the place where the register of members of the Company is kept accompanied by the certificate for the shares to which it relates (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) and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do;
  - (B) the instrument of transfer is in respect of only one class of share; and
  - (C) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.

*Transfer of uncertificated shares*

46. If the share to be transferred is an uncertificated share, the board may refuse to register a transfer if the Uncertificated Securities Regulations allow it to do so and must do so where the Uncertificated Securities Regulations so require.

*Notice of refusal to register*

47. If the board declines to register a transfer it shall send to the transferee notice of the refusal:
- (A) in the case of a certificated share, within two months after the date upon which the instrument of transfer was lodged with the Company; and
  - (B) in the case of an uncertificated share, within two months of the date on which the Operator's instructions were received by the Company.

*No fee payable on registration*

48. No fee shall be charged by the Company for registering any instrument of transfer or other document relating to or affecting the title to any share or for making any other entry in the register.

### *Retention of transfers*

49. The Company shall be entitled to retain an instrument of transfer which is registered, but an instrument of transfer which the board refuses to register shall (except in the case of fraud) be returned to the person lodging it when notice of the refusal is sent.

### *Renunciation of allotment may be recognised*

50. The board may recognise a renunciation of the allotment of a share by the allottee in favour of some other person following the allotment of the share but prior to any person being entered in the register as the holder of the share.

## **Transmission of Shares**

### *Transmission*

51. If a member dies, the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest. Nothing in these Articles shall release the estate of a deceased member (whether a sole or joint holder) from any liability in respect of any share held by him.

### *Elections permitted*

52. A person becoming entitled by transmission to a share may, on production of any evidence as to his entitlement required by the board, elect either to become the holder of the share or to have another person nominated by him registered as the transferee. If he elects to become the holder, he shall send notice to the Company to that effect. If he elects to have another person registered and the share is a certificated share, he shall execute an instrument of transfer of the share to that person. If he elects to have himself or another person registered and the share is an uncertificated share, he shall take any action the board may require (including without limitation the execution of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share. The board may at any time send a notice requiring the person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days, the board may after the expiry of that period withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with. All the provisions of these Articles relating to the transfer of, and registration of transfers of, shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member or other event giving rise to the transmission had not occurred.

### *Rights of persons entitled by transmission*

53. A person becoming entitled by transmission to a share shall, on production of any evidence as to his entitlement required by the board and subject to the requirements of Article 52, have the same rights in relation to the share as he would have had if he were the holder of the share. That person may give a discharge for all dividends and other monies payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the Company, or to receive notice of, or to attend or vote at, any separate meeting of the holders of any class of shares in the Company or to exercise any other right conferred by membership in relation to general meetings.

## Untraced Shareholders

### *Power to dispose of shares of untraced shareholders*

54. The Company shall be entitled to sell, at the best price reasonably obtainable, any share of a member or any share to which a person is entitled by transmission if:
- (A) for a period of 12 years ending with the date of publication of the advertisements referred to in Article 54(B) (or, if published on different dates, the first date) (the **relevant period**) at least three cash dividends in respect of the shares in question have been declared and no cash dividend 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;
  - (B) the Company shall as soon as practicable after expiry of the relevant period have inserted advertisements both in a national daily newspaper and in a newspaper circulating in the area of the last known address of such member or other person giving notice of its intention to sell the shares;
  - (C) during the relevant period and the period of three months following the publication of the advertisement referred to in Article 54(B) (or, if published on different dates, the first date) the Company has received no indication either of the whereabouts or of the existence of such member or person; and
  - (D) if the shares are listed or admitted to trading on a recognised investment exchange, notice has been sent to the relevant listing authority or recognised investment exchange of the Company's intention to make such sale before the publication of the advertisements.

### *Power to dispose of additional shares*

55. The Company shall also be entitled to sell at the best price reasonably obtainable at the time of sale any additional shares in the Company issued during the relevant period in respect of any share to which Article 54 applies (or in respect of any share so issued), if the criteria in Article 54(A) to (D) are satisfied in relation to the additional shares.

### *Transfer on sale*

56. To give effect to any sale pursuant to Articles 54 and 55, the board may:
- (A) if the shares are certificated shares, authorise any person to execute an instrument of transfer in respect of the shares sold to, or in accordance with the directions of, the purchaser; or
  - (B) if the shares are uncertificated shares, the board may exercise any of the Company's powers under Article 23 to effect the sale to, or in accordance with the directions of the purchaser.

### *Effectiveness of transfer*

57. An instrument of transfer executed by that person in accordance with Article 56(A) shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. An exercise by the Company of its powers in accordance with Article 56(B) shall be as effective as if exercised by the registered holder of or person entitled by transmission to the shares. The transferee shall not be bound to see to the application of the purchase monies, and his title to the shares shall not be affected by any irregularity in, or invalidity of, the proceedings in relation to the sale. The board shall be entitled to register such transfer notwithstanding that a certificate representing the shares in question has not been produced.

### *Proceeds of sale*

58. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for an amount equal to the proceeds. The Company shall enter the name of such former member or other person in the books of the Company as a creditor for that amount until forfeited under this Article. In relation to the debt, no trust is created and no interest is payable. The Company shall not be required to account for any money earned on the net proceeds of sale, which may be used in the Company's business or invested in such a way as the board from time to time thinks fit. If no valid claim for the money has been received by the Company during a period of six years from the date on which the relevant shares were sold by the Company under this Article, the money will be forfeited and will belong to the Company.

## **Alteration of Share Capital**

### *Sub-division*

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

### *Fractions arising*

60. (A) 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 (or at any other price approved by the Company by special resolution) to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale (subject to the retention by the Company of any amounts so small that the cost of distribution would be disproportionate to the amounts involved) 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 any irregularity in, or invalidity of, the proceedings relating to the sale.
- (B) Subject to the Act, when the board consolidates or sub-divides shares, it can treat certificated and uncertificated shares which a member holds as separate shareholdings.

## **General Meetings**

### *Types of general meeting*

61. Any general meeting of the Company other than an annual general meeting shall be called a general meeting.

### *Convening general meetings*

62. The board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Act. The board may convene a general meeting whenever it thinks fit.

### *Class meetings*

63. The provisions of these Articles relating to general meetings of the Company shall, with any necessary modifications, apply to every separate general meeting of the holders of any class of shares convened otherwise than in connection with the variation or abrogation of the rights attached to the shares of that class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

## **Notice of General Meetings**

### *Contents of notice*

64. The notice (including any notice given by means of a website) shall specify the place, day and time of the meeting (including any satellite meeting place arranged for the purposes of Article 69, which shall be identified as such in the notice) and the general nature of the business to be transacted, and there shall appear with reasonable prominence in the notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and to speak and vote instead of him and that a proxy need not be a member of the Company. If the notice is made available by means of a website it must be available until the conclusion of the meeting. The notice convening an annual general meeting shall specify the meeting as such. The notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution.

### *Recipients of notice*

65. Notice of every general meeting shall be given to all members other than any who, under the provisions of these Articles, or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company and also to the directors and auditors.

### *Accidental omission to send notice*

66. The accidental omission to send any notice of a meeting or the accidental omission to send any document relating to a meeting, including any in electronic form or by electronic means, or, in cases where appointments of proxy are sent out with the notice, the accidental omission to send any such appointment of proxy to, or the non-receipt of notice of a meeting or such appointment of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

### *Change in date/place and/or time of meeting*

67. If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board considers that it is impractical or undesirable for any reason to hold the meeting on the date or at the time or place specified in the notice convening the meeting, it may postpone or move the meeting to another date, time and/or place. In this case:
- (A) no new notice of the meeting need be sent, but the board shall, if practicable, advertise the date, time and place of the meeting in at least two national newspapers in the United Kingdom and shall make arrangements for notices of the change of place and/or postponement to appear at the original place and/or at the original time; and
  - (B) an appointment of proxy will be valid if it is received as required by these Articles not less than 48 hours (or such shorter time as the board may determine) before the time appointed for holding the re-arranged meeting.

