

**THE COMPANIES ACTS**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ORDINARY AND SPECIAL RESOLUTIONS**  
**OF**  
**LOOKERS PLC**

THURSDAY



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22/03/2018

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COMPANIES HOUSE

At the Annual General Meeting of the members of Lookers plc ("the Company") duly convened and held on Thursday 25 May 2017, Resolution 16 was passed as an ordinary resolution and Resolutions 17 to 21 (inclusive) were passed as special resolutions:

- 16 That the directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (Allotment Rights), but so that:
- (a) the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £13,086,757, of which one-half may be allotted or made the subject of Allotment Rights in any circumstances and the other half may be allotted or made the subject of Allotment Rights pursuant to any rights issue (as referred to in the Financial Conduct Authority's listing rules) or pursuant to any arrangements made for the placing or underwriting or other allocation of any shares or other securities included in, but not taken up under, such rights issue;
  - (b) this authority shall expire on 30 June 2018 or, if earlier, on the conclusion of the Company's next annual general meeting;
  - (c) the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and the directors may allot shares or grant Allotment Rights under any such offer or agreement as if the authority had not expired; and
  - (d) all authorities vested in the directors on the date of the notice of meeting to allot shares or to grant Allotment Rights that remain unexercised at the commencement of the meeting are revoked.
17. That, subject to the passing of resolution 16 in the notice of meeting, the directors are empowered pursuant to sections 570 and 573 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) for cash, pursuant to the authority conferred on them by resolution 16 in the notice of meeting or by way of a sale of treasury shares as if section 561 of that Act did not apply to any such allotment, provided that this power is limited to:
- (a) the allotment of equity securities in connection with any rights issue or open offer (each as referred to in the Financial Conduct Authority's listing rules) or any other pre-emptive offer that is open for acceptance for a period determined by the directors to the holders of ordinary shares on the register on any fixed record date in proportion to their holdings of ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject

in each case to such exclusions or other arrangements as the directors may deem necessary or appropriate in relation to fractions of such securities, the use of more than one currency for making payments in respect of such offer, treasury shares, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and

- (b) the allotment of equity securities (other than pursuant to paragraph 17 (a) above) with an aggregate nominal value of £991,421,

and shall expire on the revocation or expiry (unless renewed) of the authority conferred on the directors by resolution 16 in the notice of meeting, save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities under any such offer or agreement as if the power had not expired.

- 18. That, subject to the passing of resolution 16 in the notice of meeting and in addition to the power contained in resolution 17 set out in the notice of meeting, the directors are empowered pursuant to sections 570 and 573 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) for cash, pursuant to the authority conferred on them by resolution 16 in the notice of meeting or by way of sale of treasury shares as if section 561 of that Act did not apply to any such allotment, provided that this power is:

- (a) limited to the allotment of equity securities up to an aggregate nominal value of £991,421; and
- (b) used only for the purposes of financing (or refinancing, if the power is to be exercised *within six months after the date of the original transaction*) a transaction which the directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the notice of meeting,

and shall expire on the revocation or expiry (unless renewed) of the authority conferred on the directors by resolution 16 in the notice of meeting, save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities under any such offer or agreement as if the power had not expired.

- 19. That the Company is generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 to make market purchases (as defined in section 693 of that Act) of ordinary shares of 5p each in its capital, provided that.

- (a) the maximum aggregate number of such shares that may be acquired under this authority is 39,656,840;
- (b) the minimum price (exclusive of expenses) which may be paid for such a share is its nominal value;
- (c) the maximum price (exclusive of expenses) which may be paid for such a share is the maximum price permitted under the Financial Conduct Authority's listing rules or, in the case of a tender offer (as referred to in those rules), five per cent above the average of the middle market quotations for an ordinary share (as derived from the London Stock Exchange's Daily Official List) for the five business days immediately preceding the date on which the terms of the tender offer are announced;

- (d) this authority shall expire on 30 June 2018 or, if earlier, on the conclusion of the Company's next annual general meeting, and
  - (e) before such expiry the Company may enter into a contract to purchase shares that would or might require a purchase to be completed after such expiry and the Company may purchase shares pursuant to any such contract as if the authority had not expired.
- 20 That the regulations contained in the document produced to the meeting and initialled by the chairman of the meeting for the purpose of identification are adopted as the Company's new articles of association in substitution for and to the exclusion of the Company's existing articles of association
21. That any general meeting of the Company that is not an annual general meeting may be called by not less than 14 clear days' notice.

  
.....  
Company Secretary



Company No. 111876

**The Companies Acts**  
**Public Company Limited by Shares**

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**ARTICLES OF ASSOCIATION**

**of**

**LOOKERS PLC**

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**Adopted by Special Resolution passed on 25 May 2017**

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**The Companies Acts**  
**Public Company Limited by Shares**

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**ARTICLES OF ASSOCIATION**  
**of**  
**LOOKERS PLC**

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(Adopted by Special Resolution passed on 25 May 2017)

**PRELIMINARY**

**1 Definitions**

*In these Articles the following words have the following meanings:*

**Articles** means these articles of association

**Auditor** means the Company's auditor

**Board** means the board of Directors or the Directors present at a Directors' meeting at which a quorum is present

**Companies Act** means Companies Act 2006

**Company legislation** means the Companies Act, every other Parliamentary Act applicable to the Company in respect of any matter provided for in these Articles, the Uncertificated Securities Regulations and all subordinate legislation under the Companies Act or any other such Act

**Corporate representative** means a person authorised in accordance with the Companies Act to act in relation to a general meeting as a representative of a member that is a corporation

**CREST Regulations** means the Uncertificated Securities Regulations 2001

**CREST System** means the CREST system operated by Euroclear UK & Ireland Limited, or any other applicable "relevant system" for the purpose of the CREST Regulations

**Director** means a director of the Company

**Group** means the group comprising the Company and its subsidiary undertakings (not including any parent undertaking of the Company)

**Group Undertaking** means any undertaking in the Group, including the Company



**Holder** means in relation to a share, the member whose name is entered in the Register of Members as its holder

**Member** means a member of the Company

**Ordinary Shares** means ordinary shares in the Company

**Person entitled by transmission** means a person whose entitlement 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 has been recognised by the Company in accordance with these Articles

**Registered Office** means the Company's registered office

**Register of Members** means the Company's register of members comprising (where applicable) its issuer register of members and its Operator register of members

**Seal** means the Company's common seal or any official seal that the Company is permitted to have by company legislation

**Secretary** means the secretary of the Company or any other person appointed to perform any of the duties of the secretary of the Company including a joint, temporary, assistant or deputy secretary

**Share** means a share in the capital of the Company

(A) In these Articles:

- (i) "address", "authenticated", "document", "electronic form", "electronic means", "hard copy" and "hard copy form" have the meanings that they have in the company communication provisions of the Companies Act (at sections 1144 to 1148 and Schedules 4 and 5), and "working day" has the meaning given to it in section 1173 of that Act,
- (ii) "issuer register of members", "Operator", "Operator register of members" and "participating security" have the meanings that they have in the CREST Regulations and "subordinate legislation" has the meaning that it has in the Interpretation Act 1978;
- (iii) section 1168 of the Companies Act (headed "Hard copy and electronic form and related expressions") applies as it does in that Act to the sending or supplying of any document or information to or by the Company, regardless of the particular words used (such as "deliver", "give", "provide" and "produce") to denote such action,
- (iv) references to:
  - (a) a document being "signed" or to "signature" include references to it being executed under hand or under seal or by any other method and, in the case of a communication in electronic form, are to it being authenticated as provided for in the Companies Act or these Articles;
  - (b) a document include references to any notice or information in any visible form;

