
THE COMPANIES ACTS

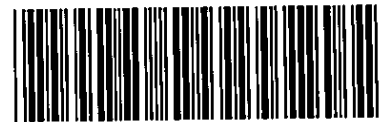
PUBLIC COMPANY
LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

LOOKERS PLC

THURSDAY



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COMPANIES HOUSE

CERTIFIED AS A TRUE AND EXACT COPY

CHAIRMAN AND DIRECTOR

26 June 2009

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THE COMPANIES ACTS

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

LOOKERS PLC

(Adopted by special resolution passed on

2009)

PRELIMINARY

1 No other regulations to apply

No model articles or other regulations set out in any statute or in any statutory instrument or other subordinate legislation concerning companies shall apply to the company, but the following shall be the articles of association of the company.

2 Interpretation

2.1 In these articles, unless the context otherwise requires, the following expressions have the following meanings:

address shall have the meaning ascribed to it in CA 2006

articles means these articles of association as originally adopted or altered or varied from time to time (and "article" means one of these articles)

auditors means the auditors for the time being of the company or, in the case of joint auditors, any one of them

authenticated shall have the meaning ascribed to it in CA 2006

board means the board of directors for the time being of the company or the directors present or deemed to be present at a duly convened meeting of directors at which a quorum is present

CA 1985 means the Companies Act 1985

CA 2006 means the Companies Act 2006

certificated share means a share, title to which is recorded on the register as being held in certificated form

chairman means the chairman (if any) of the board or, where the context requires, the chairman of a general meeting of the company

clear days means (in relation to the period of a notice) that period, excluding the day when the notice is received or deemed to be received, and the day for which it is given or on which it is to take effect

Companies Acts means CA 1985 and CA 2006

company means Lookers plc, registered in England and Wales with company number 111876

Company Communication Provisions means the company communication provisions in the CA 2006 (being the provisions at sections 1144 to 1148 and schedules 4 and 5)

dematerialised instruction shall have the meaning ascribed to it in paragraph 3 of the Regulations

depository means a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the company or other arrangements approved by the board whereby such custodian or other person or nominee holds or is interested in shares of the company or rights or interests in shares of the company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder thereof to or to receive such shares, rights or interests, provided and to the extent that such arrangements have been approved by the board for the purpose of these articles, and shall include, where approved by the board, the trustees (acting in their capacity as such) of any employees' share scheme established by the company or any other scheme or arrangement principally for the benefit of employees or those in the service of the company and/or its subsidiaries or their respective businesses and the managers (acting in their capacity as such) of any investment or savings plan, which in each case the board has approved

director means a director for the time being of the company

electronic form and **electronic means** shall have the meanings ascribed to them in CA 2006

Financial Institution means

- (a) a recognised clearing house acting in relation to a recognised investment exchange; or
- (b) a nominee of:
 - (i) a recognised clearing house acting in that way; or
 - (ii) a recognised investment exchange,

designated for the purpose of section 778 of the CA 2006 (as amended) of the United Kingdom in the rules of the recognised investment exchange in question

hard copy and **hard copy form** shall have the meanings ascribed to them in CA 2006

holder means (in relation to any share) the member whose name is entered in the register as the holder or, where the context permits, the members whose names are entered in the register as the joint holders, of that share

London Stock Exchange means London Stock Exchange plc

member means a member of the company or, where the context requires, a member of the board or of any committee

office means the registered office for the time being of the company

ordinary share means an ordinary share in the capital of the company

paid up means paid up or credited as paid up

qualifying person shall have the meaning ascribed thereto in section 318(3) CA 2006

register means the register of members of the company to be kept (in the case of shares held in certificated form) by the company pursuant to section 352 CA 1985 or section 113 CA2006 (as the case may be) or (in the case of shares held in uncertificated form) by the operator of a relevant system pursuant to paragraph 20 of the Regulations

Regulations means the Uncertificated Securities Regulations 2001, SI 2001 No. 3755 as amended

relevant system shall have the meaning ascribed to it in paragraph 3 of the Regulations

seal means any common seal of the company

secretary means the secretary for the time being of the company or any other person appointed to perform any of the duties of the secretary of the company including (subject to the provisions of the statutes) a joint, temporary, assistant or deputy secretary

securities seal means an official seal kept by the company pursuant to section 40 CA 1985 or section 50 CA 2006 (as the case may be)

service address means a postal address for the purposes of section 1141 of the CA 2006

share means a share of the company

statutes means the Companies Acts and every other statute (and any regulations subordinate thereto) and every statutory instrument for the time being in force concerning companies and affecting the company or its shares

uncertificated share means a share, title to which is recorded on the register as being held in uncertificated form

United Kingdom means Great Britain and Northern Ireland

writing or written means and includes printing, typewriting, lithography, photography and any other mode or modes of representing or reproducing words in a legible and non-transitory form whether in hard copy form or electronic form.

working day means a day that is not a Saturday or Sunday, Christmas Day, Good Friday or any day that is a bank holiday under the Banking and Financial Dealings Act 1971 in the part of the UK where the company is registered

2.2 Unless the context otherwise requires:

- (a) words in the singular include the plural, and *vice versa*;

- (b) words importing the masculine gender include the feminine gender; and
- (c) a reference to a person includes a body corporate and an unincorporated body of persons.

2.3 A reference to any statute or provision of a statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force. A reference to any provision of CA 1985 and CA 2006 shall be interpreted by applying the relevant provision of such Acts as shall be in force for the time being.

2.4 The provisions of section 1168 of the CA 2006 (headed "Hard copy and electronic form and related expressions") apply in these articles to any document (including any notice) or information sent or supplied for the purposes of these articles, regardless of whether the article in question uses the words "sent" or "supplied" or uses other words (including, but not limited to, "deliver", "provide", "produce" or, in the case of a notice, "give") to refer to the sending or supplying of a document or information. References to the delivery of any document (including any notice) or information (in whatever form) include the supply of such document or information in hard copy form or in electronic form. References to a document being executed or signed include references to its being executed or signed under hand or under seal or (whether sent or supplied to the company in electronic form or in hard copy form) being sufficiently authenticated for the purposes of the Company Communication Provisions or these articles, and references to a document include references to any notice or information in visible form whether having physical substance or not.

2.5 Save as aforesaid, and unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the CA 1985 or CA 2006, as the case may be. and words and expressions used in the Regulations have the same meanings when used in these Articles.

2.6 The headings are inserted for convenience only and shall not affect the construction of these articles.

2.7 In these articles the words and phrases "other", "including" and "in particular" do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.

3 Form of resolution

Subject to the statutes, where for any purpose an ordinary resolution of the company is required, a special resolution shall also be effective.

4 Registered office

The office shall be at such place in England and Wales as the board shall from time to time appoint.

SHARE CAPITAL

5 Members' limited liability

The liability of the company's members is limited to the amount, if any, unpaid on the shares held by them.

6 Allotment

Subject to the provisions of the statutes and to any relevant authority of the company in general meeting required by the statutes, any shares at the date of adoption of these articles and any shares hereafter created and any shares held by the company in treasury shall be at the disposal of the board, which may allot (with or without conferring rights of renunciation), grant options over, offer, sell or otherwise deal with or dispose of them or rights to subscribe for or convert any security into shares to such persons (including the directors themselves), at such times and generally on such terms and conditions as the board may decide, provided that no share shall be issued at a discount.

7 Redeemable shares

Subject to the provisions of the statutes and to any special rights for the time being attached to any existing shares, any share may be issued which is, or at the option of the company or of the holder of such share is liable, to be redeemed on such terms and in such manner as the board may, in their discretion, determine.

8 Power to attach rights

Subject to the provisions of the statutes and to any special rights for the time being attached to any existing shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the company may from time to time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the board may determine.

9 Share warrants to bearer

9.1 The company may, with respect to any fully paid shares, issue a warrant (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 on the shares included in a share warrant.

9.2 The powers referred to in article 9.1 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 or lost (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 to it, whether made before or after the issue of such share warrant.

10 Commission and brokerage

The company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the statutes. Subject to the provisions of the statutes, any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares, the grant of an option to call for an allotment of shares or any combination of such methods.

11 Trusts not to be recognised

Except as otherwise expressly provided by these articles, as required by law or as ordered by a court of competent jurisdiction, the company shall not recognise any person as holding any share on any trust, and (except as aforesaid) the company shall not be bound by or recognise (even if having notice of it) any equitable, contingent, future, partial or other claim to or interest in any share except an absolute right of the holder to the whole of the share.

ALTERATION OF SHARE CAPITAL

12 Alteration of share capital

12.1 Subject to the statutes, the company may from time to time:

- (a) in general meeting by ordinary resolution:
 - (i) increase its share capital by such sum to be divided into shares of such amount as the resolution prescribes;
 - (ii) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
 - (iii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
 - (iv) subject to the provisions of the statutes, sub-divide its shares or any of them into shares of a smaller amount; and
- (b) alter its share capital in any way permitted by the statutes; and
- (c) determine that, as between the shares resulting from any division, sub-division or consolidation of the Company's share capital, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the company has power to attach to its shares.

13 Fractions of shares

13.1 Whenever as the result of any consolidation, division or sub-division of shares any difficulty arises, the board may settle it as it thinks fit, and in particular (but without prejudice to the generality of the foregoing) where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share and as a result of such consolidation such holder would become entitled to a fraction of a consolidated share:

- (a) the board may determine which of the shares of such holder are to be treated as giving rise to such fractional entitlement and may decide that any of those shares shall be consolidated with any of the shares of any other holder or holders which are similarly

determined by it to be treated as giving rise to a fractional entitlement for such other holder or holders, into a single consolidated share and the board may, on behalf of all such holders, sell such consolidated share for the best price reasonably obtained to any person (including the company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £2.50 or such other sum as the board may from time to time determine, may be retained for the benefit of the company); or

- (b) the board may issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation); and the amount required to pay up such shares shall be appropriated at the board's discretion from any of the sums standing to the credit of any of the company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up the share. In relation to such a capitalisation the board may exercise all the powers conferred on it by article 150 without an ordinary resolution of the company.

- 13.2 For the purposes of any sale of consolidated shares pursuant to article 13.1, the board may authorise some person to execute an instrument of transfer of (or, as the case may be, to give a dematerialised instruction in respect of) the shares to, or in accordance with the directions of, the purchaser, and the transferee 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 in reference to the sale.

14 Reduction of capital

Subject to the provisions of the statutes, these articles and to any rights for the time being attached to any shares, the company may by special resolution reduce its share capital or any capital redemption reserve or share premium account or other undistributable reserve in any way.

15 Purchase of own shares

Subject to the provisions of the statutes, these articles and any rights for the time being attached to any shares, the company may purchase any of its own shares of any class (including any redeemable shares). Any shares to be so purchased may be selected in any manner whatsoever.

VARIATION OF CLASS RIGHTS

16 Sanction to variation

If at any time the share capital of the company is divided into shares of different classes, any of the rights for the time being attached to any share or class of shares in the company (and notwithstanding that the company may be or be about to be in liquidation) may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise).