The board may also postpone or move the re-arranged meeting under this Article.

## *Security*

68. The board and, at any general meeting, the chairman may make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the safety and security of those attending a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The board and, at any general meeting, the chairman are entitled to refuse entry to, or to eject from the meeting, a person who refuses to comply with these arrangements, requirements or restrictions.

## *General meetings at more than one place*

69. The board may, including without limitation for the purpose of controlling the level of attendance at any place specified for the holding of a meeting, make such arrangements as it considers appropriate, including enabling persons entitled to attend a general meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to 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 general meeting to ensure that members attending at all the meeting places are able to:

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

The chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place.

## *Interruption or adjournment where facilities inadequate*

70. If it appears to the chairman of the meeting that the facilities at the principal meeting place or any satellite meeting place have become inadequate for the purposes referred to in Article 69, then the chairman may, without the consent of the meeting, interrupt or adjourn the general meeting. All business conducted at that general meeting up to the time of that adjournment shall be valid. The provisions of Articles 77 and 78 shall apply to that adjournment.

## **Proceedings at General Meetings**

### *Quorum*

71. No business shall be transacted at any general meeting unless a quorum is present, 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. Save as otherwise provided by these Articles, two persons present in person or by proxy and entitled to vote on the business to be transacted shall be a quorum.

### *If quorum not present*

72. If such a quorum is not present within half an hour (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the commencement of the meeting, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved, and in any other case shall stand adjourned to such other day (being not less than 10 days later, excluding the



day on which the meeting is adjourned and the day for which it is reconvened) and to such time and place as the chairman of the meeting may determine. The adjourned meeting shall be dissolved if a quorum is not present within half an hour after the time appointed for the commencement of the meeting.

#### *Chairman*

73. The chairman (if any) of the board or, in his absence, any deputy chairman shall preside as chairman at every general meeting. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within fifteen minutes after the time appointed for the commencement of the meeting, or if none of them is willing to act as chairman, the directors present shall choose one of their number to act or, if one director only is present, he shall preside as chairman if willing to act. If no director is present within fifteen minutes after the time appointed for the commencement of the meeting, or if each of the directors present declines to act as chairman, the persons present and entitled to vote shall appoint one of their number to be chairman of the meeting. The chairman of a general meeting may nominate any director present at the meeting to propose any resolution or otherwise facilitate the conduct of any business concerning the chairman himself.

#### *Directors and proxies entitled to speak*

74. Each director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares notwithstanding he is not a member. Any proxy appointed by a member shall also be entitled to speak (and to vote on a show of hands in accordance with Article 98) at any general meeting of the Company. The chairman of the meeting may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.

#### *Orderly conduct of meeting*

75. The chairman of the meeting shall take such action or give directions for such action to be taken as he thinks fit to promote the orderly conduct of the meeting. The decision of the chairman on points of order, matters of procedure or matters arising incidentally out of the business of the meeting shall be final, as shall be his determination as to whether any point or matter is of such a nature.

#### *Adjournment: chairman's powers*

76. The chairman of the meeting may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) to another time and place if it appears to him that:
- (A) the members entitled to vote and wishing to attend cannot conveniently be accommodated in the place or places appointed for the meeting;
  - (B) the conduct of persons present prevents, or is likely to prevent, the orderly continuation of business; or
  - (C) an adjournment is otherwise necessary so that the business of the meeting may properly be conducted.

In addition, the chairman of the meeting may at any time, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting to another time and place.

#### *Adjournment: procedures*

77. Any such adjournment may be for such time and to such other place (or, in the case of a meeting held at a principal meeting place and a satellite meeting place, such other places) as the chairman may, in his absolute discretion, determine, notwithstanding that by reason of

such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless appoint a proxy for the adjourned meeting either in accordance with Articles 96 and 97 or by means of an instrument which, if delivered by him at the meeting which is adjourned to the chairman or the secretary or any director, shall be valid even though it is given at less notice than would otherwise be required by Article 97. No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place. Any meeting may be adjourned more than once.

#### *Adjournment: notice*

78. When a meeting is adjourned for 30 days or more or for an indefinite period, notice shall be sent at least seven clear days before the date of the adjourned meeting specifying the day, time and place (or places, in the case of a meeting held at a principal meeting place and a satellite meeting place) of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to send any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **Amendments to Resolutions**

#### *Permitted amendments*

79. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon and in the case of a resolution duly proposed as an ordinary resolution, no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either at least 2 working days prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed, notice in writing of the terms of the amendment and intention to move the same has been lodged at the office or the chairman of the meeting in his absolute discretion decides that it may be considered or voted upon. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is put to the vote.

#### *Amendment ruled out of order*

80. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

## **Voting**

#### *Votes attaching to shares*

81. Subject to any special terms as to voting upon which any shares may be issued or may at the relevant time be held and to any other provisions of these Articles, members shall be entitled to vote at a general meeting whether on a show of hands or on a poll as provided in the Act. For this purpose:
- (A) where a proxy is given discretion as to how to vote on a show of hands, this shall be treated as an instruction by the relevant member to vote in the way in which the proxy elects to exercise that discretion; and
  - (B) on a show of hands, 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 duly 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 others 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.

*Special resolution effective as ordinary resolution*

82. Where for any purpose an ordinary resolution of the Company is required, a special resolution will also be effective.

*Methods of voting*

83. A resolution put to the vote of a general meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded. Subject to the provisions of the Act, a poll may be demanded by:
- (A) the chairman of the meeting; or
  - (B) at least five members present in person or by proxy and entitled to vote; or
  - (C) any member or members present in person or by proxy and representing in the aggregate not less than 10 per cent of the total voting rights of all members having the right to attend and vote at the meeting (excluding any voting rights attached to any shares in the Company held as treasury shares); or
  - (D) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than 10 per cent of the total sum paid up on all shares conferring that right (excluding sums paid up on any shares in the Company held as treasury shares).

*Poll before show of hands*

84. The chairman of the meeting can also demand a poll before a resolution is put to the vote on a show of hands.

*Declaration of result*

85. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution, on a show of hands, has been carried, carried unanimously, carried by a particular majority, not carried, not carried by a particular majority, or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

*Conduct of poll*

86. Subject to Article 88, a poll shall be taken in such manner (including the use of ballot or voting papers or tickets or electronic means, or any combination thereof) as the chairman directs. The chairman may, and shall if required by the meeting, appoint scrutineers (who need not be members) 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.

*Withdrawal of demand for poll*

87. The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If the demand for a poll is withdrawn, the chairman or any other member entitled may demand a poll.

#### *When poll to be taken*

88. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken either at the meeting or at such time (not being later than 30 days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.

#### *Meeting to continue after demand for poll*

89. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

#### *Casting of votes on a poll*

90. On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Unless his appointment otherwise provides, the proxy may vote or abstain at his discretion on any matter coming before the meeting on which proxies are entitled to vote.

#### *Votes of joint holders*

91. 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. For this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

#### *Member under incapacity*

92. 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 at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company and may exercise any other right conferred by membership in relation to general meetings by or through any person authorised in such circumstances to do so on his behalf (and that person may vote in person or by proxy), provided that evidence to the satisfaction of the board of the authority of the person claiming to exercise the right to vote or such other right has been received at the office (or at such other place as may be specified in accordance with these Articles for the receipt of appointments of proxy in writing which are not in electronic form) not later than the last time at which such an appointment should have been received in order to be valid for use at that meeting or on the holding of that poll.