- (c) **"writing"** or **"written"** include a reference to any method of representing or reproducing words in a legible and non-transitory form;
- (d) any statute includes any statutory modification of it and any subordinate legislation made under it and any re-enactment of it (in each case as in force at the applicable time);
- (e) a **"person"** includes any individual, firm, partnership, unincorporated association, company, corporation or other body corporate (whether or not having a separate legal personality); and
- (f) a share being **"paid up"** include it being deemed or treated as paid up,
- (v) in relation to a share:
  - (a) **"uncertificated"** denotes a share to which title (as a participating security) is recorded in the Operator register of members as held in uncertificated form; and
  - (b) **"certificated"** denotes a share which is not held in uncertificated form;
- (vi) any undefined word or expression to which a particular meaning is given in the Companies Act as in force the day before the date of the notice of the meeting at which these Articles were adopted or last amended has that meaning, if applicable;
- (vii) words in the singular include the plural and vice versa, words importing any gender include all genders;
- (viii) any part of a day that is not a working day is to be excluded (unless stated otherwise) when calculating the duration of any period fixed in hours or days for the giving of any document or information to the Company;
- (ix) any reference to
  - (a) rights attaching to any share,
  - (b) members having a right to attend and vote at a general meeting or to demand a poll;
  - (c) dividends being paid, or any other distribution of the Company's assets being made, to members; or
  - (d) interests in a certain proportion or percentage of any shares or share capital; or
  - (e) any class of share capital,
 shall, except where reference is also made to any treasury shares, be construed as though any treasury shares held by the Company had been cancelled;
- (x) **"other"**, **"includes"**, **"including"**, **"may include"** and **"in particular"** do not limit the generality of any preceding words and any words which follow them will not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible;

- (xi) where an ordinary resolution is expressed to be required for any purpose, a special resolution is also effective for such purpose; and
  - (xii) headings do not affect the interpretation of any Article.
- (B) A person who is a member is “**present**” at a general meeting for the purposes of these Articles if:
- (i) being an individual, he attends in person;
  - (ii) being a corporation, a person that it has authorised to attend the meeting as its representative attends in that capacity, or
  - (iii) a person appointed as his or its proxy attends in person.

## **2 Model articles excluded**

No model or specimen articles of association prescribed under any legislation apply to the Company

## **3 Limited liability**

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

## **4 Trusts not recognised**

Except as required by law, no person may be recognised by the Company as holding any share on any trust. Except as provided by these Articles or by law, the Company is not bound by and is not to recognise any interest in any share except an absolute right of the holder to share in its entirety (even if the Company has notice of such interest).

# **FORM OF SHARES**

## **5 Certificated shares**

- (A) Every person (except any person to whom the Company is not required by law to issue a share certificate) on becoming the holder of a certificated share is entitled without charge to one certificate for all the certificated shares of a class registered in his name or, in the case of certificated shares of more than one class, to a separate certificate for each class of shares, unless the terms of issue of the shares provide otherwise
- (B) A member (other than a person to whom the Company is not required by law to issue a share certificate) who transfers part of his shares comprised in a certificate is entitled without charge to one certificate for the balance of those shares.
- (C) The Company is not bound to issue more than one certificate for certificated shares held jointly by two or more persons. Delivery of a certificate to one joint holder will be sufficient delivery to all joint holders.
- (D) Every share certificate sent in accordance with these Articles will be sent at the risk of the holder of the shares concerned and any other person entitled to them. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

- (E) If any certificate is worn-out, defaced, lost or destroyed, the Company may cancel it and issue a replacement certificate subject to such terms as the Board may decide as to evidence and indemnity (with or without security) and to payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity or such security but otherwise free of charge, and (if the certificate is worn-out or defaced) on delivery up of the old certificate

## **6 Uncertificated shares**

- (A) The Board may resolve that a class of shares is to become, or is to cease to be, a participating security. Shares of a class are not to be treated as a separate class to other shares of the same class as a consequence of some being held in certificated form and others in uncertificated form or of any provision in these Articles or the CREST Regulations applying only to one form or the other. Any share of a class which is a participating security may be changed from uncertificated form into certificated form and from certificated form into uncertificated form in accordance with the CREST Regulations. No provision in these Articles which is inconsistent with the holding of uncertificated shares of any class or with the transfer of title to them by means of the CREST System or with the CREST Regulations applies to such shares. The Company may treat a member's holding of uncertificated shares and of certificated shares of the same class as if they were separate holdings
- (B) Where the Company is permitted to dispose of or sell or otherwise procure the sale of any uncertificated shares, the Board may take such steps as it considers necessary or appropriate to do so including by:
- (i) requiring, by written notification to the Operator, their conversion into uncertificated form;
  - (ii) requiring their holder:
    - (a) to have them converted into certificated form within a specified period and then to hold them in certificated form for so long as the Company requires, and/or
    - (b) to take such steps as may be necessary or appropriate to transfer them to such person as the Company directs; and
  - (iii) appointing any person to take any steps in the holder's name to have them converted into certificated form and/or to effect their transfer to such person as the Company directs.

## **NEW SHARES**

## **7 Allotment**

- (A) Subject to these Articles and the rights attached to any existing shares, the Board may offer, allot, grant options over or otherwise dispose of shares in the Company to such persons and on such terms as it may decide.
- (B) Subject to any rights attached to any existing shares, any share may be issued with or have attached to it such rights or restrictions as the Company may by ordinary resolution decide or, so far as the resolution does not make specific provision or if no such resolution has been passed, as the Board may decide.

- (C) Subject to company legislation, any share may be issued which is to be redeemed, or is to be liable to be redeemed at the option of the Company or the holder, on such terms and conditions and in such manner as the Board may decide.
- (D) *The Company may exercise all powers conferred by company legislation of paying commissions in relation to a subscription for shares or other allotment. These commissions may be satisfied in cash or by the allotment of fully paid shares or partly in one way and partly in the other.*

## **8 Consolidation and division**

- (A) The Company may confer any preference or other advantage on one or more of the shares resulting from any division or sub-division of its share capital as compared with the others and make any such share subject to any restriction as compared with the others.
- (B) If, as a result of a consolidation, consolidation and division or sub-division of shares, fractions of shares become attributable to members, the Board may deal with the fractions as it considers appropriate, including in either of the ways prescribed below in this Article
- (C) The Board may sell shares representing fractions on such basis and in such manner as it may decide to any person and distribute the net proceeds of sale amongst the persons to whom the fractions are attributable (except that if the amount that would otherwise be due to a person does not exceed £3.00, or such other sum as the Board may decide, the Company may distribute it to an organisation that is registered as a charity in the United Kingdom or in any part of it). To do so the Board may authorise a person to sign an instrument of transfer of shares to the purchaser or as the purchaser may direct or, for uncertificated shares, exercise any power conferred on it under these Articles to effect their transfer
- (D) The purchaser will not be bound to see to the application of the purchase monies in respect of any such sale. The title of the transferee to the shares will not be affected by any irregularity in or invalidity of the proceedings connected with the sale or transfer. Any instrument or exercise referred to above in this Article will be effective as if it had been signed or exercised by the holder of the shares to which it relates.
- (E) In relation to the fractions the Board may issue to a member fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following a consolidation and division or a sub-division, leaves a whole number of shares (such issue to be treated as effected immediately before the consolidation or the sub-division, as the case may be). The amount required to pay up those shares may be capitalised as the Board considers appropriate out of amounts standing to the credit of any reserve or fund of the Company and applied in paying up in full the appropriate number of shares

## **SHARE TRANSFERS**

## **9 Form**

Subject to these Articles, a member may transfer all or any of his shares

- (i) in the case of certificated shares, by an instrument of transfer in writing in any usual form or in another form approved by the Board signed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee; or

- (ii) in the case of uncertificated shares, without a written instrument in accordance with the CREST Regulations

## **10 Right to refuse registration**

- (A) The Company may refuse to register a transfer of certificated shares unless.
  - (i) the instrument of transfer is properly stamped or is certified or otherwise shown to the Board's satisfaction to be exempt from stamp duty and is presented for registration to Company at the Registered Office or such other place as the Board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a person to whom the Company was not required to issue a share certificate and has not issued one in respect of the share concerned) and any other evidence as the Board may require to show the right of the person signing the instrument to make the transfer or, if the instrument is signed by some other person on his behalf, the authority of such person to do so.
  - (ii) all the shares to which it relates are fully paid and of the same class, and
  - (iii) it is in favour of a single transferee or not more than four joint transferees, in each case being a natural or legal person.
- (B) Registration of the transfer of an uncertificated share may be refused if it is in favour of more than four persons jointly or if any other circumstances apply in respect of which refusal to register a share transfer is permitted or required by the CREST Regulations.