17 Class meetings

All the provisions in these articles relating to general meetings shall apply, so far as applicable, to every meeting of the holders of any class of shares. The board may convene a meeting of the holders of any class of shares whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights. The quorum at every such meeting (other than an adjourned meeting) shall be not less than two persons entitled to vote at the meeting present in person or by proxy and holding at least one third of the nominal amount paid up on the issued shares of the class (excluding any shares of that class held as treasury shares).

Every holder of shares of the class, present in person or by proxy, may demand a poll. Each such holder shall on a poll be entitled to one vote for every share of the class held by him. At any adjourned meeting of such holders, one person holding shares of the class who is present in person or by proxy shall be a quorum.

18 Deemed variation

Subject to the terms of issue of or rights attached to any shares, the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of the capital paid up on such shares or by the purchase or redemption by the company of its own shares in accordance with the provisions of the statutes and these articles.

EVIDENCE OF TITLE

19 Arrangements relating to uncertificated securities

19.1 Notwithstanding any other provision of these articles, title to any securities of the company may be evidenced and may be transferred without a written instrument in accordance with regulations from time to time made under the statutes and subject to such regulations the board shall have power to implement any arrangements it may think fit for such evidencing and transfer which accord with those regulations.

19.2 Where any provision of these articles confers authority on the company or the board or any of the directors to enter into (or to authorise some other person to enter into) any transaction in respect of shares held in uncertificated form (including, without limitation, article 23, article 38, article 49 and article 81) the board may authorise some person to give notice on behalf of the company to the operator of a relevant system, requiring that such shares be converted into certificated form and stating that such conversion is required in order to enable the company to give effect to the provisions of these articles.

20 Right to share certificates

20.1 On becoming the holder of any certificated share, every person (except a financial institution in respect of whom the company is not by law required to complete and have ready for delivery a certificate) shall be entitled, without charge, to have issued within two months after allotment or lodgement of a transfer (unless the terms of issue of the shares provide otherwise) one certificate for all the certificated shares of each class registered in his name. Such certificate shall specify the number, class and distinguishing numbers (if any) of the shares in respect of which it is issued and the amount or respective amounts paid up on such shares and shall be issued as provided in article 135.

- 20.2 The issued shares of a particular class which are fully paid up and rank *pari passu* for all purposes shall not bear a distinguishing number. All other shares shall bear a distinguishing number.
- 20.3 The company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named on the register as the holder of such shares shall be sufficient delivery to all joint holders.
- 20.4 Where a member (other than a financial institution) has transferred part only of the shares comprised in a certificate, he shall be entitled to a certificate for the balance of such shares without charge.
- 20.5 No certificate shall be issued representing shares of more than one class or in respect of shares held by a financial institution, or in respect of any uncertificated shares.

21 Replacement certificates

- 21.1 Any two or more certificates representing certificated 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 without charge on surrender of the original certificates for cancellation.
- 21.2 If any member shall surrender for cancellation a share certificate representing certificated 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.
- 21.3 Share certificates may be renewed or replaced on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out of pocket expenses, including those incurred by the company in investigating such evidence and preparing such indemnity and security, as the board may decide, and on surrender of the original certificate (where it is defaced, damaged or worn out), but without any further charge.
- 21.4 In the case of shares held jointly by several persons, any such request as is mentioned in this article 21 may be made by any one of the joint holders.

LIEN ON SHARES

22 Lien on shares not fully paid

The company shall have a first and paramount lien on each of its shares which is not fully paid, for all amounts payable to the company (whether presently or not) in respect of that share and to the extent and in the circumstances permitted by the statutes. The board may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this article.

23 Enforcement of lien by sale

The board may sell all or any of the shares subject to any lien at such time or times and in such manner as it may determine. However, no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on the holder or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made

by him or them for fourteen days after service of such notice. For giving effect to any such sale, the board may authorise some person to execute an instrument of transfer of, or to give a dematerialised instruction in respect of, the shares sold in the name and on behalf of the holder or the persons entitled by transmission in favour of the purchaser or as the purchaser may direct.

The purchaser shall not be bound to see to the application of the purchase money, and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

24 Application of proceeds of sale

The net proceeds of any sale of shares subject to any lien, after payment of the costs, shall be applied in or towards satisfaction of so much of the amount due to the company or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged. The balance (if any) shall (in the case of a sale of certificated shares, on surrender to the company for cancellation of the certificate for the shares sold), subject to a like lien for any moneys not presently payable or any liability or engagement not liable to be presently fulfilled or discharged as existed on the shares before the sale, be paid to the holder or the person (if any) entitled by transmission to the shares so sold, without interest, subject to the company having a lien on such balance on the same basis as applied to such shares for any amount not presently payable as existed on such shares before the sale.

CALLS ON SHARES

25 Calls

Subject to the terms of allotment of shares, the board may from time to time make calls on the members in respect of any moneys unpaid on the shares, of any class, held by them respectively (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the terms of issue. Each member shall (subject to receiving at least fourteen days' notice specifying when and where payment is to be made and whether or not by instalments) be liable to pay the amount of every call so made on him as required by the notice. A call shall be deemed to have been made at the time when the resolution of the board authorising such call was passed or (as the case may require) any person to whom power has been delegated pursuant to these articles serves notice of exercise of such power. A call may be required to be paid by instalments and may, before receipt by the company of any sum due thereunder, be either revoked or postponed in whole or part as regards all or any such members as the board may determine. A person on whom a call is made shall remain liable notwithstanding the subsequent transfer of the shares in respect of which the call was made.

26 Liability of joint holders

The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect thereof.

27 Interest on calls

If the whole of the sum payable in respect of any call is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay all costs, charges and expenses that the company may have incurred by reason of such non-payment, together with interest on the unpaid amount from the day appointed for payment thereof to the time of actual payment at the rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is so fixed, at such rate, not exceeding fifteen per cent per annum (compounded on a six monthly basis), as the board shall determine. The board may waive payment of such costs, charges, expenses or interest in whole or in part.

28 Rights of member when call unpaid

Unless the board otherwise determines, no member shall be entitled to receive any dividend or to be present and vote at a general meeting or at any separate general meeting of the holders of any class of shares either in person or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other right or privilege as a member in respect of a share held by him unless and until he shall have paid all calls for the time being due and payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) to the company.

29 Sums due on allotment treated as calls

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

30 Power to differentiate

The board may make arrangements on the allotment or issue of shares for a difference as between the allottees or holders of such shares in the amount and time of payment of calls.

31 Payment in advance of calls

The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish *pro tanto* the liability on the shares on which it is made. The company may pay interest on the money paid in advance, or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, at such rate as the board may decide. The board may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

32 Delegation of power to make calls

If any uncalled capital of the company is included in or charged by any mortgage or other security, the board may delegate on such terms as it thinks fit to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, to sue in the name of the company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys. The power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of directors, and shall be assignable if expressed so to be.

FORFEITURE OF SHARES

33 Notice if call not paid

If any member fails to pay the whole of any call or any instalment of any call on or before the day appointed for payment, the board may at any time serve a notice in writing on such member or on any person entitled to the shares by transmission, requiring payment, on a date not less than fourteen days from the date of the notice, of the amount unpaid and any interest which may have accrued thereon and any costs, charges and expenses incurred by the company by reason of

such non-payment. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

34 Forfeiture for non-compliance

If the notice referred to in article 33 is not complied with, any share in respect of which it was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board to that effect. Such forfeiture shall include all dividends declared or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

35 Notice after forfeiture

When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry as aforesaid.

36 Forfeiture may be annulled

The board may, at any time before any share so forfeited has been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture, on terms that payment shall be made of all calls and interest due thereon and all expenses incurred in respect of the share and on such further terms (if any) as the board shall see fit.

37 Surrender

The board may accept a surrender of any share liable to be forfeited. In such case references in these articles to forfeiture shall include surrender.

38 Disposal of forfeited shares

Every share which shall be forfeited shall thereupon become the property of the company. Subject to the provisions of the statutes, any such share may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto or to any other person, on such terms and in such manner as the board shall determine. The board may, for the purposes of the disposal, authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the register notwithstanding (in the case of a certificated share) the absence of any share certificate being lodged in respect thereof. An instrument of transfer executed by that person, or a dematerialised instruction given at the request of that person, shall be as effective as if it had been executed or given by the holder of, or the person entitled by transmission to, the share. The company may receive the consideration (if any) given for the share on its disposal.

39 Effect of forfeiture

A shareholder whose shares have been forfeited shall cease to be a member in respect of the shares forfeited and shall surrender to the company for cancellation the certificate (if any) for such shares. He shall nevertheless be liable to pay to the company all calls made and not paid on such shares at the time of forfeiture, and interest thereon from the date of the forfeiture to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) claims, demands and liabilities which the company might have enforced in

respect of the shares at the time of forfeiture, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

40 Extinction of claims

The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the company in respect of the share and all other rights and liabilities incidental to the share as between the holder whose share is forfeited and the company, except only such of those rights and liabilities as are by these articles expressly saved, or as are by the statutes given or imposed in the case of past members.

41 Evidence of forfeiture

A statutory declaration by a director or the secretary that a share has been forfeited in pursuance of these articles, and stating the date on which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated. The declaration, together with the receipt of the company for the consideration (if any) given for the share on the sale or disposition thereof shall (subject if necessary to the execution of an instrument of transfer or the giving of a dematerialised instruction) constitute a good title to the share. Subject to the execution of any necessary transfer, such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share. Such person shall not (except by express agreement with the company) become entitled to any dividend which might have accrued on the share before the completion of the sale or disposition thereof.

TRANSFER OF SHARES

42 Transfer of certificated shares

Subject to such of the restrictions of these articles as may be applicable, each member may transfer all or any of his certificated shares by instrument of transfer in writing in any usual form or in any form approved by the board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a certificated share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect of it. All instruments of transfer which are registered may be retained by the company.

43 Transfer of uncertificated shares

Subject to such of the restrictions of these articles as may be applicable, each member may transfer all or any of his uncertificated shares in accordance with the rules and regulations in force from time to time which are applicable to a relevant system.

44 Right to refuse registration

44.1 The board may, subject to the statutes, refuse to register any transfer of a share (or renunciation of a renounceable letter of allotment) unless:

- (a) it is in respect of a share which is fully paid up;
- (b) it is in respect of only one class of shares;

- (c) it is in favour of a single transferee or not more than four joint transferees;
- (d) it is duly stamped (if so required); and
- (e) (if it is in respect of a certificated share) it is delivered for registration to the office or such other place as the board may from time to time determine, accompanied (except in the case of a transfer by a financial institution where a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so;

provided that the board shall not refuse to register any transfer or renunciation of partly paid shares which are admitted to trading on the London Stock Exchange on the grounds that they are partly paid shares in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis.

44.2 Transfers of shares will not be registered in the circumstances referred to in article 81.

45 Notice of refusal

If the board refuses to register a transfer of a share it shall, within two months after the date on which, in the case of a certificated share, the transfer was lodged with the company, or, in the case of an uncertificated share, the dematerialised instruction was received by the company, send notice of the refusal to the transferee. Any instrument of transfer which the board refuses to register shall (except in the case of suspected or actual fraud) be returned to the person depositing it.