#### *Calls in arrears*

93. No member shall, unless the board otherwise determines, be entitled in respect of any share held by him to attend or vote (either personally or by proxy) at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company or upon a poll or to exercise any other right conferred by membership in relation to general meetings or polls unless all calls or other sums presently payable by him in respect of that share have been paid.

#### *Objections and errors in voting*

94. 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 that 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 decision of the meeting. The decision of the chairman on such matters shall be conclusive.

## **Proxies**

### *Identity and number of proxies*

95. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion and if he does he shall specify the number of shares in respect of which each proxy is entitled to exercise the related votes. If a member appoints more than one proxy and the proxy forms appointing those proxies would give those proxies the apparent right to exercise votes on behalf of the member in general meeting over more shares than are held by the member, then each of those proxy forms will be invalid and none of the proxies so appointed will be entitled to attend, speak or vote at the relevant general meeting. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.

### *Method of proxy appointment*

96. Subject to Article 97, an instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the board may approve and:
- (A) in the case of an individual shall be signed by the appointor or his attorney or authenticated in accordance with Article 188; and
  - (B) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation or authenticated in accordance with Article 188.

Any signature on or authentication of such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authenticated in accordance with Article 188 on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Article 97, failing which the instrument may be treated as invalid.

### *Receipt of proxies*

97. (A) The appointment of a proxy must:
- (i) in the case of an appointment made in hard copy form, be received at the office (or such other place in the United Kingdom as may be specified by the company for the receipt of appointments of proxy in hard copy form) not less than 48 hours (or such shorter time as the board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
  - (ii) in the case of an appointment made by electronic means, be received at the address specified by the company for the receipt of appointments of proxy by electronic means no less than 48 hours (or such shorter time as the board

may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. The board may treat any such instruction or notification purporting or expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending the instruction to send it on behalf of that holder;

- (iii) in the case of a poll taken more than 48 hours after it was demanded, be received as aforesaid not less than 24 hours (or such shorter time as the board may determine) before the time appointed for the taking of the poll;
- (iv) in the case of a poll taken following the conclusion of a meeting or adjourned meeting but not more than 48 hours after it was demanded, be received as aforesaid before the end of the meeting at which it was demanded (or at such later time as the board may determine),

and an appointment of a proxy which is not, or in respect of which the authority or copy thereof is not, received in a manner so permitted shall be invalid. When two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share, if the company is unable to determine which was last received, none of them shall be treated as replacing and revoking the others as regards that share, if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. The proceedings at a general meeting shall not be invalidated where an appointment of a proxy in respect of that meeting is sent in electronic form as provided in these articles, but because of a technical problem it cannot be read by the recipient.

- (B) The board may at its discretion determine that in calculating the periods mentioned in this Article and Article 67(B) no account shall be taken of any part of any day of a day this is not a working day.

#### *Rights of proxy*

- 98. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and the proxy shall be entitled to speak at the meeting and to vote on a show of hands and on a poll.

#### *Revocation of proxy*

- 99. A vote cast by or poll demanded by a proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation or previous determination of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in hard copy form or in electronic form or by telephone of such death, insanity or revocation shall have been received by the Company at the address or one of the addresses specified under Article 97 (subject to any conditions attached to the use of a particular address imposed under that Article) or, if no address was specified, at the office 48 hours or such lesser time as the board may determine before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast. The board may establish such procedures as they deem appropriate to receive and verify the validity and acceptance of the revocation of proxy.

#### *Duration of proxy appointment*

- 100. No appointment of a proxy shall be valid after 12 months have elapsed from the date of its receipt save that, unless the contrary is stated in it, an appointment of a proxy shall be valid for use at an adjourned meeting or a poll after a meeting or an adjourned meeting even after 12 months, if it was valid for the original meeting.

### *Invitations to appoint proxy*

101. The board may at the expense of the Company send instruments of proxy to members by post or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the board or any other person. If, for the purpose of any meeting, invitations to appoint as proxy a person, or one of a number of persons specified in the invitations, are issued at the Company's expense, they shall (without prejudice to any other provision of these Articles or the Act permitting the board to cease or suspend sending notices or other circulars to a member) be issued to all the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission to send such an instrument or give such an invitation to, or the non-receipt by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

## **Representation of Corporations at Meetings**

### *Corporate representatives*

102. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

### *Determination of authority*

103. A vote cast by or poll demanded by the duly authorised representative of a corporation shall not be invalidated by the previous determination of the authority of that representative provided that no intimation in hard copy form or in electronic form or by telephone of such determination of authority shall have been received by the Company at the address or one of the addresses specified under Article 97 (subject to any conditions attached to the use of a particular address imposed under that Article) or, if no address was specified, at the office 48 hours or such lesser time as the board may determine before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

## **Appointment and Retirement of Directors**

### *Number of directors*

104. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be not less than three nor more than fifteen in number.

### *Share qualification*

105. A director shall not be required to hold any shares of the Company by way of qualification. A director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

### *Power of Company to appoint directors*

106. Subject to the provisions of these Articles, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.

*Appointment by board*

107. Subject to the provisions of these Articles, the board may appoint any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any director so appointed shall retire at the next annual general meeting and shall then be eligible for re-appointment but shall not be taken into account in determining the directors or the number of directors who are to retire by rotation at that meeting.

*Number of directors to retire at annual general meeting*

108. At each annual general meeting:

- (A) any director who was appointed or last re-appointed a director at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation; and
- (B) such further directors (if any) shall retire by rotation as would bring the number retiring by rotation up to one-third of the number of directors in office at the date of the notice of meeting (or, if their number is not a multiple of three, the number nearest to but not greater than one-third).

Notwithstanding paragraphs (A) and (B) of this Article, no director shall be required to retire at an annual general meeting if he has retired at the annual general meeting in either of the two immediately preceding years.

*Which directors to retire*

109. The directors to retire by rotation shall include (so far as necessary to obtain the number required) any director who wishes to retire and not offer himself for re-appointment. Any further directors so to retire shall be those of the other directors subject to retirement by rotation who have been longest in office since their last re-appointment or appointment and so that, as between persons who became or were last re-appointed directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring director shall be eligible for re-appointment.

*Filling a vacancy and when director deemed to be re-appointed*

110. The Company at the meeting at which a director retires under any provision of these Articles may by ordinary resolution fill the office being vacated by appointing thereto the retiring director or some other person eligible for appointment. If no such resolution is passed, the retiring director shall be deemed to have been re-appointed except in any of the following cases:

- (A) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-appointment of such director is put to the meeting and lost;
- (B) where such director has given notice in writing to the Company that he is unwilling to be re-appointed;
- (C) where the failure to pass such a resolution is due to the moving of a resolution in contravention of Article 111.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to appoint some other person in place of the retiring director or a resolution for his re-appointment is put to the meeting and lost, and accordingly a retiring director who is re-appointed or deemed to have been re-appointed will continue in office without a break.



*Separate resolutions on appointment*

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

*Power of Company to remove directors*

112. In addition to any power of removal conferred by the Act, the Company may by ordinary resolution of which special notice has been given remove any director before the expiration of his period of 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 may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a director in his place.

*Eligibility for appointment*

113. No person other than a director retiring at the meeting (whether by rotation or otherwise) shall be appointed or re-appointed a director at any general meeting unless:
- (A) he is recommended by the board; or
  - (B) not less than seven nor more than forty-two days before the day appointed for the meeting, notice executed by a member qualified to vote at the meeting (not being the person to be proposed) has been given to the secretary at the office of the intention to propose that person for appointment or re-appointment together with confirmation in writing by that person of his willingness to be appointed or re-appointed; the notice shall give the particulars of that person which would (if he were appointed or re-appointed) be required to be included in the Company's register of directors.