## **11 Renunciation of allotments**

The Board may recognise a person's renunciation of his right to the allotment of any share in accordance with the allotment terms in favour of some other person. The renunciation will be treated as a transfer (to the extent applicable) for the purposes of these Articles. The Board has the same powers of refusing to give effect to it as if it were a transfer

## **12 General**

- (A) The transferor will remain the holder of the share transferred until the name of the transferee is entered in the Register of Members in respect of it.
- (B) All instruments of transfer which are registered may be retained by or on behalf of the Company. Any instrument of transfer which the Board refuses to register shall (except in the case of fraud) be returned to the person delivering it when notice of the refusal is given
- (C) The Company will not charge any fee for registering any transfer, document or instruction relating to or affecting the title to any share or for making any other entry in the Register of Members.
- (D) A person who becomes entitled to a share will 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, the Company has given to the person from whom he derives his title.

## **TRANSMISSION OF SHARES**

### **13 Recognition of transmission**

- (A) The Company is required to recognise a person's entitlement 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 only if that person has:
- (i) provided the Company with a postal address and, if that address is not in the United Kingdom, with a postal address in the United Kingdom or an address for the purposes of communications by electronic means;
  - (ii) provided the Company with such evidence as it may reasonably require for the purpose of proving his entitlement, and
  - (iii) proven his entitlement to the Board's satisfaction.
- (B) The Company shall, within two months of becoming required to recognise the entitlement of any person to a share, notify that person that it has done so and, if the share is certificated, have that entitlement noted in its issuer register of members

### **14 Notices following recognition**

- (A) The Company may send or supply to a person entitled by transmission to a share, at such postal address in the United Kingdom or at such other address for the purpose of electronic communications that he has provided to the Company, any document or information or payment to which he would be entitled if he were the holder of that share. The Company may notify him at such an address of the availability of any document or information on a website.
- (B) Any document or information sent or supplied to a person entitled by transmission to a share shall be deemed to have been sent or supplied to all persons interested (whether jointly with or as claiming through or under him) in the share.
- (C) If a person claims to be entitled by transmission to a share but has not been recognised by the Company as entitled to it, in relation to that share the Company may send or supply any document or information or make any payment in respect of it as if the event giving rise to the transmission had not occurred or withhold any such document or information or payment.

### **15 Rights on transmission**

- (A) A person's rights under these Articles as a member in respect of a share of which he is the registered holder shall cease on another person becoming entitled to that share in consequence of his death or bankruptcy or of any other event giving rise to its transmission by operation of law.
- (B) A person that the Company has recognised as being entitled by transmission to a share has the rights that he would have if he were its holder, except that he will not, before being registered as its holder, be entitled in respect of it (except with the Board's authority) to receive notice of, or to attend or vote at, any general meeting or at any class meeting or to exercise any other rights in relation to any such meeting

### **16 Elections following transmission**

- (A) A person entitled by transmission to a share may elect to be registered as its holder or to have some person nominated by him so registered. If he elects to be registered, he shall give

notice to the Company to that effect. If he elects to have some other person registered, he shall sign an instrument of transfer or, for an uncertificated share, give appropriate instructions for its transfer through the CREST System or have it converted into certificated form and then sign an instrument of transfer

- (B) All the provisions of these Articles relating to the transfer of shares apply to the notice or instrument of transfer or instructions (as the case may be) referred to above in this Article as if the notice were an instrument of transfer and as if the notice or instrument were signed, or the instructions were given, by the member and the event giving rise to the transmission had not occurred.
- (C) The Board may give notice requiring a person to make an election referred to above in this Article. If such notice is not complied with within 60 days, the Board may withhold payment of all dividends and other amounts payable in respect of the share until such an election has been made. If it is not complied with within one year, the Board may register that person as the holder of that share.

## **17 Death of a member**

If a member dies, the survivor or survivors where he was a joint holder, or (subject to these Articles) his personal representatives where he was the sole or only surviving holder, will be the only persons recognised by the Company as having any title to his shares. Nothing in these Articles will release the estate of a deceased holder from any liability in respect of a share which has been held by him solely or jointly.

## **GENERAL MEETINGS**

### **18 Convening general meetings**

- (A) The Board shall convene annual general meetings in accordance with company legislation and shall decide the place and the time and date at which an annual general meeting is convened to be held. The Board may convene a general meeting which is not an annual general meeting whenever and wherever it considers appropriate. A general meeting that is not an annual general meeting may also be called an "extraordinary" general meeting
- (B) References to the "chairman" in subsequent provisions of these Articles concerning general meetings are to the chairman of the meeting concerned.

### **19 Notice**

- (A) An annual general meeting and each other general meeting shall be called by at least such *minimum period of notice as is prescribed for such meeting under company legislation.*
- (B) A notice of general meeting shall be given to each person who is:
  - (i) a member (other than one who, under these Articles or any restrictions imposed on any shares, is not entitled to receive it or to whom the Company has not sent and is not required to send its latest annual accounts and reports nor any summary of the latest annual accounts and reports as permitted by company legislation) at a time and date selected by the Board in accordance with these Articles and company legislation;
  - (ii) a Director on the date of the notice; and
  - (iii) the Auditor on that date



- (C) The accidental omission or failure to send a notice of a general meeting or of any resolution intended to be moved at a general meeting to, or the non-receipt of any such notice (even if the Company becomes aware of such non-receipt) by, any person entitled to receive it will not invalidate the proceedings at that meeting.
- (D) If:
  - (i) notice of a resolution has been given without the Company having any obligation under company legislation to give it:
  - (ii) the Board resolves that the resolution be withdrawn, and
  - (iii) before the commencement of the general meeting at which it is to be considered or (following an adjournment) before its recommencement the Company announces the withdrawal of that resolution or at the meeting any officer of the Company informs the meeting or its chairman of the withdrawal,

that resolution shall not then be considered at the general meeting nor put to the vote.

## **20 Rearranged meetings**

- (A) The Board can change the place or the time and date for which a general meeting is convened to be held if the Board considers that:
  - (i) it is likely that (on the assumption that one or more directors will attend the meeting) the chairman of the meeting:
    - (a) will wish to adjourn it on or shortly after its commencement to another place or another time on the same date or another time and date; and
    - (b) will have the power to so adjourn it; or
  - (ii) holding a general meeting at the place or at the time and date stated in the notice calling the meeting will be.
    - (a) impossible or impracticable; or
    - (b) hazardous or inadvisable or undesirable, having regard to the comfort or health or safety or wellbeing of persons attending or travelling to or from the meeting, or
    - (c) no longer appropriate, having regard to circumstances outside the Company's control.
- (B) If the Board makes such a change, an announcement of the place and the time and date of the rearranged meeting must be published in two newspapers widely circulated in hard copy form in the United Kingdom prior to the time at which the meeting was convened to be held. Notice of the business to be transacted at the rearranged meeting will not be required. The Board must take reasonable steps to ensure that any member who arrives at the place specified in the notice of meeting to attend it at the original time is informed of the place and the time and date of the rearranged meeting. If a meeting is rearranged in this way, proxy forms (as defined in the Article below headed "Proxy appointments") will be valid if they are received as required by these Articles not less than 48 hours before the time of the rearranged meeting. The Board can also change the place or the time and date of a meeting that has been rearranged in accordance with this Article

## **21 Meetings at more than one location**

- (A) A general meeting may be held at more than one location if.
- (i) the notice convening the meeting specifies that it is to be held at more than one location; or
  - (ii) it appears to the Board or the chairman that the meeting place specified in the notice convening the meeting is or will be or may be inadequate for the purpose of allowing all persons whom the Board anticipates will or may attend to do so in comfort in secure surroundings or to participate in the meeting properly.
- (B) A general meeting held at more than one location will be properly constituted and its proceedings will be valid if (in addition to the other provisions of these Articles relating to general meetings being met) the chairman is satisfied that facilities are available to enable each member present at each location to participate in the business of the meeting. The place of the meeting will be the location where the chairman is present.