46 Fees on registration

No fee shall be charged for registration of a transfer or on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, notice or other instrument relating to or affecting the title to any shares.

47 Transfers by renunciation

Nothing in these articles shall preclude the board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

48 On death

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

49 Election of person entitled by transmission

Any person becoming entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, on such evidence as to his title being produced as the board may require, elect either

to become registered as a member or to have some person nominated by him registered as a member. If he elects to become registered himself, he shall give notice to the company to that effect. If he elects to have some other person registered, he shall execute an instrument of transfer of such share to that person or, as the case may be, procure the transfer of such share to that person by means of a dematerialised instruction. All the provisions of these articles relating to the transfer of shares shall apply to the notice, instrument of transfer or dematerialised instruction (as the case may be) as if it were executed or given by the member and his death, bankruptcy or other event as aforesaid had not occurred. Where the entitlement of a person to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the board, the board shall within two months after proof cause the entitlement of that person to be noted in the register.

50 Rights on transmission

Where a person becomes entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, the rights of the holder in relation to such share shall cease. However, the person so entitled may give a good discharge for any dividends and other moneys payable in respect of it and shall have the same rights to which he would be entitled if he were the holder of the share, except that he shall not, before he is 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 at any separate meeting of the holders of any class of shares of the company. The board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within sixty days, the board may thereafter withhold payment of all dividends and other moneys payable in respect of such share until the requirements of the notice have been complied with.

DESTRUCTION OF DOCUMENTS

51 Destruction of documents

51.1 The company may destroy:

- (a) any instrument of transfer, after six years from the date on which it is registered;
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address, after two years from the date on which it is recorded;
- (c) any share certificate, after one year from the date on which it is cancelled;
- (d) any proxy form which has been used for a poll, after one year from the date on which the poll was taken;
- (e) any proxy form which has not been used for a poll, after one month from the general meeting or class meeting to which it relates; and
- (f) any other document on the basis of which any entry in the register is made, after six years from the date on which an entry was first made in the register in respect of it,

provided that the company may destroy any such type of document at a date earlier than that authorised by this article if a copy of such document is retained on microfilm or by other similar means on which such copy is retained until the expiration of the period applicable to the destruction of the original of such document.

51.2 It shall be conclusively presumed in favour of the company that every entry in the register purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was duly cancelled, that every other document so destroyed had been properly dealt with in accordance with its terms and was valid and effective in accordance with the particulars in the records of the company, provided that:

- (a) this article 51 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant;
- (b) nothing in this article 51 shall be construed as imposing on the company any liability in respect of the destruction of any such document otherwise than as provided for in this article 51 which would not attach to the company in the absence of this article 51; and
- (c) references in this article 51 to the destruction of any document include references to the disposal of it in any manner.

GENERAL MEETINGS

52 Annual general meetings

Subject to the provisions of the statutes, annual general meetings shall be held at such time and place as the board may determine.

53 General meetings

All general meetings, other than annual general meetings, shall be called general meetings.

54 Convening of general meeting

The board may convene a general meeting whenever it thinks fit. The members of the company may also require the directors to call a general meeting, as provided by section 303 CA 2006.

55 Notice of general meetings

55.1 An annual general meeting and all other general meetings of the company shall be convened by at least such minimum period of notice as is prescribed under the statutes.

55.2 The notice shall specify:

- (a) whether the meeting is an annual general meeting or a general meeting;
- (b) the place, the day and the time of the meeting;
- (c) the general nature of the business to be transacted;
- (d) if the meeting is convened to consider a special resolution, the intention to propose the resolution as such;
- (e) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a member.

55.3 The notice shall be given to the members (other than any who, under the provisions of these articles or of any restrictions imposed on any shares, are not entitled to receive notice from the company), to the directors and to the auditors.

55.4 If, after a notice convening a general meeting of the company has been despatched to members, the board becomes aware of any fact, event or circumstances which, in the board's opinion, would make it impractical or inappropriate to hold the general meeting on the date or time or at the place for which notice has been given, the board may give notice pursuant to article 157 to those entitled to receive the notice pursuant to article 55.3 either cancelling such meeting or postponing such meeting to a time and date which is not less than twenty one clear days from the date of such notice, which shall also specify the place at which such postponed meeting shall be held.

56 Omission to send notice

Subject to the provisions of the statutes the accidental failure to give notice of any general meeting or any resolution intended to be moved at any general meeting to, or the non-receipt of any such notice by, any person entitled to receive the same shall be disregarded for the purposes of determining whether such notice is duly given and shall not invalidate the proceedings at that meeting.

57 Entitlement to attend and vote at a meeting

The company may specify in the notice of a general meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the relevant register of members in order to have the right to attend or vote at the meeting. For the purposes of calculating any period of time for the purposes of this article, but only if permitted by the statutes, no account need be taken by the company of any part of a day that is not a working day

PROCEEDINGS AT GENERAL MEETINGS

58 Quorum

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Three qualifying persons present and entitled to attend and to vote on the business to be transacted at a general meeting shall be a quorum at that meeting unless one of them is a proxy or a corporate representative appointed by another or if two or more of them is a proxy or a corporate representative appointed by the same member. For the purposes of this article a "qualifying person" means (i) an individual who is a member of the company, (ii) a person authorised under the Companies Acts to act as a representative of a member that is corporation in relation to the meeting (a "corporate representative"), or (iii) a person appointed as proxy of a member in relation to the meeting.

59 If quorum not present

If within thirty minutes (or such longer interval as the chairman in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members made in accordance with the CA 2006, shall be dissolved. In any other case, the meeting shall stand adjourned to such time (not being less than seven nor more than sixty days later) and place as the chairman (or, in default, the board) may determine. If at such adjourned

meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

60 Chairman

60.1 The chairman of the board shall preside at every general meeting of the company. If there be no such chairman, or if at any meeting he shall not be present within five minutes after the time appointed for holding the meeting, or shall be unwilling to act as chairman, the directors present shall choose one of their number to act or, if there be only one director present, he shall be chairman if willing to act. If there be no director present and willing to act, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.

60.2 The chairman of the meeting who presides pursuant to the provisions of article 60.1 may, at any time during a general meeting of the company, nominate any director of the company to be the chairman of the meeting for the remainder of or for any part of the meeting.

61 Directors may attend and speak

A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the company.

62 Power to adjourn

Subject to the provisions of the statutes, the chairman may, with the consent of a meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place as the meeting shall determine. However, without prejudice to any other power which he may have under these articles or at common law, the chairman may, subject to the provisions of the statutes, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the comfort, safety and security of those attending and the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.

63 Notice of adjourned meeting

Where a meeting is adjourned indefinitely, the board shall fix the time and place for the adjourned meeting. Subject to the provisions of the statutes, whenever a meeting is adjourned for fourteen days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, shall be given in the same manner as in the case of an original meeting. Save as aforesaid and subject to the provisions of the statutes, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting.

64 Business of adjourned meeting

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

65 Accommodation of members and security arrangements

65.1 The board may, for the purpose of ensuring the comfort, safety and security of those attending at any place specified for the holding of a general meeting, from time to time make such arrangements as the board shall consider to be appropriate in the circumstances and may from

time to time vary any such arrangements or make new arrangements in place thereof. In the case of any meeting to which such arrangements apply the board may, for the purposes of ensuring the comfort, safety and security of those attending, when specifying the place of the meeting:

- (a) direct that the meeting shall be held at a place specified in the notice at which the chairman of the meeting shall preside (the **principal place**); and
- (b) make arrangements for simultaneous attendance and participation at other places by members otherwise entitled to attend the general meeting but who cannot be accommodated in the principal place and who are excluded therefrom under the provisions of this article or who wish to attend at any of such other places, provided that persons attending at the principal place and at any of such other places shall be able to see, and hear and be seen and heard by, persons attending at the principal place and at such other places, by any means.

Such arrangements for simultaneous attendance may include arrangements for regulating the level of attendance in any manner aforesaid as between the principal place and any of such other places, provided that they shall operate so that any member who cannot be accommodated in the principal place as aforesaid are able to attend at one of such other places. For the purposes of all other provisions of these articles any such meeting shall be treated as being held and taking place at the principal place.

- 65.2 For the purpose of ensuring the safety and security of those attending any meeting the board may require that any person wishing to attend any meeting should submit to such searches or other security arrangements as the board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to any meeting to any person who refuses to cooperate with or to submit to such searches or to otherwise comply with such security arrangements.

VOTING

66 Method of voting

- 66.1 The chairman can demand a poll on any resolution that is put to the vote of a general meeting, whether before it has been put to the vote on a show of hands or afterwards. Otherwise a resolution that is 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) a poll is duly demanded. Subject to the provisions of the statutes, a poll may be demanded by:
- (a) the chairman of the meeting; or
 - (b) at least three members present in person or by proxy and entitled to vote on the resolution; or
 - (c) a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution; or
 - (d) a member or members present in person or by proxy holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

- 66.2 At general meetings, resolutions shall be put to the vote by the chairman and there shall be no requirement for the resolution to be proposed or seconded by any person.

67 Chairman's declaration conclusive on show of hands

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings of the company, shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

68 Objection to error in voting

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any 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 is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

69 Amendment to resolutions

- 69.1 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, any error in such ruling shall not invalidate the proceedings on the substantive resolution.
- 69.2 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 in any event be considered or voted on 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 on unless either at least forty-eight hours 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 company's registered office, or the chairman of the meeting in his absolute discretion decides that it may be considered or voted on.

70 Procedure on a poll

- 70.1 Any poll duly demanded on the election of a chairman of a meeting or on any question of adjournment shall be taken forthwith. A poll duly demanded on any other matter shall be taken at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman shall direct. The chairman shall determine the manner (including the use of ballot or voting papers or tickets or hand held or other electronic devices) in which a poll shall be taken and may appoint scrutineers who need not be members. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 70.2 The demand for a poll (other than on the election of a chairman or any question of adjournment) shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded. If a poll is demanded before the declaration of

the result on a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

70.3 The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the chairman. A demand so withdrawn shall validate the result of a show of hands declared before the demand was made.

70.4 On a poll votes may be given in person or by proxy. Subject to the statutes, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

71 Votes of members

71.1 Subject to the provisions of the statutes, to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to these articles, at any general meeting every member who is present in person and each duly appointed proxy shall on a show of hands have one vote and every member present in person or by proxy shall on a poll have one vote for each share of which he is the holder.

71.2 The company shall not be entitled to exercise any voting rights, whether on a show of hands or on a poll, in respect of any shares held by it as treasury shares.

71.3 If two or more persons are joint holders of a share, then in voting on any question 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 of the holders stand in the register.

71.4 Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the board may in its absolute discretion, on or subject to production of such evidence of the appointment as the board may require, permit such receiver or other person to vote in person or, on a poll, by proxy on behalf of such member at any general meeting. Evidence to the satisfaction of the board of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with these articles for the deposit of instruments of proxy, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.

72 Casting vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll was demanded shall be entitled to a second or casting vote in addition to any other vote that he may have.