*Termination of appointment*

114. The office of a director shall be vacated if:
- (A) he ceases to be a director by virtue of any provisions of the Act or these Articles or he becomes prohibited by law from being a director; or
  - (B) he resigns his office by notice in writing left at the office or he offers in writing to resign and the directors resolve to accept such offer; or
  - (C) he has a bankruptcy order made against him or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act; or
  - (D) in the United Kingdom or elsewhere an order is 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; or
  - (E) he is absent without the permission of the board from meetings of the board (whether or not an alternate director appointed by him attends) for six consecutive months and the board resolves that his office is vacated; or
  - (F) he is requested to resign from office by notice served upon him signed by not less than three quarters of the other directors (and in calculating the number of directors who are required to make such a request to the director, (i) an alternate director appointed by him acting in his capacity as such shall be excluded; and (ii) a director and any alternate director appointed by him and acting in his capacity as such shall

constitute a single director for this purpose, so that the request of either shall be sufficient).

If the office of a director is vacated for any reason, he shall cease to be a member of any committee or sub-committee of the board.

## **Alternate Directors**

### *Power to appoint alternates*

115. Each director may appoint any person to be his alternate 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 appointor 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 not be required to hold any shares of the Company and shall not be counted in reckoning the maximum and minimum number of directors allowed or required by Article 104. An alternate director shall be entitled (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) to receive notice of all meetings of the board or of committees of the board of which his appointor is a member. An alternate director who is absent from the United Kingdom shall also be entitled (subject to his giving to the Company an address at which notices may be served upon him overseas) to receive notice of all meetings of the board or of committees of the board of which his appointor is a member. He 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.

### *Alternates to be subject to these Articles*

116. An alternate director shall (except as regards power to appoint an alternate 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.

### *Alternates representing more than one director*

117. 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.

### *Termination of appointment*

118. An alternate director shall cease to be an alternate director:
- (A) 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-appointed at the same meeting,

any appointment made by him pursuant to Article 115 which was in force immediately before his retirement shall remain in force as though he had not retired; or

- (B) on the happening of any event which if he were a director would cause him to vacate his office as director; or
- (C) if he resigns his office by notice in writing to the Company.

## **Non-Executive Directors**

### *Arrangements with non-executive directors*

119. Subject to the provisions of the Act, the board may enter into, vary and terminate an agreement or arrangement with any director who does not hold executive office for the provision of his services to the Company. Any such agreement or arrangement may be made on such terms as the board determines.

### *Ordinary remuneration*

120. The ordinary remuneration of the directors who do not hold executive office for their services (excluding amounts payable under any other provision of these Articles) shall not exceed in aggregate £1,000,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine. Subject thereto, each such director shall be paid a fee for his services (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the board.

### *Additional remuneration for special services*

121. Any director who does not hold executive office and who performs special services which in the opinion of the board are outside the scope of the ordinary duties of a director may (without prejudice to the provisions of Article 120) be paid such extra remuneration by way of additional fee, salary, commission or otherwise as the board may determine.

## **Executive Directors**

### *Appointment to executive office*

122. Subject to the provisions of the Act, the board may appoint one or more of its body to be the holder of any executive office (except that of auditor) in the Company and may enter into an agreement or arrangement with any such director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms, including without limitation terms as to remuneration, as the board determines. The board may revoke or vary any such appointment but without prejudice to any rights or claims which the person whose appointment is revoked or varied may have against the Company because of the revocation or variation.

### *Termination of appointment to executive office*

123. Any appointment of a director to an executive office 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. A director appointed to an executive office shall not cease to be a director merely because his appointment to such executive office terminates.

### *Emoluments to be determined by board*

124. The emoluments of any director holding executive office for his services as such shall be determined by the board, and may be of any description, including without limitation admission

to, or continuance of, membership of any scheme (including any share acquisition scheme) or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death.

## **Directors' Expenses**

### *Directors may be paid expenses*

125. The directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the board or committees of the board, general meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties. The Company may also fund a director's expenditure on defending proceedings and may do anything to enable a director to avoid incurring such expenditure in each case as provided in the Act.

## **Pensions and Other Benefits**

### *Gratuities and pensions*

126. The board may (by establishment of, or maintenance of, schemes or otherwise) provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any past or present director or employee of the Company or any of its subsidiary undertakings or any body corporate associated with, or any business acquired by, any of them, and for any member of his family (including a spouse or a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

### *Directors not liable to account*

127. No director or former director shall be accountable to the Company or the members for any benefit provided pursuant to these Articles. The receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

## **Director's Interests**

### *Director may be interested in contract with the Company*

128. Subject to the provisions of the Act, and provided that he has disclosed to the board the nature of any interest of his in accordance with Article 130(D), a director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or of any of its subsidiaries) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case (save as otherwise agreed by him) he may retain for his own absolute use and benefit all profits and advantages accruing to him in that capacity or in consequence thereof.

### *Directors' power to vote on contracts in which they are interested*

129. Save as otherwise provided in these Articles, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board concerning a matter in which he has an interest which (taken together with any interest of any person connected with him) is to his knowledge a material interest and, if he shall do so, his vote shall not be counted, but this

prohibition shall not apply to any resolution where that material interest arises only from one or more of the following matters:

- (A) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries;
- (B) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (C) the giving to him of any other indemnity where all other directors are being offered indemnities on substantially the same terms;
- (D) the funding by the Company of his expenditure on defending proceedings or the doing by the Company of anything to enable him to avoid incurring such expenditure where all other directors are being offered substantially the same arrangements;
- (E) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- (F) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
- (G) any contract concerning any other company (not being a company in which the director owns one per cent. or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
- (H) any contract concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates to both directors and employees of the Company or of any of its subsidiaries and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
- (I) any contract for the benefit of employees of the Company or of any of its subsidiaries under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (J) any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any directors of the Company or for persons who include directors of the Company provided that for the purposes of this paragraph insurance shall mean only insurance against liability incurred by a director in respect of any act or omission by him referred to in Article 192 or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including directors of the Company.

*Declaration of directors' interests in contracts*

130. (A) A company shall be deemed to be one in which a director owns one per cent. or more if and so long as (but only if and so long as) he, taken together with any person connected with him, is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of that company (excluding any shares of that class in that company held as treasury

shares) or of the voting rights available to members of that company. 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.

- (B) Where a company in which a director owns one per cent. or more is materially interested in a contract, he also shall be deemed materially interested in that contract.
- (C) If any question shall arise at any meeting of the board as to the materiality of the interest of a director (other than the chairman of the meeting) or as to the entitlement of any director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the director concerned shall be conclusive except in a case where the nature or extent of his interest (so far as it is known to him) has not been fairly disclosed to the board. If any question shall arise in respect of the chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the chairman of the meeting shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chairman of the meeting (so far as it is known to him) has not been fairly disclosed to the board.
- (D) A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract with the Company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the board after he knows that he is or has become so interested. For the purposes of this Article, a general notice to the board by a director to the effect that (A) he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm or (B) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract; provided that no such notice shall be effective unless either it is given at a meeting of the board or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given.
- (E) References in Articles 128 to 131 to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.

#### *Voting on matters pertaining to directors*

131. A director shall not vote on, or be counted in the quorum in relation to, any resolution of the board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment.

#### *Relaxation of provisions and ratification*

132. Subject to the provisions of the Act, the Company may by ordinary resolution suspend or relax the provisions of Articles 128 to 131 to any extent or ratify any contract not properly authorised by reason of a contravention of Articles 128 to 131.