## **22 Security and order**

- (A) Any of the Board, the chairman and the secretary can put in place or authorise, both before and during any general meeting and on its conclusion or adjournment, any arrangement that it or he considers necessary or appropriate for ensuring the proper and orderly conduct of the meeting or the safety and wellbeing of people arriving, attending or leaving it. These arrangements can be applied to the place of the meeting or outside it and can include provision for making personal searches, establishing identity, restricting or restraining the use or possession of personal property, refusing entry and removal of persons from the meeting.
- (B) The chairman shall take or give directions for such action to be taken as he considers appropriate to promote the orderly conduct of the business of the meeting provided for in the notice of meeting. His decision on procedural matters, points of order or matters arising from the business of the meeting shall be final as shall be his determination as to whether a matter or point is of such a nature.
- (C) Nothing in these Articles limits any right or power that a chairman has in relation to the conduct of a general meeting.

## **23 Attendance**

- (A) Any person who is
- (i) a member at the time and date specified in the notice of a general meeting as when a person is to be registered as the holder of a share in order to be entitled to attend the meeting as a member;
  - (ii) a proxy or corporate representative validly appointed by any such member to attend the meeting; or
  - (iii) a Director or the Secretary at the commencement of the meeting.
- is entitled to attend that general meeting, subject to these Articles and company legislation.
- (B) A Director who attends a general meeting may speak at it.
- (C) Any person;

- (i) who is invited to attend a general meeting by or on the authority of the Board or the Secretary;
- (ii) whose attendance at the meeting is agreed to in advance by or on the authority of the Board or the Secretary, or
- (iii) whose attendance is agreed to at the meeting by the chairman,

is permitted to attend that general meeting.

- (D) Any person permitted to attend a general meeting in accordance with the previous paragraph may speak at the meeting if invited to do so by the chairman. Any such permission or invitation may be withdrawn by the chairman during the meeting with effect from the time the person concerned is informed of its withdrawal.
- (E) Nothing in these Articles limits the power that the chairman would otherwise have to require any person to leave a general meeting or to give anyone else the power to require any person to leave it

## **24 Chairman**

- (A) The person who is, at the commencement of a general meeting, the chairman of the Board or, in his absence, the deputy chairman or any person with equivalent status designated by a different title (if any) will preside as chairman of that meeting. If more than one deputy chairman or other person with equivalent status is present they will agree between themselves who is to take the chair. If they do not do so, the one who has been a director the longest will take the chair. If there is no chairman or deputy chairman, or if at a meeting neither is present within five minutes after the time appointed for the start of the meeting, or neither is willing to act, the Directors present shall select one of their number to be chairman. If only one Director is present and willing to act, he shall be chairman.
- (B) If no Director is present, or if each Director present declines to take the chair, the persons present and entitled to vote shall appoint one of their number who is present in person (but not by proxy) to be chairman of the meeting.
- (C) No poll shall be demanded or taken on the appointment of a chairman of a meeting. The selection or appointment of a chairman will not be treated as being part of the business of the meeting and will not be prevented by the absence of a quorum.

## **25 Quorum**

- (A) No business shall be transacted at a general meeting unless a quorum is present when the meeting proceeds to business. Three members present and entitled to vote at the meeting will be a quorum, unless one of them is a proxy or a corporate representative appointed by either of the others or if each of them is a proxy or a corporate representative appointed by the same member.
- (B) *If within five minutes after the time appointed for the holding of the meeting, or such longer time not exceeding one hour as the chairman may decide to wait, a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting.*
  - (i) if convened on a members' request in accordance with company legislation, will be dissolved, and

- (ii) in any other case will stand adjourned to such place and such time and date (to be at least ten days afterwards if, for the purposes of the Companies Act, the Company is a traded company and the adjourned meeting is not a variation of class rights meeting) as the chairman or, in default, the Board may decide.
- (C) If a quorum is not present at an adjourned meeting within five minutes after the time appointed for holding it, the adjourned meeting will be dissolved.

## **26 Amendment to resolutions**

- (A) No amendment may be made to the text of a special resolution proposed in a notice of general meeting, other than an amendment which (in the chairman's view) is required to correct a manifest error, before the resolution is voted on
- (B) No amendment may be made to the text, terms or scope of an ordinary resolution proposed in a notice of general meeting before the resolution is voted on unless (subject to company legislation):
  - (i) at least 48 hours before the time for holding the meeting notice of the amendment and intention to propose it at the meeting addressed to the Secretary from a member entitled to vote on the resolution has been received in hard copy form at the Registered Office and the amendment does not, in the chairman's view, negate the resolution or extend or (other than by reduction) materially alter its scope, or
  - (ii) the chairman decides that the proposed amendment is appropriate for consideration by the meeting.
- (C) No notice need be given to any member of any amendment permitted under this Article Any such amendment shall be made only if at the meeting a member present or the chairman proposes that the amendment be made and either:
  - (i) the chairman moves that the meeting approve the amendment and the meeting then votes on it with a simple majority of votes cast being in its favour, or
  - (ii) the chairman asks the meeting whether any member present and entitled to vote on the resolution objects to the amendment and is not then informed by any such member of that member's objection to it (other than by a member who withdraws his objection) before the amended resolution is first put to the vote
- (D) A proposed amendment may be withdrawn by the person who proposed it, with the chairman's consent, before the resolution is voted on If a proposed amendment to a resolution is ruled out of order or is otherwise rejected by the chairman, any error made by him in doing so will not affect the validity of the vote on that resolution.

## **27 Adjournments**

- (A) The chairman may, with the consent of any general meeting at which a quorum is present, *and shall, if so directed by that meeting, adjourn that meeting to another time on the same date or to any time on another date at the same or another place or indefinitely.*
- (B) No poll shall be demanded or taken on any proposal for an adjournment, or on any proposal to consider or vote on any matters in a different order to that set out in the notice of general meeting, except (in any case) at the direction or demand of the chairman, in which event the poll shall be taken promptly.

- (C) The chairman may, without the consent of the general meeting, adjourn the meeting after the time for which it is convened to be held to another time on the same date or to any time on another date at the same or another place or indefinitely if he decides that it is necessary or appropriate to do so in order to.
- (i) secure the proper and orderly conduct of the meeting; or
  - (ii) ensure the comfort, safety and wellbeing of persons attending the meeting;
  - (iii) give persons entitled to vote on any resolution to be proposed at the meeting:
    - (a) an adequate and reasonable opportunity of attending the meeting; or
    - (b) a reasonable and proper opportunity to take into account any information not disclosed by the Company when it gave notice of the meeting that the chairman considers is or may be material to their decision on how to vote; or
  - (iv) ensure that the business of the meeting is properly concluded or disposed of, including for the purpose of determining the result of a poll
- (D) Nothing in these Articles limits the powers that the chairman would otherwise have to adjourn a general meeting without the consent of that meeting.

## **28 Adjourned meetings**

- (A) At least seven days' notice of an adjourned meeting is to be given in the same manner as originally given for the meeting if that meeting is adjourned
- (i) to another day without the meeting being informed, on or before its adjournment, of the time and date and the place of the adjourned meeting,
  - (ii) to another day if, after the adjournment, the time and date or the place of the adjourned meeting is changed, or
  - (iii) for 30 days or more
- (B) No member is entitled to any notice of an adjournment in any other circumstances.
- (C) No business shall be transacted at a adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place

## **SHARE VOTING**

### **29 Voting rights**

- (A) Subject to any rights or restrictions attaching to any shares and to these Articles, on a vote on a resolution on a show of hands:
- (i) each member present in person has one vote;
  - (ii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has (unless the next sub-paragraph applies) one vote, and
  - (iii) a proxy has one vote for and one vote against the resolution if he has been duly appointed by more than one member entitled to vote on the resolution and has been

instructed (or exercises a discretion given) by one or more of those members to vote for it and by one or more other of those members to vote against it.