73 Restriction on voting rights for unpaid calls etc.

No member shall, unless the board otherwise determines, be entitled to vote at a general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a member in respect of a share held by him unless and until all calls or other sums presently due and payable by him in respect of that share whether alone or jointly with any other person together with interest and expenses (if any) have been paid to the company.

74 Voting by proxy

- 74.1 A member who is entitled to attend and vote at a general meeting is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. The appointment of a proxy shall be deemed also to confer authority (in accordance with the provisions of CA 2006) to demand or join in demanding a poll. Delivery of an appointment of proxy shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment of it. A proxy need not be a member of the company.
- 74.2 The omission or failure by any proxy to act in accordance with any instructions given to him by the member appointing him shall not invalidate any vote cast by such proxy or any resolution passed at the general meeting concerned.

75 Form of proxy

- 75.1 Subject to the provisions of the statutes the appointment of a proxy shall:
- (a) be in writing in any usual form or in such other form as the board may approve, and shall be executed by or on behalf of the appointor which in the case of a corporation, may be either under its common seal or under the hand of some duly authorised officer or attorney;
 - (b) be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote on any resolution or amendment of a resolution put to the meeting (including, for the avoidance of doubt, any resolution which properly comes before the meeting where notice of the same was not included in the notice of the meeting nor specific reference thereto made in the instrument appointing the proxy) as the proxy thinks fit, and shall also be deemed to confer on the proxy the right to speak at the meeting;
 - (c) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
 - (d) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings.
- 75.2 In addition, the board may determine that, if and to the extent permitted from time to time by the statutes, and subject to such terms and conditions as the board may specify, a proxy may be appointed by electronic means.

76 Receipt of proxy

- 76.1 The appointment of a proxy shall:
- (a) if in hard copy form, be received at the office or at such other place or places within the United Kingdom as is specified in the notice convening the meeting or in any notice of any adjourned meeting or in any instrument of proxy sent out by the company in relation to the meeting, by a time not less than forty eight hours (or such shorter time as the directors may determine) before the time of the holding of the meeting or adjourned meeting at which the person named in the instrument proposes to vote, together with (if required by the board) any authority under which it is made (or a copy thereof certified notarially or in some other way approved by the board);

- (b) if in electronic form be received at any electronic address which has been specified by the company for the purpose of receiving proxy appointments in electronic form in the notice convening the meeting, or in any notice of any adjourned meeting or in any instrument of proxy sent out by the company in relation to the meeting, or in any invitation to appoint a proxy contained in an electronic mail issued by the company in relation to the meeting, not less than forty eight hours (or such shorter time as the directors may determine) before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. Any authority pursuant to which an appointment contained in an electronic mail is made (or a copy thereof certified notarially or in some other way approved by the board) must, if required by the board, be received at the office (or such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjourned meeting or in either case any accompanying document) not less than forty eight hours (or such shorter time as the directors may determine) before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
- (c) if in hard copy or electronic form, in the case of a poll taken more than forty eight hours after it is demanded, be deposited or received at the relevant place or address referred to at paragraph (a) or paragraph (b) above after the poll has been demanded and not less than twenty four hours before the time appointed for the taking of the poll; or
- (d) where the poll is not taken forthwith but is taken not more than forty eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to any director;

and, subject to article 76.3 and subject to the statutes, an appointment of proxy not received in a manner and within the time limits so permitted shall be invalid.

For the purposes of calculation any period of time under article 76.1 or article 79, no account need be taken by the company or any part of a day that is not a working day.

76.2 Without limiting the foregoing, in relation to any uncertificated shares the directors may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the company as the directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the directors (subject always to the facilities and requirements of the relevant system concerned)), and may in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made by like means. The directors may, in addition, prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the company or such participant. The directors may treat any such uncertificated proxy instruction which purports to be, or is expressed to be, sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

76.3 A director, the secretary or some person authorised for the purpose by the secretary may:

- (a) accept a photocopy, or a copy delivered by facsimile transmission, of the instrument appointing the proxy (and of the power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the board); and/or

- (b) accept an appointment of a proxy which has not been properly executed as required by article 76.1 or is not supported by the relevant documents as required by article 76.2

as a valid instrument of proxy where such person determines, in good faith, that the documents deposited or received (including, where relevant, in electronic form) indicate in sufficient detail the member's intention to appoint a proxy.

- 76.4 No instrument appointing a proxy shall be valid after the expiry of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.

77 More than one proxy may be appointed

A member may appoint more than one proxy to attend on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. References in these articles to an appointment of proxy include references to an appointment of multiple proxies. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the company is unable to determine which instrument was last validly delivered, none of them shall be treated as valid in respect of that share.

78 Board may supply proxy cards

The board may if it thinks fit but subject to the statutes, at the expense of the company send in hard copy form or in electronic form, instruments of proxy (reply-paid or otherwise) to members 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 directors or any other persons. 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 expense of the company, such invitations shall be issued to all (and not some only) of the members entitled to be sent a notice of the meeting and to vote thereat by proxy. The omission to send out an instrument of proxy or an invitation to appoint a proxy in relation to a general meeting to any member, or the non-receipt of such instrument or invitation by any member, shall not invalidate any resolution passed or proceedings at the meeting concerned.

79 Revocation of proxy

Subject to the statutes, a vote given or poll demanded by a proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the appointment of proxy, or of the authority under which the appointment was executed, or the transfer of the share in respect of which the appointment is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been received by the company (or such other person as has been appointed by the company to receive the same and specified in the notice convening the meeting for that purpose), at the office, or at such other place or address as has been appointed for the deposit or delivery of appointments of proxy, (including in the case of an appointment of a proxy which was contained in electronic form, at the address at which such appointment was duly received), at least forty eight hours before the commencement of the meeting or adjourned meeting or the taking of the poll at which the appointment of proxy is to be used.

80 Corporate representative

A corporation (whether or not a company within the meaning of CA 2006) which is a member may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the company or at any separate meeting of the holders of any class of shares. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member of the company. The corporation shall for the purposes of these articles be deemed to be present in person at any such meeting if a person so authorised is present at it; and all references to attendance and voting in person shall subject to the statutes be construed accordingly. A director, the secretary or some person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to them before permitting him to exercise his powers.

81 Failure to disclose interests in shares

81.1 If a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice pursuant to section 793 CA 2006 and has failed in relation to any shares (the **default shares**, which expression includes any shares issued after the date of such notice in respect of those shares) to give the company the information thereby required within the prescribed period from the service of the notice, the following sanctions shall apply unless the board otherwise determines:

- (a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and
- (b) where the default shares represent at least 0.25 per cent in nominal value of the issued shares of their class (excluding any shares in the company held by the company as treasury shares):
 - (i) any dividend or other money payable in respect of the shares shall be withheld by the company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to article 148, to receive shares instead of that dividend; and
 - (ii) no transfer, other than an excepted transfer, of any shares held by the member shall be registered (subject, in the case of any uncertificated shares to the Regulations) unless:
 - (A) the member is not himself in default as regards supplying the information required; and
 - (B) the member proves to the satisfaction of the board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

81.2 Where the sanctions under article 81.1 apply in relation to any shares, they shall cease to have effect (and any dividends withheld under article 81.1(b) shall become payable):

- (a) if the shares are transferred by means of an excepted transfer but only in respect of the shares transferred; or
 - (b) at the end of the period of seven days (or such shorter period as the board may determine) following receipt by the company of the information required by the notice mentioned in that paragraph and the board being fully satisfied that such information is full and complete.
- 81.3 Where, on the basis of information obtained from a member in respect of any share held by him, the company issues a notice pursuant to section 793 CA 2006 to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of article 81.1.
- 81.4 Where default shares in which a person appears to be interested are held by a depositary, the provisions of this article 81 shall be treated as applying only to those shares held by the depositary in which such person appears to be interested and not (insofar as such person's apparent interest is concerned) to any other shares held by the depositary.
- 81.5 Where the member on which a notice under section 793 CA 2006 is served is a depositary acting in its capacity as such, the obligations of the depositary as a member of the company shall be limited to disclosing to the company such information relating to any person appearing to be interested in the shares held by it as has been recorded by it pursuant to the arrangements entered into by the company or approved by the board pursuant to which it was appointed as a depositary.
- 81.6 For the purposes of this article 81:
- (a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the company that the person is, or may be, so interested, or if the company (after taking account of any information obtained from the member or, pursuant to a notice under section 793 CA 2006, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
 - (b) **interested** shall be construed as it is for the purpose of part 22 of CA 2006;
 - (c) 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 reference:
 - (i) to his having failed or refused to give all or any part of it; and
 - (ii) 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;
 - (d) **prescribed period** means fourteen days;
 - (e) **excepted transfer** means, in relation to any shares held by a member:
 - (i) a transfer by way of, or pursuant to, acceptance of a takeover offer (as defined in Part 28 of CA 2006) for the company or in relation to its shares; or
 - (ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act

2000) or any other stock exchange outside the United Kingdom on which the company's shares are normally traded; or

- (iii) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

81.7 Nothing contained in this article 81 shall be taken to limit the powers of the company under section 794 CA 2006 or any other power of the company whatsoever.

UNTRACED MEMBERS

82 Power of sale

82.1 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 and provided that:

- (a) during the period of twelve years prior to the date of the publication of the advertisements referred to in sub-paragraph (b) below (or, if published on different dates, the earlier or earliest thereof) no cheque, order or warrant in respect of such share sent by the company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share, at his address on the register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the company has received no communications in respect of such share from such member or person, provided that during such period of twelve years the company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the person entitled to it;
- (b) on or after expiry of the said period of twelve years the company has given notice of its intention to sell such share by advertisements in two newspapers of which one shall be a national newspaper published in the United Kingdom and the other shall be a newspaper circulating in the area of the address on the register or other last known address of the member or the person entitled by transmission to the share or the address for the service of notices notified under articles 156 and 157;
- (c) the said advertisements, if not published on the same day, shall have been published within thirty days of each other; and
- (d) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates, the later or latest thereof) and prior to the exercise of the power of sale the company has not received any communication in respect of such share from the member or person entitled by transmission.

82.2 To give effect to any sale of shares pursuant to this article the board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the register notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. An instrument of transfer executed by (or a dematerialised instruction given by) that person shall be as effective as if it had been executed or effected by the holder of, or the person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

82.3 If during the period of twelve years referred to in article 82.1, or during any period ending on the date when all the requirements of paragraphs (a) to (d) of article 82.1 have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements of paragraphs (b) to (d) of article 82.1 have been satisfied in regard to such additional shares, the company shall also be entitled to sell the additional shares.

83 Application of proceeds of sale

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

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

84 Number of directors

Unless and until otherwise determined by the company by ordinary resolution, the number of directors (excluding any alternate directors) shall be not more than twelve nor less than four.