### *Power of directors to authorise conflicts of interest*

133. (A) For the purposes of section 175 of the Act, the board shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- (B) Authorisation of a matter under this Article shall be effective only if:
- (i) the matter in question shall have been proposed in writing for consideration at a meeting of the directors, in accordance with the board's normal procedures or in such other manner as the directors may approve;
  - (ii) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director (together the **Interested Directors**); and
  - (iii) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- (C) Any authorisation of a matter pursuant to this Article shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- (D) Any authorisation of a matter under this Article shall be subject to such conditions or limitations as the board may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the board at any time. A director shall comply with any obligations imposed on him by the board pursuant to any such authorisation.
- (E) A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the board under this Article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

## **Powers of the Board**

### *Business to be managed by board*

134. Subject to the provisions of the Act and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the board which may exercise all the powers of the Company, including without limitation the power to dispose of all or any part of the undertaking of the Company. No alteration of these Articles and no such direction shall invalidate any prior act of the board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the board by these Articles. A meeting of the board at which a quorum is present may exercise all powers exercisable by the board.

### *Exercise by Company of voting rights*

135. The board may exercise the voting power conferred by the shares in any body corporate held or owned by the Company in such manner in all respects as it thinks fit (including without limitation the exercise of that power in favour of any resolution appointing its members or any of them directors of such body corporate, or voting or providing for the payment of remuneration to the directors of such body corporate).

## Delegation of Powers of the Board

### *Committees of the board*

136. The board may delegate any of its powers, authorities and discretions to any committee consisting of one or more directors. The board may also delegate to any director holding any executive office such of its powers, authorities and discretions as the board considers desirable to be exercised by him. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate to one or more directors (whether or not acting as a committee) or to any employee or agent of the Company all or any of the powers, authorities and discretions delegated and may be made subject to such conditions as the board may specify, and may be revoked or altered. The board may co-opt on to any such committee persons other than directors, who may enjoy voting rights in the committee. The co-opted members shall be less than one-half of the total membership of the committee and a resolution of any committee shall be effective only if a majority of the members present are directors. Subject to any conditions imposed by the board, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of directors so far as they are capable of applying. The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain Articles, but not others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

### *Local boards etc.*

137. The board may establish local or divisional boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local or divisional boards, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the board, with power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any appointment or delegation made pursuant to this Article may be made on such terms and subject to such conditions as the board may decide. The board may remove any person so appointed and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

### *Agents*

138. The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes, with such powers, authorities and discretions (not exceeding those vested in the board) and on such conditions as the board determines, including without limitation authority for the agent to delegate all or any of his powers, authorities and discretions, and may revoke or vary such delegation.

### *Offices including title "director"*

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



## Change of Company name

*Board can change Company's name*

140. The board may pass a resolution to change the Company's name. The Company must give notice to the registrar in accordance with section 79 of the Act.

## Provision for Employees on Cessation of Business

*Provision for employees on cessation of business*

141. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

## Borrowing Powers

*Power to borrow*

142. (A) 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, to issue debentures, debenture stock and other securities and to give security, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
- (B) The board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries so as to secure (but as regards its subsidiaries only in so far as by the exercise of the rights or powers of control the board can secure) that the aggregate principal amount from time to time outstanding of all net external borrowings by the Company and its subsidiaries shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to three times the adjusted capital and reserves.

For the purposes of this paragraph of this Article:

- (i) the **adjusted capital and reserves** means the aggregate from time to time of:
- (a) the amount paid up or credited as paid up on the issued share capital of the Company (including any shares held as treasury shares); and
  - (b) the amount standing to the credit of the reserves of the Group, including any share premium account, capital redemption reserve and credit balance on profit and loss account,
- (a) and (b) above as shown by the then latest audited balance sheet of the Group but after:
- (c) deducting from the aggregate amount any debit balance on profit and loss account subsisting at the date of that audited balance sheet except to the extent that a deduction has already been made on that account; and
  - (d) making such adjustments as may be appropriate to reflect any variation in the amount of the paid up share capital, share premium account, capital redemption reserve or other reserve since the date of that audited balance sheet.

If any issue or proposed issue of shares by the Company for cash has been or becomes unconditionally underwritten, then those shares shall be deemed to have been issued and the amount (including any premium) of the subscription monies payable in respect thereof shall (provided such subscription moneys are payable not later than three months after the date of allotment) be deemed to have been paid up on the date when those shares become unconditionally underwritten but only to the extent of the underwriters' liability to the Company in respect of the subscription moneys;

(ii) **net external borrowings** means external borrowings less:

- (a) cash at bank and liquid resources; and
- (b) any other assets which would be included in short term investments,

in each case as shown in a consolidated balance sheet of the Group prepared on the date of the relevant circulation in accordance with the principles with which the then latest audited balance sheet of the Group was prepared;

(iii) **external borrowings** does not include:

- (a) borrowings owing by one member of the Group to another member of the Group;
- (b) borrowings incurred by any member of the Group for the purpose of repaying within six months of the borrowing the whole or any part of any borrowings of that or any other member of the Group outstanding at the relevant time, pending their application for that purpose within that period;
- (c) borrowings incurred by any member of the Group for the purpose of financing any contracts in respect of which any part of the price receivable under the contract by that or any other member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department for Business, Innovation and Skills or by any other governmental department or agency fulfilling a similar function, up to an amount equal to that part of the price receivable under the contract which is so guaranteed or insured;
- (d) borrowings of, or amounts secured on assets of, an undertaking which became a member of the Group after the date as at which the latest audited balance sheet was prepared, to the extent their amount does not exceed their amount immediately after it became such a member; or
- (e) the minority proportion of moneys borrowed by a partly-owned subsidiary undertaking and not owing to another member of the Group equal to the proportion of the issued equity share capital of the subsidiary undertaking which is not attributable directly or indirectly to the Group, and in the case of money borrowed and owing to a partly-owned subsidiary undertaking by another partly-owned subsidiary undertaking the proportion which would otherwise be taken into account under this sub-paragraph shall be reduced by excluding such part of it as is equal to the proportion of the issued equity share capital of the borrowing subsidiary undertaking which is not attributable, directly or indirectly, to the Company;

(iv) when the aggregate principal amount of borrowings required to be taken into account on any particular date is being ascertained, any particular borrowing then outstanding which is denominated or repayable in a currency other than

sterling shall be notionally converted into sterling at the rate of exchange prevailing in London on the last business day before that date, or if it would result in a lower figure, at the rate of exchange prevailing in London on the last business day six months before that date and so that for these purposes the rate of exchange shall be taken as the spot rate in London recommended by a London clearing bank, selected by the board, as being the most appropriate rate for the purchase by the Company of the currency in question for sterling on the day in question;

- (v) if the amount of the adjusted capital and reserves is being calculated in connection with a transaction involving a company becoming or ceasing to be a member of the Group, the amount is to be calculated as if the transaction had already occurred;
- (vi) **audited balance sheet** means the audited balance sheet of the Company prepared for the purposes of the Act for a financial year unless an audited consolidated balance sheet dealing with the state of affairs of the Group required to be dealt with in group accounts has been prepared for those purposes for the same financial year, in which case it means that audited consolidated balance sheet, and in that case all references to reserves and profit and loss account shall be deemed to be references to consolidated reserves and consolidated profit and loss account respectively;
- (vii) the Company may from time to time change the accounting convention on which the audited balance sheet is based provided that any new convention adopted complies with the requirements of the Act; if the Company should prepare its primary audited balance sheet on the basis of one convention, but a supplementary audited balance sheet on the basis of another, the primary audited balance sheet shall be taken as the audited balance sheet;
- (viii) the **Group** means the Company, its subsidiaries and any other entity the accounts of which are required to be consolidated with the accounts of the Company and its subsidiaries;
- (ix) the **minority proportion** means a proportion equal to the proportion of the issued share capital of a partly-owned member of the Group which is not attributable to a member of the Group; and
- (x) a certificate or report by the auditors as to the amount of the adjusted capital and reserves or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of that amount or of that fact.