- (B) Subject to any rights or restrictions attaching to any shares, on a vote on a resolution on a poll every member present has one vote for each share of which he is the holder.
- (C) 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
- (D) In the case of joint holders of shares, the vote tendered by the senior of them present who tenders a vote is to be accepted to the exclusion of all votes tendered by the others. In these Articles seniority in relation to joint holders of a share is determined by the order in which their names appear in the Register of Members in respect of the joint holding.
- (E) A member in respect of whom an order has been made or recognised by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder or incapacity may vote through any person authorised to act on his behalf, provided that evidence to the Board's satisfaction of that person's authority has been received at an address specified by the Company for the receipt of proxy forms in hard copy form for the meeting concerned by the last time for their receipt in relation to the meeting or poll. That person may attend, speak and vote at the meeting as if he were the member and may appoint a proxy to do so on his behalf
- (F) No matter shall be voted on at a general meeting, other than for the appointment of a chairman, until it is put to vote by the chairman.

### **30 Proxies**

- (A) A member who is entitled to attend and vote at a general meeting is entitled to appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights to attend and to speak and to vote at the meeting.
- (B) For the appointment of a proxy to be effective, it must be notified to the Company in writing in any usual form or in any other form approved by the Board (whether in hard copy or electronic form) and signed or authenticated by the member or by his attorney (a "proxy form"). If the member is a company, the proxy form should be sealed by that company or signed by someone authorised to sign it. The appointment of a proxy will not preclude a member from attending, voting and speaking at the meeting or voting on a poll. A proxy form shall, unless it provides to the contrary, be valid for any adjournment of the meeting to which it relates. A proxy form is to be treated (unless the contrary is stated in it) as authorising the proxy to demand or join in demanding a poll and to vote on any amendment to a resolution put to, or other business which may properly come before, the meeting for which it is given.
- (C) Proxy forms must be received at an address given by the Company for their receipt in respect of the meeting concerned by the time:
  - (i) 48 hours before the meeting or an adjourned meeting,
  - (ii) 24 hours before a poll is taken, if the poll is taken more than 48 hours after it was demanded; or
  - (iii) before the end of the meeting at which the poll was demanded, if the poll is taken after the end of the meeting or adjourned meeting but not more than 48 hours after it was demanded,

or, in each case, by such later time as the Board may decide.

- (D) If a proxy form is signed or authenticated for a member by another person, the Board may require that:
- (i) the power of attorney or other authority relied on to sign it (or a copy which has been certified by a notary or in some other way approved by the Board); and
  - (ii) such other reasonable evidence of that person's authority to appoint a proxy on the member's behalf as the Board may specify,

must be received by the relevant time and at an address referred to in the previous paragraph

- (E) A proxy form which (or in respect of which any other document referred to above in this Article) is not received in a manner and within the time limits set out above in this Article shall be invalid (unless and to the extent that the Board, in relation to any proxy form, waives any such requirement).
- (F) A proxy form will not be valid after 12 months from the date of its receipt, 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 12 months from such date.
- (G) If more than one valid proxy form is received in respect of the same share for use at the same meeting or poll, the one which is received last (regardless of its date or the date on which it is signed) will be treated as the valid form. If it is not possible to determine the order of receipt, none of them will be treated as valid. Proxy forms submitted by a member that would give different persons the apparent right to exercise votes over more shares than are held by him will be invalid. None of those persons will be entitled to attend, speak or vote at the relevant meeting as proxy for him. The proceedings at a general meeting will not be invalidated if, as a result of technical difficulties existing after the last time for the receipt of proxy forms, a proxy form sent in electronic form cannot be read by the person authorised to read it on the Company's behalf when he attempts to do so.
- (H) The Company is not obliged to check whether any proxy or corporate representative has voted or demanded a poll in accordance with his appointor's instructions. A vote given or poll demanded by a proxy or a corporate representative will be valid notwithstanding that person did not act in accordance with the instructions given to him. Such a vote or demand will also be valid notwithstanding that that person's authority to act as such had been terminated, unless written notice of the termination was received by the Company at the Registered Office, or at such other place or address specified by the Company for receipt of proxy forms, by the time 24 hours before the time of the meeting or adjourned meeting or poll concerned.

### **31 Taking a vote**

- (A) A vote on a resolution that is put to a general meeting is to be taken and decided on a show of hands, unless:
- (i) the chairman directs, whether before or after it has been put to the vote on a show of hands, that a poll be taken on it (such a direction is to be treated, for the purposes of these Articles, as a demand for a poll), or
  - (ii) before or on the declaration of the result of the show of hands a poll is demanded by
    - (a) at least five members present having the right to vote on the resolution; or

- (b) a member or members present representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution; or
  - (c) a member or members present holding shares conferring a right to vote on the resolution 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.
- (B) Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has or has not been passed or has been passed with a particular majority is conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (C) A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. Its withdrawal will not invalidate the result of a show of hands declared before the demand was made.

## 32 Polls

- (A) The chairman shall direct where and when any poll on any matter is to be taken. Subject to his directions, that poll can be taken at the meeting (without an adjournment) or after the meeting or at an adjourned meeting and shall be taken within 30 days from the date of the demand.
- (B) The chairman may direct the manner in which a poll is to be taken and may appoint scrutineers. The scrutineers need not be members. No notice need be given of a poll not taken at the meeting (before any adjournment to another date) at which it is demanded if the time and place at which it is to be taken are announced to the meeting. In any other case at least seven days' notice is to be given specifying the time and place at which the poll is to be taken. The result of the poll is to be treated as the resolution of the meeting at which it was demanded.
- (C) The demand for a poll, except on a proposed adjournment, will not prevent the meeting from transacting business on matters other than that on which a poll has been demanded.

## 33 Objection to voting errors

Any objection to the qualification of any person voting or to the counting of, or failure to count, any vote must be made at the meeting or (if not taken at the meeting) poll at which the vote objected to is given or at which the error occurs. Any objection or error shall be referred to the chairman. His decision on the matter will be final and conclusive. If a vote is allowed at a meeting or poll, it will be valid for all purposes. Any decision not to count a vote at a meeting or a poll will not affect the decision of the meeting or poll.

## 34 Default in disclosing share interests

- (A) Where notice is given by the Company under section 793 of the Companies Act (a "**section 793 notice**") to a member, or another person appearing to be interested in shares held by a member, and the member or other person has failed in relation to any shares ("**default shares**", which expression applies also to any shares issued after the date of the section 793 notice in respect of those shares and to such other shares as the Board may decide which are first registered in the member's name on or after that date) to give the Company the information required by such notice within 14 days after the date on which the section 793 notice was sent to the person concerned, unless the Board otherwise decides



- (i) the member is not entitled in respect of the default shares to be present or to vote at a general meeting or on a poll, or to exercise any other rights conferred by membership in relation to the meeting or poll; and
  - (ii) where the default shares represent at least 0.25 per cent. of the issued shares of their class:
    - (a) a dividend (or any part of a dividend) or other distribution or amount payable in respect of the default shares (except on a winding up) may be withheld by the Company, which has no obligation to pay interest on it;
    - (b) the member is not entitled to elect to receive shares instead of a dividend, and
    - (c) the Board may refuse to register the transfer of any default shares unless:
      - (1) the transfer is an exempt transfer; or
      - (2) the member is not himself in default in supplying the information required and proves to the satisfaction of the Board that no person in default of supplying the information required is interested in any shares which are the subject of the transfer.
- (B) The sanctions under the previous paragraph will cease to apply seven days after the earlier of:
- (i) receipt by the Company of notice of an exempt transfer, but only in relation to the shares transferred; and
  - (ii) receipt by the Company, in a form satisfactory to the Board, of all the information required by the section 793 notice.
- (C) The Board may:
- (i) give notice to any member holding default shares requiring the member:
    - (a) if they are in uncertificated form, to have them converted into certificated form within a specified period; and/or
    - (b) to hold them in certificated form for so long as the default subsists, and
  - (ii) appoint any person to take any steps in the name of any holder of default shares to have them converted into certificated form
- (D) This Article does not restrict the Company's powers under company legislation in respect of any matter.
- (E) For the purpose of this Article:
- (i) "**exempt transfer**" means a transfer of shares by a member which is shown to the Board's satisfaction to be made to a third party unconnected with that member or with any other person appearing to be interested in the shares and made pursuant to
    - (a) an acceptance of a takeover offer (as defined in Part 28 of the Companies Act);

- (b) a sale through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other securities investment exchange outside the United Kingdom on which (in either case) such shares have been admitted to trading on the Company's application; or
  - (c) a sale of the whole of the beneficial interest in the shares;
- (ii) "**interested**" has the meaning that it has in Part 22 of the Companies Act;
- (iii) a person, other than the member holding a share, is to be treated as appearing to be interested in such 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 information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested, and
- (iv) reference to a person having failed to give to the Company information required by a section 793 notice, or being in default of supplying such information, includes references to his having:
  - (a) failed or refused to give all or any part of such information, and
  - (b) given information which he knows to be false in a material particular or recklessly given information which is false in a material particular.