85 Power of company to appoint directors

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

86 Power of board to appoint directors

Without prejudice to the power of the company to appoint any person to be a director pursuant to these articles, the board shall have power at any time to appoint any person who is willing to act as a director, either to fill a vacancy or as an addition to the existing board, but the total number of directors shall not exceed any maximum number fixed in accordance with these articles. Any director so appointed shall retire at the annual general meeting of the company next following such appointment and shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

87 Appointment of executive directors

Subject to the provisions of the statutes, the board may from time to time appoint one or more of its body to hold any employment or executive office (including that of executive chairman, chief executive or managing director) for such term (subject to the provisions of the statutes) and subject to such other conditions as the board thinks fit in accordance with article 109. The board may revoke or terminate any such appointment without prejudice to any claim for damages for breach of contract between the director and the company.

88 Eligibility for appointment as a director

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

- (a) he is recommended by the board; or
- (b) not less than seven nor more than forty-two days before the date appointed for the meeting, notice duly executed by a member (other than the person to be proposed) qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or re-appointment, stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the company's register of directors, together with notice executed by that person of his willingness to be appointed or re-appointed, is lodged at the office.

89 Share qualification

A director shall not be required to hold any shares of the company.

90 Resolution for appointment

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

91 Retirement at intervals of one year and three years

- 91.1 A director (not being a director holding any employment or executive office pursuant to article 87) shall retire from office, and may offer himself for re-appointment, at each annual general meeting if, at the start of business on the date of the notice convening that annual general meeting, he has served as a director for a continuous period of nine years or more, and for the purpose of this article 91.1 the retirement and re-appointment of a director at the same general meeting, whether pursuant to these articles or otherwise, shall not constitute an interruption to that director's period of continuous service.
- 91.2 A director shall retire from office, and may offer himself for re-appointment, at the third annual general meeting following his appointment or last re-appointment by shareholders at a general meeting.

92 Directors to retire by rotation

- 92.1 Any director who is or will be required to retire at an annual general meeting pursuant to article 86 or article 91.1 shall not be taken into account in determining the number or the identity of the directors to retire by rotation at that meeting pursuant to this article 92.
- 92.2 The directors to retire by rotation at an annual general meeting pursuant to this article 92 shall be determined, both as to number and identity, by the composition of the board at the start of business on the date of the notice convening that annual general meeting, notwithstanding any change in the number or the identity of the directors after that time and before the conclusion of that annual general meeting.
- 92.3 At each annual general meeting, one third of the directors who are subject to retirement by rotation, or, if their number is not three or a multiple of three, the number which is nearest to but does not exceed one third, shall retire from office and may offer themselves for re-appointment. Subject to the provisions of the statutes and of these articles, the directors to retire by rotation pursuant to this article 92 shall be, first, any director who wishes to retire and not offer himself for re-appointment, secondly, any director who is or will be required to retire pursuant to article 91.2, and thirdly that director or those directors who have been longest in office since their appointment or last re-appointment by shareholders at a general meeting. As between two or more directors

who have been in office an equal length of time since their last appointment or re-appointment by shareholders at a general meeting, the director or directors to retire shall, in default of agreement between them, be determined by lot.

93 Position of retiring director

A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed or deemed to have been re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

94 Deemed re-appointment

At any annual general meeting at which a director retires by rotation the company may fill the vacancy and, if it does not do so, the retiring director shall, if willing, be deemed to have been re-appointed unless it is expressly resolved not to fill the vacancy or a resolution for the re-appointment of the director is put to the meeting and lost.

95 Removal by ordinary resolution

In addition to any power of removal conferred by the statutes, the company may by ordinary resolution remove any director before the expiration of his period of office, but without prejudice to any claim for damages which he may have for breach of any contract of service between him and the company, and may (subject to these articles) by ordinary resolution appoint another person who is willing to act to be a director in his place. Any person so appointed shall be treated, for the purposes of determining the time at which he or any other director is to retire, as if he had become a director on the day on which the person in whose place he is appointed was last appointed or re-appointed a director.

96 Vacation of office by director

Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these articles, the office of a director shall be vacated if:

- (a) he resigns by notice in writing delivered to the secretary at the office or tendered at a board meeting;
- (b) he ceases to be a director by virtue of any provision of the statutes, is removed from office pursuant to these articles or the statutes or becomes prohibited by law from being a director;
- (c) he becomes bankrupt, has an interim receiving order made against him, makes any arrangement or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
- (d) an order is made by any court of competent jurisdiction on the ground (howsoever formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person to exercise powers with respect to his affairs or he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, under the Mental Health (Scotland) Act 1984 and the board resolves that his office be vacated;

- (e) both he and his alternate director appointed pursuant to the provisions of these articles (if any) are absent, without the permission of the board, from board meetings for six consecutive months and the board resolves that his office be vacated;
- (f) he is removed from office by notice in writing signed by all the other directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the company) and, for this purpose, a set of like notices each signed by one or more of the directors shall be as effective as a single notice signed by the requisite number of directors; or
- (g) in the case of any director who holds any executive office with the company, his appointment as such is terminated or expires and the board resolves that his office be vacated.

97 Resolution as to vacancy conclusive

A resolution of the board declaring a director to have vacated office under the terms of article 96 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

ALTERNATE DIRECTORS

98 Appointment

- 98.1 Each director (other than an alternate director) may, by notice in writing delivered to the secretary at the office, or in any other manner approved by the board, appoint any other director or any person approved for that purpose by the board and willing to act, to be his alternate.
- 98.2 No appointment of an alternate director who is not already a director shall be effective until his consent to act as a director in the form prescribed by the statutes has been received at the office.
- 98.3 An alternate director need not hold a share qualification and shall not be counted in reckoning any maximum or minimum number of directors allowed by these articles.

99 Participation in board meetings

Every alternate director shall (subject to his giving to the company an address within the United Kingdom at which notices may be served on him) be entitled to receive notice of all meetings of the board and all committees of the board of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor. A director acting as alternate director shall have a separate vote at board meetings for each director for whom he acts as alternate director, but he shall count as only one for the purpose of determining whether a quorum is present.

100 Alternate director responsible for own acts

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

101 Interests of alternate director

An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the company and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a director. However, he shall not be entitled to receive

from the company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice in writing to the company direct. Subject to this article, the company shall pay to an alternate director such expenses as might properly have been paid to him if he had been a director.

102 Revocation of appointment

An alternate director shall cease to be an alternate director:

- (a) if his appointor revokes his appointment; or
- (b) if his appointor ceases for any reason to be a director, provided that if any director retires but is re-appointed or deemed to be re-appointed at the same meeting, any valid appointment of an alternate director which was in force immediately before his retirement shall remain in force; or
- (c) if any event happens in relation to him which, if he were a director otherwise appointed, would cause him to vacate office.

DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS

103 Directors' fees

The directors (other than alternate directors) shall be entitled to receive by way of fees for their services as directors such sum as the board may, from time to time, determine (not exceeding, in aggregate, £200,000 per annum or such other sum as the company in general meeting by ordinary resolution shall, from time to time, determine). Such sum (unless otherwise directed by the resolution of the company by which it is voted) shall be divided among the directors in such proportions and in such manner as the board may determine or, in default of such determination, equally (except that in such event any director holding office for less than the whole of the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for which he holds office). Any fees payable pursuant to this article shall be distinct from any salary, remuneration, expenses or other amounts payable to a director pursuant to any other provisions of these articles and shall accrue from day to day. The company may provide any director with funds in circumstances permitted by the statutes to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief referred to in Part 10 of CA 2006 and, subject to the statutes, may do anything to enable him to avoid incurring any such expenditure.

104 Expenses

Each director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as director, including any expenses incurred in attending meetings of the board or any committee of the board or general meetings or separate meetings of the holders of any class of shares or of debentures of the company. If in the opinion of the directors it is desirable that any of their number should go or reside abroad or make any special journeys or perform any special services on behalf of the company or its business, such director or directors may be paid such reasonable additional remuneration by way of salary, percentage of profits or otherwise and expenses therefor as the directors may from time to time determine. The company may provide any director with funds in circumstances permitted by the statutes to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with

any application for any category of relief referred to in Part 10 of CA 2006 and, subject to the statutes, may do anything to enable him to avoid incurring any such expenditure.

105 Remuneration of executive directors

The salary or remuneration of any director appointed to hold any employment or executive office in accordance with the provisions of these articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the board, and may be in addition to or in lieu of any fee payable to him for his services as director pursuant to these articles.

106 Pensions and other benefits

The board may exercise all the powers of the company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for, or to institute and maintain any institution, association, society, club, trust, other establishment or profit-sharing, share incentive, share purchase or employees' share scheme calculated to advance the interests of the company or to benefit, any person who is or has at any time been a director or employee of the company or any company which is a holding company or a subsidiary undertaking of or allied to or associated with the company or any such holding company or subsidiary undertaking or any predecessor in business of the company or of any such holding company or subsidiary undertaking, and for any member of his family (including a spouse or former spouse) and any person who is or was dependent on him. For such purpose the board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the provisions of the statutes, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with any of the aforesaid matters. The board may procure any of such matters to be done by the company either alone or in conjunction with any other person. Any director or former director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this article and shall not be obliged to account for it to the company.

POWERS AND DUTIES OF THE BOARD

107 Powers of the board

Subject to the provisions of the statutes, the memorandum of association of the company and these articles and to any directions given by special resolution of the company, the business of the company shall be managed by the board, which may exercise all the powers of the company, whether relating to the management of the business or not. No alteration of the memorandum of association or of these articles and no such direction given by the company shall invalidate any prior act of the board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in these articles as to any specific power of the board shall not be deemed to limit the general powers given by this article.

108 Powers of directors being less than minimum number

If the number of directors is less than the minimum for the time being prescribed by these articles, the remaining director or directors shall act only for the purposes of appointing an additional director or directors to make up such minimum or of convening a general meeting of the company for the purpose of making such appointment. If there are no director or directors able or willing to act, any two members may summon a general meeting for the purpose of appointing directors.

Subject to the provisions of these articles, any additional director so appointed shall hold office only until the dissolution of the annual general meeting of the company next following such appointment unless he is re-elected during such meeting.

109 Powers of executive directors

The board may from time to time:

- (a) delegate or entrust to and confer on any director holding executive office (including a chief executive or managing director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit; and
- (b) revoke, withdraw, alter or vary all or any of such powers.

110 Delegation to committees

110.1 The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more directors and (if thought fit) one or more other persons, provided that:

- (a) a majority of the members of a committee shall be directors; and
- (b) no resolution of a committee shall be effective unless a majority of those present when it is passed are directors or alternate directors.

110.2 The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in these articles to the exercise by the board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

111 Local management

The board may establish any local or divisional boards or agencies for managing any of the affairs of the company in any specified locality, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local or divisional board, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent so appointed any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members for the time being of any such local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies; and any such appointment or delegation may be made for such time, on such terms and subject to such conditions as the board may think fit. The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers. Subject to any terms and conditions expressly imposed by the board, the proceedings of any local or divisional board or agency with two or more members shall be governed by such of these articles as regulate the proceedings of the board, so far as they are capable of applying.

112 Power of attorney

The board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the company and may delegate to any such person or persons any of its powers, authorities

and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and subject to such conditions as it thinks fit. The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers.

113 Use of the title "director"

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

114 Exercise of voting power

The board may exercise or cause to be exercised the voting power conferred by the shares in any other company held or owned by the company, or any power of appointment to be exercised by the company, in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

115 Provision for employees

The board may exercise any power conferred on the company by the statutes to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiary undertakings (or any member of his family or any person who is dependent on him) in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the company or that subsidiary undertaking.