## Proceedings of the Board

### *Convening board meetings*

143. Subject to the provisions of these Articles, the board may regulate its proceedings as it thinks fit. A director may, and the secretary at the request of a director shall, call a meeting of the board. Notice of a board meeting shall be deemed to be properly sent to a director if it is given to him personally or by word of mouth or sent by instrument to him, at his last known address or such other address (if any) as may for the time being be notified by him or on his behalf to the Company for that purpose, or sent in electronic form to such address (if any) for the time being notified by him or on his behalf to the Company for that purpose. A director absent or intending to be absent from the United Kingdom may request the board that notices of board meetings shall during his absence be sent by instrument to him at such address (if any) for the time being notified by him or on his behalf to the Company for that purpose, or sent in electronic form to such address (if any) for the time being notified by him or on his behalf to the Company for that purpose, but such notices need not be sent any earlier than notices sent

to directors not so absent and, if no such request is made to the board, it shall not be necessary to send notice of a board meeting to any director who is for the time being absent from the United Kingdom. No account is to be taken of directors absent from the United Kingdom when considering the adequacy of the period of notice of the meeting. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote. Any director may waive notice of a meeting and any such waiver may be retrospective.

#### *Quorum*

144. The quorum for the transaction of the business of the board may be fixed by the board and unless so fixed at any other number shall be three. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. Any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no director objects.

#### *Power of directors if number falls below minimum*

145. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting. If there are no directors or director able or willing to act, then any two members (excluding any member holding shares as treasury shares) may summon a general meeting for the purpose of appointing directors.

#### *Chairman and deputy chairman*

146. The board may appoint one of their number to be the chairman, and one of their number to be the deputy chairman, of the board and may at any time remove either of them from such office. Unless he is unwilling to do so, the director appointed as chairman, or in his stead the director appointed as deputy chairman, shall preside at every meeting of the board at which he is present. If there is no director holding either of those offices, or if neither the chairman nor the deputy chairman is willing to preside or neither of them is present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

#### *Validity of acts of the board*

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

#### *Resolutions in writing*

148. A resolution in writing executed by all the directors entitled to vote thereon (not being less than the number of directors required to form a quorum of the board) shall be as valid and effective as if it had been passed at a meeting of the board or (as the case may be) a committee of the board duly convened and held. For this purpose:
- (A) a resolution may be by means of an instrument or in electronic form sent to such address (if any) for the time being notified by the Company for that purpose;
  - (B) a resolution may consist of several instruments or several communications in electronic form, each executed by one or more directors, or a combination of both;

- (C) a resolution executed by an alternate director need not also be executed by his appointor; and
- (D) a resolution executed by a director who has appointed an alternate director need not also be executed by the alternate director in that capacity.

*Meetings by telephone etc.*

149. Without prejudice to the first sentence of Article 143, a person entitled to be present at a meeting of the board or of a committee of the board shall be deemed to be present for all purposes if he is able (directly or by telephonic communication) to speak to and be heard by all those present or deemed to be present simultaneously. A director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is. The word **meeting** in these Articles shall be construed accordingly.

## **Secretary**

*Appointment of secretary and deputy secretaries*

150. (A) Subject to the provisions of the Act, the secretary shall be appointed by the board for such term, at such remuneration and on such conditions as it may think fit. Any secretary so appointed may be removed by the board.
- (B) The board may also appoint one or more deputy secretaries or joint, assistant or acting secretaries for such term and upon such conditions as it thinks fit; any deputy, joint, assistant or acting secretary so appointed may be removed by the board.
- (C) Any provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

## **Authentication of Documents**

*Authentication and certification of copies or extracts*

151. Any director or the secretary or any other person appointed by the board for the purpose shall have power to authenticate and certify as true copies of and extracts from:
- (A) any document comprising or affecting the constitution of the Company, whether in physical form or electronic form;
  - (B) any resolution passed by the Company, the holders of any class of shares in the capital of the Company, the board or any committee of the board, whether in physical form or electronic form; and
  - (C) any book, record and document relating to the business of the Company, whether in physical form or electronic form (including without limitation the accounts).

If certified in this way, a document purporting to be a copy of a resolution, or the minutes or an extract from the minutes of a meeting of the Company, the holders of any class of shares in the capital of the Company, the board or a committee of the board, whether in physical form or electronic form, shall be conclusive evidence in favour of all persons dealing with the Company in reliance on it or them that the resolution was duly passed or that the minutes are, or the extract from the minutes is, a true and accurate record of proceedings at a duly constituted meeting.

## **Minutes**

### *Minutes required to be kept*

152. The board shall cause minutes to be made in books kept for the purpose of:
- (A) all appointments of officers made by the board; and
  - (B) all proceedings at meetings of the Company, the holders of any class of shares in the capital of the Company, the board and committees of the board, including the names of the directors present at each such meeting.

### *Conclusiveness of minutes*

153. Any such minutes, if purporting to be executed by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence of the proceedings at the meeting without any further proof of the facts stated in them.

## **The Seal**

### *Authority required for execution of deeds*

154. Any instrument executed under seal shall be signed by at least one director or the secretary or any person authorised by the directors for the purpose of signing documents to which the common seal is applied, each in the presence of a witness who attests the signature. Any instrument may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the instrument or by applying the seal or a facsimile of it by any other means to the instrument. An instrument executed by a director and the secretary or by two directors or by one director in the presence of a witness who attests the signature and in any such case expressed (in whatever form of words) to be executed by the Company has the same effect as if executed under the seal.

### *Certificates for shares and debentures*

155. The board may by resolution determine either generally or in any particular case that any certificate for shares or debentures or representing any other form of security may have any signature affixed to it by some mechanical or electronic means, or printed on it or, in the case of a certificate executed under the seal, need not bear any signature.

## **Registers**

### *Overseas and local registers*

156. Subject to the provisions of the Act and the Uncertificated Securities Regulations, the Company may keep an overseas or local or other register in any place, and the board may make, amend and revoke any regulations it thinks fit about the keeping of that register.

## **Reserves**

### *Power of board to set aside and apply reserves*

157. The board may from time to time set aside out of the profits of the Company and carry to reserve such sums as it thinks proper which, at the discretion of the board, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The board may divide the reserve into such special funds as it thinks fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have

been divided. The board may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the board shall comply with the provisions of the Act.

## **Dividends**

### *Declaration of dividends*

158. The Company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the board.

### *Interim dividends*

159. Subject to the provisions of the Act, the board may pay such interim dividends as appear to the board to be justified by the financial position of the Company and may also pay any dividend payable at a fixed rate at intervals settled by the board whenever the financial position of the Company, in the opinion of the board, justifies its payment. If the board acts in good faith, it shall not incur any liability to the holders of any 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.

### *Apportionment of dividends and payment in different currencies*

160. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (A) all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share;
- (B) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the share during any portion or portions of the period in respect of which the dividend is paid but if any share is allotted or issued on terms providing that it shall rank for dividends as from a particular date, that share shall rank for dividend accordingly; and
- (C) dividends may be declared or paid in any currency.

The board shall decide, in accordance with Article 163, the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.

### *Dividends to be paid only out of distributable profits*

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

### *Waiver of dividends*

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

*Currency exchange rate for non-sterling dividends*

163. (A) The board may in its discretion make provisions to enable such approved depositaries and/or members as the board shall from time to time determine to receive dividends duly declared in a currency or currencies other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such market rate selected by the board as it shall consider appropriate prevailing at the close of business in London on the date which is the business day last preceding:
- (i) in the case of a dividend to be declared by the Company in general meeting, the date on which the board publicly announces its intention to recommend that dividend; and
  - (ii) in the case of any other dividend, the date on which the board publicly announces its intention to pay that dividend.
- (B) Where an approved depository has elected or agreed to receive dividends in a foreign currency, the board may in its discretion approve the entering into of arrangements with the approved depository to enable payment of the dividend in such foreign currency for value on the date on which the relevant dividend is paid, or on such other date as the board may determine.