## **CLASS RIGHTS**

### **35 Variation**

- (A) The rights attached to any class of shares may be varied with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of the class.
- (B) The rights attached to allotted or issued shares of the same class will not be treated as varied (unless otherwise expressly provided in the terms conferring such rights) by the allotment or issue of new shares ranking in all respects equally with them.

### **36 Class meetings**

- (A) The provisions of these Articles as to general meetings apply to any separate general meeting of the holders of shares of a class (a "**class meeting**"), subject to any necessary modifications in accordance with company legislation or these Articles
- (B) No member, other than a Director, is entitled to notice of a class meeting or to attend it unless he is a holder of shares of the class concerned No vote may be given except in respect of a share of that class
- (C) For a class meeting in connection with the variation of rights attached to that class (a "**variation of class rights meeting**")
  - (i) the quorum (unless an adjourned meeting) is two persons present holding at least one-third in nominal value of the issued shares of that class,

- (ii) the quorum for an adjourned meeting is one person present holding shares of that class;
  - (iii) a person present by proxy or proxies is treated as holding only the shares in respect of which those proxies are authorised to exercise voting rights; and
  - (iv) a poll may be demanded by any holder of the shares of that class present.
- (D) For the purpose of these Articles, a general meeting which is not a variation of class rights meeting and at which no holder of a share other than an Ordinary Share may, in his capacity as a member, attend or vote constitutes a separate general meeting of the holders of the ordinary shares.

## **BOARD POWERS**

### **37 Board to manage the Company's business**

- (A) The Board shall manage the Company's business.
- (B) The Board may exercise all the Company's powers and may do on the Company's behalf all such acts as may be done by it or on its behalf and which are not required to be exercised or done by the Company in general meeting subject (in all cases) to company legislation, these Articles and any direction that the Company gives to the Board by passing a special resolution
- (C) No such direction and no alteration of these Articles will invalidate any prior act of the Board which would have been valid if such direction or alteration had not been given or made. The provisions in these Articles giving specific powers to the Board do not limit the general powers given by this Article.

### **38 Board committees**

- (A) The Board may establish any committee (a "**Board committee**") for the purpose of carrying out any exercise, function or task that the Board has the power to carry out itself. The members of a Board committee need not include more than one Director.
- (B) The Board's power to delegate to a Board committee:
  - (i) includes the power to delegate the determination of any fee, monies, remuneration or other benefit to be paid or provided to any Director and the power to authorise any situation or matter to which section 175 of the Companies Act applies, and
  - (ii) is not limited by the making of express reference in some Articles but not others to the exercise of any particular power by the Board or a Board committee
- (C) Proceedings of a Board committee shall be conducted in accordance with any regulations prescribed by the Board. Subject to those regulations, such proceedings shall be conducted in accordance with applicable provisions of these Articles regulating the proceedings of the Board (except that a Board committee will not have the power to change or modify any such regulations or provisions as they apply to it or to regulate its own proceedings) If a Board resolution states that the members of a Board committee are to include one or more unnamed Directors, it will not be necessary to give notice of a Board committee meeting to any Director who is not a member of that committee

### **39 Delegation**

- (A) The Board may delegate any of its powers under these Articles and any other of its powers that can be delegated.
- (i) to such person or persons or to any Board committee;
  - (ii) to such an extent (including in relation to any matter or any territory, region or country);
  - (iii) on such terms and subject to such conditions,
  - (iv) for such period or indefinitely, and
  - (v) by such means,
- as the Board considers appropriate.
- (B) The Board may.
- (i) grant to any person or persons or to any Board committee to whom it delegates any power the power to sub-delegate that power (with or without a power of further sub-delegation) to one or more persons or to a sub-committee;
  - (ii) retain or exclude the right of the Board to exercise any delegated power collaterally with the person or persons or the Board committee to whom it has been delegated, and
  - (iii) revoke the delegation or alter its terms or conditions.
- (C) References in these Articles to any Board committee include any sub-committee permitted under this Article.

### **40 Voting and appointments**

- (A) The Board may exercise or cause to be exercised the voting power conferred by shares or any other interest in any other body corporate held or owned by the Company, and any power of appointment exercisable by the Company, in any manner it considers appropriate (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 body corporate or in favour of the payment of remuneration to the directors, officers or employees of such company).
- (B) Subject to these Articles, a Director may also vote on and be counted in the quorum in relation to the exercise of any such power.

### **41 Provision for employees**

The Board may exercise any power conferred on the Company by company legislation to make provision for the benefit of persons employed or formerly employed by any Group Undertaking in connection with the cessation or the transfer to any person of the whole or part of the undertaking of such Group Undertaking.

## **42 Overseas branch registers**

- (A) The Company may cause to be kept in any country or territory an overseas branch register of members resident there. The Board may make and vary such provisions as it considers appropriate regarding the keeping of any such register.
- (B) For a member registered on an overseas branch register, documents and other information can be sent or supplied to him by the Company in or from the United Kingdom or in or from the country or territory where the branch register is kept. Any notice that is published by the Company in a newspaper for the purposes of these Articles shall also be published in a newspaper circulated in hard copy form in the territory or country where an overseas branch register is kept
- (C) The Board may, by sending a written notice to the member concerned, require a member who is registered on an overseas branch register to provide any information (with such supporting evidence as the Board may decide) for the purpose of determining whether he is resident in the country or territory in which that branch register is situated. If such information and evidence is not provided within 21 days or if, in the Board's opinion, the evidence provided indicates that the member is not so resident or is unsatisfactory the Company may move the shares registered in his name off that branch register and register them in that member's name in certificated form on the Register of Members. If the Company does so, it shall send a notice to the member informing him that it has done so.

## **43 Borrowings**

- (A) Subject to this Article, the Board may exercise all the Company's powers to borrow money and to mortgage or charge all or part of its undertaking, property and assets (present or future) and uncalled capital and to issue debentures and other securities and to give security, whether outright or as collateral for a debt, liability or obligation of the Company or of a third party
- (B) The Board shall restrict the Company's borrowings and shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to ensure (as regards subsidiary undertakings, to the extent possible by such exercise) that the aggregate principal amount outstanding in respect of Monies Borrowed by Group Undertakings does not, without the previous sanction of an ordinary resolution, exceed a sum equal to five times the Adjusted Capital and Reserves
- (C) In this Article:
  - (i) **"Adjusted Capital and Reserves"** means a sum equal to the aggregate of
    - (a) the amount paid up on the Company's share capital, and
    - (b) the amount standing to the credit or debit of the Group's consolidated reserves,all as shown in the consolidated balance sheet but after
    - (c) making all adjustments which are in the opinion of the Board, necessary or appropriate to take account of a change in the amount paid up on the Company's share capital or the amount standing to the credit or debit of the Group's consolidated reserves arising out of the allotment of shares (for this purpose if a proposed allotment of shares has been underwritten, those

shares are to be treated as allotted and the amount, including any premium, of the subscription monies payable in respect of those shares by the date six months following allotment is to be treated as paid up to the extent underwritten on the date on which the issue of those shares was underwritten or, if the underwriting was conditional, the date on which it became unconditional); and