116 Overseas registers

Subject to the provisions of the statutes, the board may exercise the powers conferred on the company with regard to the keeping of an overseas branch, local or other register and may make and vary such regulations as it thinks fit regarding the keeping of any such register.

117 Borrowing powers

- 117.1 The board may exercise all the powers of the company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company and, subject to the provisions of the statutes, to create and issue debenture and other loan stock and debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.
- 117.2 The board shall restrict the borrowings of the company and exercise all voting and other rights and powers of control exercisable by the company in respect of its subsidiary undertakings so as to procure (as regards its subsidiary undertakings in so far as it can procure by such exercise) that the aggregate principal amount at any one time outstanding in respect of moneys borrowed by the group (exclusive of moneys borrowed by one group company from another and after deducting cash deposited) shall not at any time, without the previous sanction of an ordinary

resolution of the company exceed an amount equal to five times the adjusted capital and reserves.

117.3 For the purposes only of this article 117:

(a) **adjusted capital and reserves** means a sum equal to the aggregate from time to time of:

- (i) the amount paid up (or credited as paid up) on the allotted or issued share capital of the company; and
- (ii) the amount standing to the credit of the reserves, whether or not distributable (including, without limitation, any revaluation reserve, merger reserve, share premium account, capital redemption reserve), after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account;

all as shown in the relevant balance sheet, but after:

- (iii) making such adjustments as may be appropriate to reflect:
 - (A) any variation in the amount of the paid up share capital and the amount standing to the credit of any of such reserves since the date of the relevant balance sheet and so that for the purpose of making such adjustments, if any proposed allotment of shares by the company for cash has been underwritten, then such shares shall be deemed to have been allotted and the amount (including the premium) of the subscription monies payable in respect thereof (not being monies payable later than six months after the date of allotment) shall be deemed to have been paid up to the extent so underwritten on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, the date on which it became unconditional);
 - (B) any variation since the date of the relevant balance sheet of the companies comprising the group;
- (iv) excluding (so far as not already excluded):
 - (A) amounts attributable to the proportion of the issued equity share capital of any subsidiary undertaking which is not attributable, directly or indirectly, to the company;
 - (B) any sum set aside for taxation (other than deferred taxation);
 - (C) the effect on the reserves of the company of any surplus or any deficit in the funding of any retirement benefit scheme which would otherwise be reflected in accordance with any applicable accounting standards; and
- (v) deducting the amount of any distribution declared, recommended or made by any group company to a person other than a group company out of profits accrued up to and including the date of (and not provided for in) the relevant balance sheet;

- (b) **cash deposited** means an amount equal to the aggregate of the amounts beneficially owned by group companies which are deposited for the time being with any bank or other person (not being a group company) and which are repayable to any group company on demand or within three months of such demand, subject, in the case of amounts deposited by a partly-owned subsidiary undertaking, to the exclusion of a proportion thereof equal to the proportion of its issued equity share capital which is not attributable, directly or indirectly, to the company;
- (c) **group** means the company and its subsidiary undertakings from time to time;
- (d) **group company** means any company in the group;
- (e) **moneys borrowed** include not only moneys borrowed but also the following except in so far as otherwise taken into account:
 - (i) the nominal amount of any issued share capital, and the principal amount of any debenture or borrowings of, any person, the beneficial interest in which or right to repayment to which is not for the time being owned by a group company but the payment or repayment of which is the subject of a guarantee or indemnity by a group company or is secured on the assets of a group company;
 - (ii) the principal amount raised by any group company by acceptances or under any acceptance credit opened on its behalf by any bank or acceptance house (not being a group company) other than acceptances and acceptance credits relating to the purchase of goods or services in the ordinary course of trading and outstanding for six months or less;
 - (iii) the principal amount of any debenture (whether secured or unsecured) of any group company owned otherwise than by a group company;
 - (iv) the principal amount of any preference share capital of any subsidiary undertaking owned otherwise than by a group company;
 - (v) any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing (but any premium payable on final repayment of an amount not to be taken into account as moneys borrowed shall not be taken into account); and

but do not include:

- (vi) moneys borrowed by any group company for the purpose of repaying, within six months of being first borrowed, the whole or any part of any moneys borrowed and then outstanding (including any premium payable on final repayment) of that or any other group company pending their application for such purpose within that period;
- (vii) moneys borrowed by any group company for the purpose of financing any contract in respect of which any part of the price receivable under the contract by that or any other group company is guaranteed or insured, up to an amount equal to that part of the price receivable under the contract which is so guaranteed or insured;

- (viii) an amount equal to the moneys borrowed of any company outstanding immediately after it becomes a group company, provided that it became a group company during the six months preceding the calculation;
- (ix) an amount equal to the amount secured on an asset immediately after it was acquired by a group company, provided that it was acquired during the six months preceding the calculation;
- (x) notwithstanding sub-paragraphs (i) to (v) above, the proportion of moneys borrowed by a group company (and not owing to another group company) which is equal to the proportion of its issued equity share capital not attributable, directly or indirectly, to the company;

and in sub-paragraphs (vi) to (x) above references to amounts of moneys borrowed include references to amounts which, but for the exclusion under those sub-paragraphs, would fall to be included;

- (f) **relevant balance sheet** means the latest published audited consolidated balance sheet of the group but, where the company has no subsidiary undertakings, it means the balance sheet and profit and loss account of the company and, where the company has subsidiary undertakings but there are no consolidated accounts of the group, it means the respective balance sheets and profit and loss accounts of the companies comprising the group;
- (g) **subsidiary undertaking** means a subsidiary undertaking (within the meaning of CA 2006) of the company (except a subsidiary undertaking which is excluded from consolidation by virtue of the provisions of section 405 CA 2006); and **group** and **group company** and references to any company which becomes a group company or to companies comprising the group shall, in such a case, be construed so as to include subsidiary undertakings except a subsidiary undertaking which is excluded from consolidation as aforesaid and **equity share capital** shall be construed in relation to a subsidiary undertaking without a share capital in the same manner as **shares** are defined in relation to an undertaking without a share capital under section 1161 CA 2006.

117.4 When the aggregate amount of moneys borrowed required to be taken into account for the purposes of this article 117 on any particular day is being ascertained, any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:

- (a) at the rate of exchange used for the conversion of that currency in the relevant balance sheet; or
- (b) if no rate was so used, at the middle market rate of exchange prevailing at the close of business in London on the date of that balance sheet; or
- (c) where the repayment of such moneys is expressly covered by a forward purchase contract, currency option, back-to-back loan, swap or other arrangements taken out and entered into to reduce the risk associated with fluctuations in exchange rates, at the rate of exchange specified in that document

but if the amount in sterling resulting from conversion at that rate would be greater than that resulting from conversion at the middle market rate prevailing in London at the close of business on the business day immediately preceding the day on which the calculation falls to be made, the latter rate shall apply instead.

- 117.5 A report or certificate of the auditors as to the amount of the adjusted capital and reserves or the amount of moneys borrowed falling to be taken into account for the purposes of this article 117 or to the effect that the limit imposed by this article 117 has not been or will not be exceeded at any particular time or times or as a result of any particular transaction or transactions shall be conclusive evidence of the amount or of that fact.
- 117.6 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this article 117 shall be invalid or ineffectual, except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would thereby be exceeded, but no lender or other person dealing with the company shall be concerned to see or enquire whether such limit is observed.

PROCEEDINGS OF DIRECTORS AND COMMITTEES

118 Board meetings

Subject to the provisions of these articles, the board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

119 Notice of board meetings

One director may, and the secretary at the request of a director shall, summon a board meeting at any time on reasonable notice. Notice of a board meeting shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the company for that purpose. A director may waive the requirement that notice be given to him of any board meeting, either prospectively or retrospectively. It shall not be necessary to give notice of a board meeting to a director who is absent from the United Kingdom unless he has requested the board in writing that notices of board meetings shall during his absence be given to him at any address in the United Kingdom notified to the company for this purpose, but he shall not, in such event, be entitled to a longer period of notice than if he had been present in the United Kingdom at that address.

120 Quorum

The quorum necessary for the transaction of business may be determined by the board and until otherwise determined shall be two directors. A duly convened meeting of the board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions for the time being vested in or exercisable by the board.

121 Chairman of board

The board may appoint one or more of its body chairman or joint chairman and one or more of its body deputy chairman of its meetings and may determine the period for which he is or they are to hold office and may at any time remove him or them from office. If no such chairman or deputy chairman is elected, or if at any meeting neither a chairman nor a deputy chairman is present within five minutes of the time appointed for holding the same, the directors present shall choose one of their number to be chairman of such meeting. Any chairman or deputy chairman may also hold executive office under the company.

122 Voting

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

123 Participation by telephone or video conference

- 123.1 Any director or his alternate may validly participate in a meeting of the board or a committee of the board through the medium of conference telephone, video conferencing link or any other form of communications equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting, or by a series of telephone calls from the chairman of the meeting.
- 123.2 A person so participating by being present or being in telephone or video conference or any other form of communication with those in the meeting or with the chairman of the meeting shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting then is.
- 123.3 A resolution passed at any meeting held in the above manner, and signed by the chairman of the meeting, shall be as valid and effectual as if it had been passed at a meeting of the board (or committee, as the case may be) duly convened and held.

124 Resolution in writing

A resolution in writing signed by all the directors for the time being entitled to receive notice of a board meeting and not being less than a quorum, or by all the members of a committee of the board for the time being entitled to receive notice of such committee meeting and not being less than a quorum of that committee, shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the board (or committee, as the case may be). Such a resolution:

- (a) may consist of several copies of a document (each signed by one or more of the directors or members of the relevant committee, including signatures evidenced by means of facsimile transmission), which copies may be transmitted by electronic means, in which event, subject to any terms and conditions determined from time to time by the board, no signatures shall be required;
- (b) need not be signed by an alternate director if it is signed by the director who appointed him;
- (c) if signed by an alternate director, need not also be signed by his appointor;
- (d) to be effective, need not be signed by a director who is prohibited by these articles from voting thereon, or by his alternate.

125 Proceedings of committees

All committees of the board shall, in the exercise of the powers delegated to them and in the transaction of business, conform with any mode of proceedings and regulations which the board may prescribe and subject thereto shall be governed by such of these articles as regulate the proceedings of the board as are capable of applying.

126 Minutes of proceedings

- 126.1 The board shall cause minutes to be made in books kept for the purpose of recording:
- (a) all appointments of officers and committees made by the board; and

- (b) the names of directors present at every meeting of the board, of a committee of the board, of the company or of the holders of any class of shares or debentures of the company, and all orders, resolutions and proceedings of such meetings.
- 126.2 Any such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting or the secretary, shall be *prima facie* evidence of the matters stated in such minutes without any further proof.