*Board may deduct amounts due to Company*

164. The board may deduct from any dividend or other moneys payable to a member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company. Sums so deducted can be used to pay amounts owing to the Company in respect of the shares.

*Dividends do not bear interest*

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

*Method of payment of dividends*

166. (A) Any dividend or other sum payable in cash by the Company in respect of a share may be paid by cheque, warrant or similar financial instrument sent by post addressed to the holder at his registered address or, in the case of an approved depository (subject to the approval of the board), to such persons and addresses as the approved depository may notify or, in the case of joint holders, addressed to the holder whose name stands first in the register in respect of the shares at his address as appearing in the register or addressed to such person and at such address as the holder or joint holders may in writing direct.
- (B) Every cheque, warrant or similar financial instrument shall, unless the holder or joint holders otherwise direct, be made payable to the holder or, in the case of joint holders, to the holder whose name stands first on the register in respect of the shares, and shall be sent at his or their risk and payment of the cheque, warrant or similar financial instrument by the financial institution on which it is drawn shall constitute a good discharge to the Company. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or such other means including, in respect of uncertificated shares, by means of the facilities and requirements of a relevant system and to or through such person as the holder or joint holders may in writing direct and the Company may agree, and the making of such payment shall be a good discharge to the Company and the Company shall have no responsibility for any sums lost or delayed in the course of payment by any such system or other means or where



it has acted on any such directions, and accordingly payment by any such system or other means shall constitute a good discharge to the Company.

- (C) Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares held by them. Where a person is entitled by transmission to a share, any dividend or other sum payable by the Company in respect of the share may be paid as if he were a holder of the share and his address noted in the register were his registered address and where two or more persons are so entitled, any one of them may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares.

#### *Cessation of dividend payments to lost members*

167. The Company may cease to send any cheque, warrant or similar financial instrument through the post or to employ any other means of payment, including payment by means of a relevant system, for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques, warrants or similar financial instruments have been returned undelivered or remain uncashed during or at the end of the period for which the same are valid or that means of payment has failed. In addition, the Company may cease to send any cheque, warrant or similar financial instrument through the post or may cease to employ any other means of payment if, in respect of one dividend payable on those shares, the cheque, warrant or similar financial instrument has been returned undelivered or remains uncashed during or at the end of the period for which the same is valid or that means of payment has failed and reasonable enquiries have failed to establish any new address or account of the holder. Subject to the provisions of these Articles, the Company must recommence sending cheques, warrants or similar financial instruments or employing such other means in respect of dividends payable on those shares if the holder or person entitled by transmission requests such recommencement in writing.

#### *Unclaimed dividends*

168. All dividends or other sums payable on or in respect of any shares which remain unclaimed may be invested or otherwise made use of by the board for the benefit of the Company until claimed. Any dividend or other sum unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and shall revert to the Company unless the board decides otherwise and the payment by the board of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the company a trustee in respect of it.

#### *Dividends in specie*

169. 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 any 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.

#### *Dividend reinvestment plans*

170. The board may from time to time make available to members the opportunity to participate in a dividend reinvestment plan or similar scheme.

## Capitalisation of Reserves

### *Power to capitalise*

171. The Company may, upon the recommendation of the board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount standing to the credit of any reserve or fund (including the profit and loss account) at the relevant time whether or not the same is available for distribution and accordingly that the amount to be capitalised be set free for distribution among the members or any class of members who would be entitled to it if it were distributed by way of dividend and in the same proportions, on the footing that it is applied either in or towards paying up the amounts unpaid at the relevant time on any shares in the Company held by those members respectively or in paying up in full shares, debentures or other obligations of the Company to be allotted and distributed credited as fully paid up among those members, or partly in one way and partly in the other, but so that, for the purposes of this Article:

- (A) a share premium account and a capital redemption reserve, and any reserve or fund representing unrealised profits, may be applied only in paying up shares of the Company in full; and
- (B) where the amount capitalised is applied in paying up shares in full, the Company will also be entitled to participate in the relevant distribution in relation to any shares of the relevant class held by it as treasury shares and the proportionate entitlement of the relevant class of members to the distribution will be calculated accordingly.

The board may authorise any person to enter into an agreement with the Company on behalf of the persons entitled to participate in the distribution and the agreement shall be binding on those persons.

### *Arrangements for distribution of capitalised reserves*

172. Where any difficulty arises in regard to any distribution of any capitalised reserve or fund the board may settle the matter as it thinks expedient and in particular may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the board.

### *Scrip dividends: authorising resolution*

173. The board may, if authorised by an ordinary resolution of the Company (the **Resolution**), offer any holder of shares the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the board) of all or any dividend specified by the Resolution. The offer shall be on the terms and conditions and be made in the manner specified in Article 174 or, subject to those provisions, specified in the Resolution.

### *Scrip dividends: procedures*

174. The following provisions shall apply to the Resolution and any offer made pursuant to it and Article 173:

- (A) The Resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period.
- (B) Each holder of shares shall be entitled to that number of new shares as are together as nearly as possible equal in value to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forgo (each a **new share**). For this purpose, the value of each new share shall be:

(i) equal to the **average quotation** for the Company's ordinary shares, that is, the average of the middle market quotations for those shares on the London Stock Exchange plc, as derived from the Daily Official List, on the day on which such shares are first quoted ex the relevant dividend and the four subsequent dealing days; or

(ii) calculated in any other manner specified by the Resolution,

but shall never be less than the par value of the new share.

A certificate or report by the auditors as to the value of a new share in respect of any dividend shall be conclusive evidence to that value.

- (C) On or as soon as practicable after announcing that any dividend is to be declared or recommended, the board, if it intends to offer an election in respect of that dividend, shall also announce that intention. If, after determining the basis of allotment, the board decides to proceed with the offer, it shall notify the holders of shares of the terms and conditions of the right of election offered to them, specifying the procedure to be followed and place at which, and the latest time by which, elections or notices amending or terminating existing elections must be delivered in order to be effective.
- (D) The board shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised, and the board has authority to allot sufficient shares, to give effect to it after the basis of allotment is determined.
- (E) The board may exclude from any offer any holders of shares where the board believes the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not have been made to them.
- (F) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable in cash on shares in respect of which an election has been made (the **elected shares**) and instead such number of new shares shall be allotted to each holder of elected shares as is arrived at on the basis stated in Article 174(B). For that purpose the board shall capitalise out of any amount for the time being standing to the credit of any reserve or fund (including without limitation the profit and loss account), whether or not it is available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to each holder of elected shares as is arrived at on the basis stated in Article 174(B).
- (G) The new shares when allotted shall rank equally in all respects with the fully paid shares of the same class then in issue except that they shall not be entitled to participate in the relevant dividend.
- (H) No fraction of a share shall be allotted. The board may make such provision as it thinks fit for any fractional entitlements including without limitation payment in cash to holders in respect of their fractional entitlements, provision for the accrual, retention or accumulation of all or part of the benefit of fractional entitlements to or by the Company or to or by or on behalf of any holder or the application of any accrual, retention or accumulation to the allotment of fully paid shares to any holder.
- (I) Unless the board otherwise determines, or unless the Uncertificated Securities Regulations otherwise require, the new shares shall be in uncertificated form (in respect of the member's elected shares which were in uncertificated form on the date of the member's election) and in certificated form (in respect of the member's elected shares which were in certificated form on the date of the member's election).
- (J) The board may do all acts and things it considers necessary or expedient to give effect to the allotment and issue of any share pursuant to this Article or otherwise in connection with any offer made pursuant to this Article and may authorise any person,

acting on behalf of the holders concerned, to enter into an agreement with the Company providing for such allotment or issue and incidental matters. Any agreement made under such authority shall be effective and binding on all concerned.