- (d) excluding (so far as not already excluded):
  - (1) amounts attributable to such issued equity capital of any subsidiary undertaking as is not attributable, directly or indirectly, to the Company;
  - (2) any sum set aside for taxation (other than deferred taxation);
- (e) deducting (so far as not already deducted or provided for) the amount of a distribution declared, recommended or paid by a Group Undertaking to a person other than a Group Undertaking out of profits accrued up to and including the date of, but not provided for in, the consolidated balance sheet;

(ii) **"Monies Borrowed"** means all monies borrowed by Group Undertakings including

- (a) the nominal amount of and the amount of any premium paid in respect of any allotted share capital (not being equity share capital) of a Group Undertaking other than the Company not beneficially owned, directly or indirectly, by another Group Undertaking,
- (b) any amount raised by acceptance under an acceptance credit facility (other than acceptances relating to the purchase of goods or services in the ordinary course of trading and outstanding for six months or less);
- (c) the nominal amount of any issued share capital and the principal amount of any monies borrowed the redemption or repayment of which is guaranteed or secured or the subject of an indemnity given by any Group Undertaking (except in so far as the benefit of any such guarantee, security or indemnity is held by any Group Undertaking);
- (d) any amount raised under a note purchase facility;
- (e) the amount of any liability in respect of a lease or hire purchase contract which would, in accordance with applicable accounting standards, be treated as a finance or capital lease;
- (f) the amount of any liability in respect of a purchase price for assets or services the payment of which is deferred for a period of more than 90 days, and
- (g) any amount raised under another transaction (including a forward sale or purchase agreement) having the commercial effect of a borrowing,

but excluding:

- (h) borrowings by one Group Undertaking from another;

- (i) borrowings for the purpose of financing a contract to the extent that the price receivable under the contract is guaranteed or insured by the Export Credits Guarantee Department of the Department for Business, Innovation and Skills or by another person fulfilling a similar function,
- (j) borrowings for the purpose of, and applied within six months of being made in, repaying the whole or part of borrowings that constitute Monies Borrowed, pending their application for such purpose within such period;
- (k) monies borrowed by a subsidiary undertaking in its capacity as a trustee of any pension fund of any Group Undertaking,

and, in calculating Monies Borrowed, there shall be deducted:

- (l) an amount equal to the aggregate of.
  - (1) all cash in hand and cash deposits repayable on demand with any bank or financial institution (not itself a Group Undertaking); and
  - (2) investments which are readily convertible into known amounts of cash with notice of 48 hours or less,

in each case beneficially owned, directly or indirectly, by a Group Undertaking and whether denominated in sterling or a currency other than sterling; and

- (iii) references to a “**consolidated balance sheet**” or “**consolidated profit and loss account**” are references the Group’s latest published audited consolidated balance sheet and profit and loss account or, if the Company has no subsidiary undertakings, the Company’s latest published audited balance sheet and profit and loss account and, if the Company has any subsidiary undertakings that have accounts which are not consolidated with the Company’s accounts, the respective latest audited published balance sheets and profit and loss accounts of the Company (or, as applicable, the Group on a consolidated basis) and of such subsidiary undertakings
- (D) To calculate the amount of Monies Borrowed on a particular day, monies denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:
- (i) at the rate of exchange specified in a forward purchase contract, currency option, back-to-back loan, swap or other arrangements taken out or entered into to reduce the risk associated with fluctuations in rates of exchange in respect of repayment of those monies (a “**hedging agreement**”); or
  - (ii) if those monies were borrowed on or before the date of the consolidated balance sheet and repayment of those monies has not been covered by a hedging agreement, at the more favourable to the Company of.
    - (a) the rate of exchange used for the conversion of that currency in the consolidated balance sheet, or
    - (b) the middle-market rate of exchange quoted by a clearing bank specified by the Board at the close of business in London on the working day immediately preceding the day on which the calculation is made, or

- (iii) if those monies were borrowed after the date of the consolidated balance sheet and repayment of those monies has not been covered by a hedging agreement, at the more favourable to the Company of.
  - (a) the middle-market rate of exchange quoted by a clearing bank specified by the Board at the close of business in London on the date of the consolidated balance sheet; or
  - (b) the middle-market rate of exchange quoted by a clearing bank specified by the Board at the close of business in London on the working day immediately preceding the day on which the calculation is made.
- (E) The Auditor's written confirmation for the purpose of this Article as to the amount of the Adjusted Capital and Reserves or the aggregate amount of Monies Borrowed shall be conclusive and binding on all concerned. The Board may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves or the aggregate amount of Monies Borrowed without having requested or obtained such written confirmation from the Auditors. If in consequence the limit on Monies Borrowed set out in this Article is inadvertently exceeded, the amount of Monies Borrowed equal to the excess may be disregarded for 90 days after the date on which the Board became aware that this situation has or may have arisen.
- (F) No debt incurred or security given in respect of Monies Borrowed in excess of the limit imposed by this Article shall be invalid or ineffectual, except where express notice that the limit has been or will be exceeded has been given to the lender or recipient of the security at the time when the debt is incurred or security given. No lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

## **BOARD PROCEEDINGS**

### **44 Chairman**

The Board may appoint any Director to be, and may remove, its chairman or its deputy-chairman of the Board. The chairman or, in his absence, any deputy-chairman, is to preside at a Board meeting. If there is no chairman or deputy-chairman, or if neither the chairman nor the deputy-chairman is present within five minutes after the time appointed for the holding of the Board meeting, or if neither of them is willing to act as chairman, the Directors present may choose any Director present to act as chairman of that meeting for so long as the Board's chairman or (as applicable) deputy chairman is not present or has not indicated that he is willing to act as chairman of that meeting. The chairman of a Board meeting is "the chairman" for the purposes of all provisions in these Articles applicable to Board meetings.

### **45 Board meetings**

- (A) Subject to these Articles, the Board may regulate its meetings and proceedings as it considers appropriate.
- (B) A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board. Notice of a Board meeting is to be treated as given to a Director if it is given to him personally or by word of mouth or sent in writing to his last known address or any address that he has given to the Company for the receipt of notices. A Director may waive the requirement that notice of any Board meeting be given to him, and may do so with retrospective effect. A Director will be treated as having waived his entitlement to notice



unless he has supplied the Company with the information necessary to ensure that he receives notice of a meeting before it takes place.

- (C) A Director may participate in a Board meeting through the medium of conference telephone, video conferencing or any other form of communication equipment if all Directors participating in the meeting are able to hear and speak to each other. A Director participating in this way is to be treated as present in person at the meeting and counted in a quorum and is entitled to vote at it. The place of the meeting is to be treated as where the largest group of those participating is assembled or, if there is no such group, where the chairman then is.
- (D) No business shall be transacted at a Board meeting unless a quorum is present. The quorum shall be two Directors or such higher number as the Board may decide. A Board meeting at which a quorum is present may exercise all the authorities, discretions and powers vested in or exercisable by the Board.
- (E) Any decision to be taken at a Board meeting is to be decided by a majority of votes. In the case of an equality of votes, the chairman has a second or casting vote (unless he is not entitled to vote on the matter), provided that there are more than two Directors present who are entitled to vote on the matter.

#### **46 Written resolutions**

- (A) A resolution in writing signed by all the Directors entitled to receive notice of a Board meeting and who would be entitled to vote on the resolution at a Board meeting (if their number is sufficient to constitute a quorum) will be as valid and effective as a resolution passed at a Board meeting properly called and constituted.
- (B) Such a resolution may consist of several documents in the same form each signed by one or more of the Directors or members of the relevant committee.

#### **47 Validity of Board's acts**

All acts done by the Board or a Board committee or by a person acting as a Director or as a member of a Board committee will be valid even if it is discovered later that any Director or person acting as a Director or as a member of a Board committee was not properly appointed. This also applies if it is discovered later that anyone was disqualified from being a director or was not entitled to vote. In all these cases, anything done will be as valid as if there was no defect or irregularity of a kind referred to in this Article.

### **DIRECTORS**

#### **48 Number**

The number of Directors shall be:

- (i) not less than four; and
- (ii) not more than (unless otherwise determined by the Company by ordinary resolution) 12.