127 **Validity of proceedings**

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

DIRECTORS' INTERESTS

128 **Directors' power to authorise conflict situations**

- 128.1 For the purposes of section 175 of CA 2006, the directors shall have the power to authorise, on such terms (including as regards duration and revocation), and subject to such limits or conditions, if any, as they may determine, any matter proposed to them in accordance with these articles which would or might, if not so authorised, constitute or give rise to a situation (a **Relevant Situation**) in which a director (an **Interested Director**) has, or could have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the company could take advantage of it). Any authorisation of a Relevant Situation pursuant to this article 128 shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Relevant Situation so authorised.

- 128.2 Where directors give authority under article 128.1:

- (a) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- (b) the directors may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

- 128.3 Any such authorisation will be effective only if:

- (a) at the meeting of the directors at which the Relevant Situation is considered any requirement as to quorum is met without counting the Interested Director; and
- (b) the authorisation was agreed to without any Interested Director voting, or would have been agreed to if the votes of all Interested Directors had not been counted.

- 128.4 Subject to article 128.3(b), any proposal made to the directors and any authorisation by the directors in relation to a Relevant Situation shall be dealt with in the same way as that in which any other matter may be proposed to and resolved upon by the directors.

128.5 For the purposes of this article 128, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

128.6 An Interested Director shall be obliged:

- (a) to disclose to the other directors the nature and extent of his interest in any Relevant Situation, such disclosure to be made as soon as reasonably practicable; and
- (b) to act in accordance with any terms, limits or conditions determined by the directors under article 128.1.

128.7 Any authorisation of a Relevant Situation given by the directors under article 128.1 may provide that:

- (a) where the Interested Director obtains (other than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose it to the company or to use it in relation to the company's affairs in circumstances where to do so would amount to a breach of that confidence; and/or
- (b) where the Interested Director has a direct or indirect interest in a matter which conflicts, or may conflict, with the interests of the company, he may absent himself from the discussion of such matter at any meeting of the directors and be excused from reviewing papers prepared by or for the directors to the extent that they relate to that matter; and/or
- (c) the Interested Director be excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the matter which the Interested Director has a direct or indirect interest which conflicts, or may conflict, with the interests of the company,

and the company will not treat anything done (or omitted to be done) by the Interested Director in accordance with any such provision (or otherwise in accordance with the terms of any authorisation given under Article 128.1) as a breach by him of his duties under sections 172 to 174 CA 2006.

129 Director may have interests

Subject to the provisions of the statutes, a director, notwithstanding his office:

- (a) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the company or in which the company is otherwise directly or indirectly interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- (b) may hold any other office or place of profit under the company (except that of auditor or of auditor of a subsidiary of the company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity for the company, and in any such case on such terms as to remuneration and otherwise as the board may arrange, either in addition to or in lieu of any remuneration provided for by any other article;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the company or in which the company is otherwise directly or indirectly interested or as regards which the company has any powers of appointment; and

- (d) shall not be liable to account to the company for any profit, remuneration or other benefit which he derives from:
 - (i) any such office, employment, contract, arrangement, transaction or proposal; or
 - (ii) from any office or employment or from any transaction or arrangement or from any interest in any body corporate the acceptance, entry into or existence of which has been authorised by the directors pursuant to article 128 (subject, in any such case, to any terms, limits or conditions to which such authorisation was subject),

and no such contract, arrangement, transaction or proposal as is referred to in this article 129 shall be avoided on the grounds of any such interest or benefit and the receipt by a director of any such remuneration or other benefit shall not constitute a breach of his duties under section 176 CA 2006.

130 Interested director not to vote or count for quorum

Save as provided in this article, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board or of a committee of the board concerning any contract, arrangement, transaction or any other proposal whatsoever to which the company is or is to be a party and in which he has an interest which is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the company, unless the resolution concerns any of the following matters:

- (a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the company or any of its subsidiary undertakings;
- (b) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the company or any of its subsidiary undertakings 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;
- (d) any proposal concerning any other body corporate in which he does not to his knowledge have an interest (as the term is used in Part 22 CA 2006) in one per cent or more of the issued equity share capital of any class of such body corporate or of the voting rights available to members of such body corporate;
- (e) any proposal relating to an arrangement for the benefit of the employees of the company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
- (f) any proposal concerning insurance which the company proposes to maintain or purchase for the benefit of directors or for the benefit of persons who include directors; or
- (g) any proposal for the company (i) to provide him with an indemnity permitted by the Companies Acts, (ii) to provide him with funds in circumstances permitted by the Companies Acts to meet his defence expenditure in respect of any civil or criminal

proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief referred to in Part 10 of CA 2006 or (iii) to do anything to enable him to avoid incurring any such expenditure.

131 Director's interest in own appointment

A director shall not vote or be counted in the quorum on any resolution of the board or committee of the board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the company or any company in which the company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the company or any company in which the company is interested, such proposals may be divided and a separate resolution considered in relation to each director. In such case each of the directors concerned (if not otherwise debarred from voting under these articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

132 Chairman's ruling conclusive on director's interest

If any question arises at any meeting as to the materiality of a director's interest (other than the chairman's interest) or as to the entitlement of any director (other than the chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the chairman of the meeting. The chairman's ruling in relation to the director concerned shall be final and conclusive.

133 Directors' resolution conclusive on chairman's interest

If any question arises at any meeting as to the materiality of the chairman's interest or as to the entitlement of the chairman to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman), whose majority vote shall be final and conclusive.

SEALS

134 Safe custody

The board shall provide for the safe custody of the seal, the securities seal and of any other seal of the company.

135 Application of seals

135.1 The seal shall be used only by the authority of a resolution of the board or of a committee of the board so authorised, which resolution may include a resolution for the giving of a general authority to any director, the secretary, an assistant secretary or other officer of the company to affix the seal from time to time. The board may determine whether any instrument to which the seal is affixed shall be signed and, if it is to be signed, who shall sign it and by what means. The board may also determine, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical, electronic or other means.

135.2 Every certificate or share warrant shall be issued either:

- (a) by affixing the securities seal to it, by mechanical, electronic or other means;

- (b) by printing a representation of the securities seal on it, by mechanical, electronic or other means, including laser printing; or
- (c) in such other manner as the board, having regard to the statutes and the regulations of the London Stock Exchange, may authorise.

136 Official seal for use abroad

Subject to the provisions of the statutes, the company may have an official seal for use in any place abroad.

THE SECRETARY

137 The secretary

- 137.1 Subject to the provisions of the statutes, the board shall appoint a secretary or joint secretaries and shall have power to appoint one or more persons to be an assistant or deputy secretary at such remuneration and on such terms and conditions as it thinks fit and any such person so appointed may be removed by the board.
- 137.2 If the office of secretary is vacant, or if for any reason the secretary is incapable of acting, anything required or authorised by the statutes or these articles to be done by the secretary may be done by or to any assistant or deputy secretary, or if there is no assistant or deputy secretary, by any officer of the company authorised either generally or specifically by the board in that regard.
- 137.3 Any provision of the statutes or of these articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

AUTHENTICATION OF DOCUMENTS

138 Power to authenticate

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

DIVIDENDS AND OTHER PAYMENTS

139 Declaration of dividends

Subject to the provisions of the statutes and of these articles, the company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the company. However, no dividend shall exceed the amount

recommended by the board and no dividend shall be paid in respect of any shares held by the company as treasury shares.

140 Interim dividends

Subject to the provisions of the statutes, the board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the board to be justified by the profits of the company available for distribution. If at any time the share capital of the company is divided into different classes, the board may pay such interim dividends to the holders of shares which rank after shares conferring preferential rights with regard to dividend as well as to the holders of shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrear. Provided that the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

141 Entitlement to dividends

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

142 Calls or debts may be deducted from dividends

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

143 Distribution in specie

The board may, with the authority of an ordinary resolution of the company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the board may settle it as it thinks fit. In particular, the board may:

- (a) issue fractional certificates (or ignore fractions);
- (b) fix the value for distribution of such assets or any part thereof and determine that cash payments may be made to any members on the footing of the value so fixed, in order to adjust the rights of members; and
- (c) vest any such assets in trustees on trust for the persons entitled to the dividend.

144 Dividends not to bear interest

Unless otherwise provided by the rights attached to the share, no dividend or other moneys payable by the company or in respect of a share shall bear interest as against the company.

145 Method of payment

- 145.1 The company may pay any dividend, interest or other sum payable in respect of a share in cash or by direct debit, bank transfer, cheque, dividend warrant, or money order, by any method

provided by the rules of a relevant system, or by any other method (including by electronic media) as the board may consider appropriate and may send the same by post or other delivery service (or by such other means offered by the company as the member or persons entitled to it may agree in writing) to the registered address (or in the case of a depositary, subject to the approval of the board, such persons and addresses as the depositary may require) of the member or person entitled to it (or, if two or more persons are holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the member or otherwise by operation of law, to the registered address of such of those persons as is first named in the register) or to such person and such address as such member or person or persons may direct in writing.

- 145.2 Every cheque, warrant, order or other form of payment is sent at the risk of the person entitled to the money represented by it, shall (where relevant) be crossed in accordance with the Cheques Act 1992 and shall be made payable to the person or persons entitled, or to such other person as the person or persons entitled may direct in writing. Payment of the cheque, warrant, order or other form of payment shall be a good discharge to the company. If any such cheque, warrant, order or other form of payment has or shall be alleged to have been lost, stolen or destroyed, the board may, at the request of the person entitled thereto, issue a replacement cheque or warrant or order or make payment in some other form, subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the company in connection with the request as the board may think fit.
- 145.3 Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other moneys payable in respect of such share.
- 145.4 The board may, at its discretion, make provisions to enable a depositary and/or any member as the board shall from time to time determine to receive duly declared dividends 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 rate or rates and the payment thereof shall be on such terms and conditions as the board may in its absolute discretion determine.

146 Uncashed dividends

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the company to the person entitled thereto are returned to the company or left uncashed on two consecutive occasions or, following one occasion, reasonable enquiries have failed to establish any new address to be used for the purpose, the company shall not be obliged to send any dividends or other moneys payable in respect of that share due to that person until he notifies the company of an address to be used for the purpose.

147 Unclaimed dividends

All dividends, interest or other sum payable and unclaimed for twelve months after having become payable may be invested or otherwise made use of by the board for the benefit of the company until claimed and the company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of twelve years after having been declared or become due for payment shall (if the board so resolves) be forfeited and shall cease to remain owing by the company.