- (K) The board may, at its discretion, amend, suspend or terminate any offer pursuant to this Article.

## **Record Dates**

*Record dates for dividends etc.*

175. Notwithstanding any other provision of these Articles, the Company or the board may:
- (A) fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made (and the power to fix any such record date shall include the power to fix a time on the chosen date);
  - (B) 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 (or such shorter time as the board may determine) 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 175(B) shall be disregarded in determining the rights of any person to attend or vote at the meeting; and
  - (C) 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, determine that 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.

## **Accounts and Accounting Records**

*Accounting records to be kept*

176. 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 Act.

*Rights to inspect records*

177. No member shall (as such) have any right to inspect any accounting records or other book or document of the Company except as conferred by statute or authorised by the board or by ordinary resolution of the Company or order of a court of competent jurisdiction.

*Sending annual accounts*

178. Subject to the Act, a copy of the Company's annual accounts, together with a copy of the directors' report for that financial year and the auditors' report on those accounts shall, at least 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the provisions of the Act, be sent to every member and to every holder of the Company's debentures of whose address the Company is aware, and to every other person who is entitled to receive notice of meetings from the Company under the provisions of

the Act or of these Articles or, in the case of joint holders of any share or debenture, to one of the joint holders.

#### *Summary financial statements*

179. Subject to the Act, the requirements of Article 179 shall be deemed satisfied in relation to any person by sending to the person, instead of such copies, a summary financial statement derived from the Company's annual accounts and the directors' report, which shall be in the form and containing the information prescribed by the Act and any regulations made under the Act.

### **Auditors**

#### *Validity of acts*

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

#### *Rights of auditors*

181. The auditor shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any member is entitled to receive, and to be heard at any general meeting on any part of the business of the meeting which concerns him as auditor.

### **Communication with Members**

#### *Methods of communication: hard copy and electronically*

182. (A) The Company may, subject to and in accordance with the Act and these Articles, send or supply all types of notices, documents or information to members in hard copy form, by electronic means and/or by making such notices, documents or information available on a website.
- (B) The Company Communications Provisions have effect, subject to the provisions of Articles 182 to 184, for the purposes of any notices, documents or information to be sent or supplied by the Company to its members.
- (C) Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, and which is sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 hours (or, where first class mail is not employed, 48 hours) after the time it was posted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, pre-paid and posted.
- (D) Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient 24 hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.
- (E) Any notice, document or information which is sent or supplied by the Company by means of a website shall be deemed to have been received 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.

- (F) The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.
- (G) The provisions of this Article shall have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

*Joint holders*

183. Anything which needs to be agreed or specified by the joint holders of a share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the register in respect of the share. Any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the register in respect of the share, to the exclusion of the other joint holders. For such purpose, a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices may, subject to the Act, be disregarded. The provisions of this Article shall have effect in place of the Company Communications Provisions regarding joint holders of shares.

*Persons entitled by death, bankruptcy, etc.*

184. A person who claims to be entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall supply to the Company (A) such evidence as the board may reasonably require to show his title to the share, and (B) an address at which notices may be sent or supplied to such person, whereupon he shall be entitled to have sent or supplied to him at such address any notice, document or information to which the said member would have been entitled. Any notice, document or information so sent or supplied shall for all purposes be deemed to be duly sent or supplied to all persons interested (whether jointly with or as claiming through or under him) in the share. Save as provided in these Articles, any notice, document or information sent or supplied to the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly sent or supplied in respect of any share registered in the name of such member as sole or first-named joint holder. The provisions of this Article shall have effect in place of the company communication provisions regarding the death or bankruptcy of a holder of shares in the Company.

*Members located overseas*

185. Subject to the Act, the Company shall not be required to send notices, documents or information to a member who (having no registered address within the United Kingdom) has not supplied to the Company a postal address within the United Kingdom for the service of notices.

*Suspension of postal services*

186. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable to give notice by post in hard copy form of a shareholders' meeting, a shareholders' meeting may be convened by:
- (A) a notice advertised on the same date on its website and in at least two national daily newspapers with appropriate circulation; and
  - (B) giving notice in electronic form to those members who, in accordance with the Act, the Company is able to give notice by electronic means,

and such notice shall be deemed to have been duly served on all members entitled thereto on the day when the advertisement appears or is available on the website. In any such case the

Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

#### *Companies Acts override*

187. Nothing in any of Articles 182 to 186 inclusive shall affect any provision of the Act that requires or permits any particular notice, document or information to be sent or supplied in any particular manner.

#### *Electronic authentication*

188. Where these Articles require a notice or other document to be signed or authenticated by a member or other person then any notice or other document sent or supplied in electronic form is sufficiently authenticated in any manner authorised by the Company Communications Provisions or in such other manner as may be approved by the board. The board may designate mechanisms for validating any such notice or other document, and any such notice or other document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

### **Destruction of Documents**

#### *Power to destroy documents*

189. The Company shall be entitled to destroy:
- (A) all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entry is made in the register, at any time after the expiration of six years from the date of registration;
  - (B) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, at any time after the expiration of two years from the date of recording;
  - (C) all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation;
  - (D) all paid dividend warrants and cheques at any time after the expiration of one year from the date of actual payment;
  - (E) all proxy appointments which have been used for the purpose of a poll at any time after the expiration of one year from the date of use; and
  - (F) all proxy appointments which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the proxy appointment relates and at which no poll was demanded.

#### *Presumption in relation to destroyed documents*

190. It shall conclusively be presumed in favour of the Company that:
- (A) every entry in the register purporting to have been made on the basis of an instrument of transfer or other document destroyed in accordance with Article 189 was duly and properly made;
  - (B) every instrument of transfer destroyed in accordance with Article 189 was a valid and effective instrument duly and properly registered;

- (C) every share certificate destroyed in accordance with Article 189 was a valid and effective certificate duly and properly cancelled; and
- (D) every other document destroyed in accordance with Article 189 was a valid and effective document in accordance with its recorded particulars in the books or records of the Company,

but:

- (E) the provisions of this Article and Article 189 apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant;
- (F) nothing in this Article or Article 189 shall be construed as imposing on the Company any liability in respect of the destruction of any document earlier than the time specified in Article 189 or in any other circumstances which would not attach to the Company in the absence of this Article or Article 189; and
- (G) any reference in this Article or Article 189 to the destruction of any document includes a reference to its disposal in any manner.

## Indemnity and Insurance

### *Indemnity to directors and officers*

191. Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled:

- (A) every director, the secretary or other officer (including a senior executive but excluding an auditor) of the Company or of an associated company shall be indemnified by the Company against any liability incurred by him in the actual or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office; and
- (B) any director of a company that is a trustee of an occupational pension scheme for employees of the Company or of an associated company may be indemnified by the Company against liability incurred in connection with the company's activities as trustee of the scheme,

provided that this Article 191 shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article 191, or any element of it, to be treated as void under the Act or otherwise under the Act.

### *Insurance*

192. Except to the extent prohibited or restricted by the Act, the board may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office insurance against any liability incurred by him in respect of any act or omission in the actual or purported discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his holding of a relevant office; and for this purpose **relevant office** means that of director, secretary or other officer (excluding an auditor) or employee in relation to the Company or any company which is or was a subsidiary undertaking of or associated with the Company or any predecessor in business of the Company or any such subsidiary undertaking or associated company, or that of trustee of any pension fund or retirement, death or disability scheme for the benefit of any employee of the Company or such subsidiary undertaking or associated company.