148 Payment of share dividends

The board may, with the prior authority of an ordinary resolution of the company and subject to such terms and conditions as the board may determine, offer to any holders of ordinary shares the right to elect to receive ordinary shares, credited as fully paid, instead of the whole (or some

part, to be determined by the board) of any dividend specified by the ordinary resolution. The following provisions shall apply:

- (a) the said resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period or periods;
- (b) the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder would have received by way of dividend. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the ordinary shares on the London Stock Exchange, as derived from the Daily Official List, for the day on which the ordinary shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;
- (c) no fractions of a share shall be allotted. The board may make such provisions as it thinks fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit thereof accrues to the company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any member and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such member of fully paid ordinary shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements;
- (d) the board shall, after determining the basis of allotment, notify the holders of ordinary shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective;
- (e) the board may exclude from any offer any holders of ordinary shares or any ordinary shares held by a depositary or any ordinary shares on which dividends are payable in foreign currency where the board considers that the making of the offer to them or in respect of such shares would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them or in respect of such shares;
- (f) the board may establish or vary from time to time a procedure for election mandates in respect of future rights of election and may determine that every duly effected election in respect of any ordinary shares shall be binding on every successor in title to the holder thereof;
- (g) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been duly made (the **elected ordinary shares**) and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid. For such purpose the board may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account, capital redemption reserve or other undistributable reserve) or of any of the profits which could otherwise have been applied in paying dividends in cash as the board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the

appropriate number of ordinary shares for allotment and distribution to the holders of the elected ordinary shares on that basis. A board resolution capitalising any part of such reserve or fund or profits shall have the same effect as if such capitalisation had been declared by ordinary resolution of the company in accordance with article 150 and in relation to any such capitalisation the board may exercise all the powers conferred on them by article 150 without need of such ordinary resolution;

- (h) the additional ordinary shares so allotted shall rank *pari passu* in all respects with each other and with the fully paid ordinary shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date; and
- (i) the board may terminate, suspend or amend any offer of the right to elect to receive ordinary shares in lieu of any cash dividend at any time and generally may implement any share dividend scheme on such terms and conditions as the board may from time to time determine and take such other action as the board may deem necessary or desirable from time to time in respect of any such scheme.

149 Reserves

The board may, before recommending any dividend (whether preferential or otherwise), carry to reserve out of the profits of the company such sums as it thinks fit. All sums standing to reserve may be applied from time to time, at the discretion of the board, for any purpose to which the profits of the company may properly be applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments as the board thinks fit. The board may divide the reserve into such special funds as it thinks fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as it thinks fit. Any sum which the board may carry to reserve out of the unrealised profits of the company shall not be mixed with any reserve to which profits available for distribution have been carried. The board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to distribute.

150 Capitalisation of reserves

The board may, with the authority of an ordinary resolution of the company:

- (a) subject as provided in this article, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the company which is available for distribution or standing to the credit of share premium account or capital redemption reserve or other undistributable reserve;
- (b) appropriate the sum resolved to be capitalised to the holders of shares in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend, and unless the relevant resolution specifies otherwise, if on the relevant record date the company holds as treasury shares any shares of the same class as those whose holders would be entitled to receive such notional distribution, then the company is to be treated as if it were entitled to receive such distribution in respect of those treasury shares as would have been payable if a person other than the company had held those treasury shares;

- (c) apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those holders of shares or as they may direct, in those proportions, or partly in one way and partly in the other, provided that:
 - (i) the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up shares to be allotted to holders of shares credited as fully paid; and
 - (ii) in a case where any sum is applied in paying amounts for the time being unpaid on any shares of the company or in paying up in full debentures of the company, the amount of the net assets of the company at that time is not less than the aggregate of the called up share capital of the company and its undistributable reserves as shown in the latest audited accounts of the company or such other accounts as may be relevant and would not be reduced below that aggregate by the payment thereof;
- (d) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- (e) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit thereof to the company rather than to the holders of shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- (f) authorise any person to enter on behalf of all the holders of ordinary shares concerned into an agreement with the company providing for either:
 - (i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or
 - (ii) the payment up by the company on behalf of such holders by the application thereto of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares

(any agreement made under such authority being effective and binding on all such holders); and
- (g) generally do all acts and things required to give effect to such resolution.

151 **Record dates**

Notwithstanding any other provision of these articles but without prejudice to the rights attached to any shares and subject always to the statutes the company or the board may by resolution specify any date (the **record date**) as the date at the close of business (or such other time as the board may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such record date may be on or at any time before the date on which the same is paid, made, given or served or (in the case of any dividend, distribution, interest, allotment or issue) at any time after the same is recommended, resolved, declared or

announced but without prejudice to the rights *inter se* in respect of the same of transferors and transferees of any such shares or other securities. No change in the register of such holders after the record date shall invalidate the same.

ACCOUNTS

152 Accounting records

The board shall cause accounting records to be kept in accordance with the statutes.

153 Inspection of records

No member (other than a director) shall have any right to inspect any accounting record or other document of the company unless he is authorised to do so by statute, by order of the court, by the board or by ordinary resolution of the company.

154 Accounts to be sent to members

Except as provided in article 155, a printed copy of the directors' and auditors' reports accompanied by printed copies of the annual accounts shall, not less than twenty one days before the annual general meeting before which they are to be laid, be delivered or sent by post to every member and holder of debentures of the company and to the auditors and to every other person who is entitled to receive notice of general meetings. However, this article shall not require a copy of those documents to be sent to any person who under the provisions of these articles is not entitled to receive notices from the company or of whose address the company is unaware or to any holder of debentures of whose address the company is unaware or to more than one of the joint holders of any shares or debentures. If and to the extent permitted by the statutes, all or any of such documents may be delivered to a member by electronic means. If all or any of the shares in or debentures of the company are listed or dealt in on any stock exchange, there shall at the same time be forwarded to the secretary of that stock exchange such number of copies of each of those documents as the regulations of that stock exchange may require.

155 Summary financial statements

The company may, in accordance with the statutes, send (including, to the extent permitted by the statutes, by electronic means) a summary financial statement to any member instead of or in addition to the documents referred to in article 154. Where it does so, the statement shall be delivered or sent by post to the member not less than twenty one days before the annual general meeting before which those documents are to be laid.

COMMUNICATIONS

156 Notices to be in writing

Any notice to be given to or by any person pursuant to these articles shall be in writing, except that a notice convening a board meeting need not be in writing.

157 Communications to and from members

- 157.1 Subject to the statutes and unless otherwise provided for in these articles, the company may send or supply any document or information that is required or authorised to be sent or supplied by it to a member or any other person by any provisions of the Companies Acts or pursuant to these articles or to any other rules or regulations to which the company may be subject in such form and by such means, including by electronic means and/or by making it available on a

website or otherwise, as the company may absolutely determine, The Company Communication Provisions shall be deemed to apply, to the extent relevant, to the sending or supply of any such document or information that is required or authorised to be sent or supplied pursuant to these articles or any such rules or regulations. At any time the company may choose at its sole discretion to send any document or information in hard copy form alone to some or all members.

157.2 Subject to the statutes and unless otherwise provided for in these articles, any document or information which is to be sent or supplied to the company by or on behalf of any member or any person entitled by transmission to a share shall be sent or supplied in such form(s) and by such means as the company may determine in its absolute discretion, provided that:

- (a) such form(s) and means are permitted by the Companies Acts, if applicable, for the purpose of sending or supplying a document or information of the type concerned pursuant to the Company Communication Provisions; and
- (b) any applicable condition or limitation specified in the Companies Acts (including, without limitation, as to the address to which the document or information may be sent) is satisfied, unless otherwise permitted by the board.

157.3 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 directors. The directors 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. Where a document or information is sent or supplied to the company by one person on behalf of another, the company may require such evidence of the former's authority to act on the latter's behalf as the directors decide is reasonable.

157.4 Anything which would need (but for this article) to be agreed or specified by the joint holders of a share with regard to any notice, document or information to be sent or supplied by the company shall be taken for all purposes 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 of members 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 of members in respect of the share, to the exclusion of the other joint holders. For the purposes of this article, a joint holder having no registered address in the United Kingdom and not having supplied a service address within the United Kingdom may, subject to the statutes, be disregarded. This article shall have effect in place of the Company Communications Provisions regarding joint holders of shares.

157.5 Subject to the statutes, 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 service address within the United Kingdom.

158 Notice in case of death, bankruptcy or mental disorder

The company may give any notice, document or information to any 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, by sending or delivering such notice, document or information in any manner authorised by these articles, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any similar or equivalent description, provided that such person who claims to be entitled to a share shall first supply to the company:

- (a) such evidence as the board may reasonably require to show his title to the share; and
- (b) a service address within the United Kingdom.

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.

Until the information required under paragraphs (a) and (b) above has been so supplied, any notice, document or information may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred. 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.

159 Evidence of receipt

159.1 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. 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. 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. Any accidental failure on the part of the company 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. This article shall have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

159.2 For the purposes of calculating the time when any notice, document or information sent or supplied by the company is deemed to have been received by the intended recipient for the purposes of these articles (regardless of whether the period is expressed in hours or days) full account shall be taken of any day, and any part of a day, that is not a working day. This article shall have effect in place of the Company Communications Provisions regarding the calculation of the time when any such notice, document or information is deemed to have been received by the intended recipient.

160 Notice binding on transferees

Every person who, by operation of law, transfers or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a section 793 notice) which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

161 Notice by advertisement

Any notice that is not a notice of general meeting to be given by the company to the members or any of them, and not otherwise provided for by these articles, shall be sufficiently given if given by

advertisement in at least one leading daily newspaper widely circulated in the United Kingdom and, where the company keeps an overseas branch register, in at least one leading daily newspaper widely circulated in the territory in which such register is maintained. Any notice given by advertisement shall be deemed to have been served at noon on the day on which the advertisement first appears.

162 Suspension of the postal services

If, at any time by reason of the general suspension, interruption or curtailment of postal services within the United Kingdom the company is unable to give notice by post in hard copy form of a general meeting then such notice shall be deemed to have been given to all members entitled to receive such notice in hard copy form if it is advertised in at least one leading daily newspaper widely circulated in the United Kingdom and, where the company keeps an overseas branch register, in at least one leading daily newspaper widely circulated in the territory in which such register is maintained. Such notice shall be deemed to have been duly served on all members entitled to receive notice of such general meeting at noon on the day on which the first of such advertisement appears. In any such case the company shall:

- (a) make such notice available on its website from the date of such advertisement until the conclusion of the meeting; and
- (b) send confirmatory copies of the notice by post in hard copy form if, at least seven days prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

WINDING UP

163 Division of assets

If the company is wound up the liquidator may, with the sanction of a special resolution of the company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members, but if any division is resolved otherwise than in accordance with such rights, the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to section 110 of the Insolvency Act 1986. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees on such trusts for the benefit of the members as he with the like sanction shall determine, but no member shall be compelled to accept any assets on which there is a liability.

164 Transfer or sale under section 110 Insolvency Act 1986

A special resolution sanctioning a transfer or sale to another company duly passed pursuant to section 110 of the Insolvency Act 1986 may in the like manner authorise the distribution of any shares or other consideration receivable by the liquidator among the members otherwise than in accordance with their existing rights, and any such determination shall be binding on all the members, subject to the right of dissent and consequential rights conferred by the said section.

INDEMNITY

165 Right to indemnity and insurance

165.1 Subject to and in so far as permitted by the statutes, the company may:

- (a) indemnify any director of the company or of any associated company against any liability pursuant to any qualifying third party indemnity provision or any qualifying pension scheme indemnity provision, or on any other basis as is then lawful, in each case on such terms as the board may decide; and
- (b) purchase and maintain for any director of the company or of any associated company insurance against any liability.

165.2 In this article "**qualifying third party indemnity provision**", "**qualifying pension scheme provision**" and "**associated company**" have meanings that they have in Part 10 of CA 2006.