#### **49 Appointment**

- (A) Subject to these Articles, the Company may by ordinary resolution appoint as a Director a person who is willing to act as such, provided that:

- (i) notice is given of the resolution identifying the person concerned by name, and
  - (ii) if that person is not recommended for appointment by the Board, the Company receives at the Registered Office that person's written confirmation of his willingness to be appointed as a Director at least seven days before the date appointed for the holding of the general meeting at which the resolution is to be considered
- (B) Subject to these Articles, the Board may appoint as a Director any person who is willing to act as such.
- (C) The Board may appoint any Director to hold any employment or executive office with the Company for such period and on such terms as the Board may decide. The Board may revoke, terminate or vary the terms of any such appointment.
- (D) Any person who is appointed as a Director shall comply with such requirements in relation to the holding of qualification shares as are for the time being specified in the Directors' Remuneration Policy which has been approved by the members in general meeting (and with any enhanced requirements in relation to the holding of qualification shares which may from time to time be agreed between such Director and the Remuneration Committee).

## **50 Removal**

The Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with company legislation, remove any Director before the expiration of his period of office

## **51 Vacation of office**

The office of a Director shall be vacated if:

- (i) he resigns by notice to the Company;
- (ii) he gives the Company a written notice in which he offers to resign and the Board decides to accept his offer;
- (iii) he ceases to be a Director as a matter of law or is removed from office pursuant to these Articles,
- (iv) he becomes bankrupt or compounds with his creditors generally,
- (v) he is or has been suffering from mental or physical ill health or becomes a patient for the purpose of any statutory provision relating to mental capacity and the Board resolves that his office be vacated;
- (vi) he is absent from Board meetings for six consecutive months and the Board resolves that his office be vacated,
- (vii) he is removed from office by notice addressed to him at his usual residential address as shown in the Company's register of Directors and signed by either (i) not less than three-quarters in number of all the Directors (with such signing directors being at least three in number) or (ii) all the other Directors (without prejudice to any claim for damages which he may have for breach of contract against the Company), and such notice may consist of several documents in the same form each signed by one or more of the Directors concerned, and

- (viii) in the case of a Director who is an employee of a Group Undertaking, he ceases to be employed by any Group Undertaking without the Board resolving that he is to continue in office as a non-executive Director
- (B) A person who ceases to be a Director will, on such cessation, also cease:
  - (i) to be a member of any committee or sub-committee of the Board; and
  - (ii) to have any powers previously delegated to him by the Company other than (where applicable) pursuant to any terms on which he continues to be employed by it.

## **52 Annual general meetings**

- (A) In this Article the "selection date" means a date selected by the Board in relation to an annual general meeting that is not more than 14 days before, and no later than, the date of the notice of that meeting
- (B) At each annual general meeting :
  - (i) each person who is a Director on the selection date and was appointed as such after the previous annual general meeting is to be proposed for election as a Director,
  - (ii) each other person who is a Director on the selection date and has remained as such without being appointed or elected or re-elected as such at one of the two previous annual general meetings is to be proposed for re-election as a Director; and
  - (iii) if the Board so decides, any other person selected by the Board who is a Director on the selection date can be proposed for re-election as a Director,

provided that, in each case, the person concerned is a Director immediately before the commencement of the meeting and has confirmed to the Board that he is willing to continue as a Director.
- (C) If a resolution for the election or re-election as a Director of any person who was a Director at the commencement of an annual general meeting is put to vote at that meeting but not passed, that person will remain in office until the meeting appoints someone in his place or (if it does not do so) until the end of the meeting, when (subject to the next paragraph) he will cease to be a Director
- (D) If at the end of an annual general meeting there would otherwise be no Directors, each person to whom the previous paragraph applies:
  - (i) shall remain in office as a Director until someone else who was not a Director at the commencement of that meeting is appointed as a Director by the Company in general meeting, when he will cease to be a director; and
  - (ii) may, in his capacity as a Director for so long as he remains in office in accordance with this paragraph, act (with any other persons to whom this paragraph applies as the Board) only:
    - (a) for the purposes of convening and holding a general meeting to appoint Directors; and

- (b) as he considers necessary or appropriate in order to comply with any legal or regulatory requirement applicable to the Company or the Directors or to him as a Director.

### **53 Shortfalls**

- (A) If the number of Directors is less than the minimum required by these Articles, any Director or Directors able and willing to act may act only for the purpose of appointing an additional Director or Directors or convening a general meeting for the purpose of making any such appointment.
- (B) If there is no Director, two or more members holding at least ten per cent of all Ordinary Shares then in issue may convene a general meeting for the purpose of appointing Directors to be held at a time between 9.00 a.m. and 5.00 p.m. on a working day at a venue in the United Kingdom where the Company has held at least one of its last four annual general meetings or at a venue in the City of London. If the persons present at the commencement of the meeting and entitled to vote include only one person who has been a Director within the previous five years and is willing to act as chairman of the meeting, that person shall be the chairman of the meeting. If more than one such person is then present, all such persons may decide between themselves (by majority vote, if necessary) who is to take the chair. If no such decision is made by such persons within 30 minutes of the commencement of the meeting or if no such person is present at its commencement, the persons present and entitled to vote may appoint one of their number to be chairman of the meeting. No appointment proposed to be made at such meeting shall be effective if, immediately before its commencement, the Company has the minimum number of Directors required by the Companies Act.

## **ALTERNATE DIRECTORS**

### **54 Appointment**

- (A) A Director (other than an alternate Director) may appoint any other Director, or any person approved for that purpose by the Board and willing to act, to be his alternate by notice delivered to the Secretary at the Registered Office, or in any other manner approved by the Board.
- (B) The appointment of an alternate Director who is not already a Director shall.
  - (i) require the approval of either a majority of the Directors or the Board by way of a Board resolution; and
  - (ii) not be effective until his consent to act as a Director in the form prescribed by the Board has been received at the Registered Office, together with the particulars required by the Company for the purposes of any public filing required by Company legislation in respect of his appointment.
- (C) 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.

### **55 Responsibility**

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.

## **56 Participation at Board meetings**

An alternate Director shall (subject to his giving to the Company an address 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 (other than the power to appoint an alternate Director). A Director acting as alternate Director shall have a separate vote at meetings of the Board or of any relevant committee of the Board 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. Signature by an alternate Director of any resolution in writing of the Board or of any relevant committee of the Board will, unless the notice of his appointment provides otherwise, be as effective as signature by his appointor.

## **57 Interests**

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 in the same way and to the same extent as 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 to the Company direct.

## **58 Termination of appointment**

An alternate Director shall cease to be an alternate Director.

- (i) if his appointor revokes his appointment by notice delivered to the Secretary at the Registered Office or in any other manner approved by the Board; or
- (ii) 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 the alternate Director which was in force immediately before his retirement shall remain in force; or
- (iii) if any event happens in relation to him which, if he were a Director, would cause his office as Director to be vacated, or
- (iv) if he resigns his office by notice in writing to the Company

### **DIRECTORS' BENEFITS**

## **59 Fees**

The Company may pay to the Directors for their services as Directors such aggregate amount of fees as the Board decides of up to £600,000 per annum, or such larger amount as the Company may by ordinary resolution decide. The aggregate fees may be divided among the Directors in such proportions as the Board decides or, if no decision is made, equally. A fee payable to a Director pursuant to this Article will be in addition to any salary, remuneration or other amount payable to him pursuant to other provisions of these Articles and shall accrue from day to day.

## **60 Remuneration**

- (A) The salary or remuneration of a Director appointed to hold employment or executive office may be a fixed sum of money, or wholly or in part governed by business done or profits made, or as otherwise decided by the Board (including, for the avoidance of doubt, by the Board acting through a Board committee), and may be in addition to or instead of a fee payable to him for his services as Director pursuant to these Articles.
- (B) A Director who goes or resides abroad, makes a special journey or performs a special service for the Company (including services as a chairman or deputy-chairman of the Board, services as a member of any Board committee and services which the Board considers to be outside the scope of the ordinary duties of a Director) may be paid such additional remuneration as the Board or any Board committee decides

## **61 Expenses**

- (A) A Director may be paid all travelling, hotel and other expenses properly incurred by him in connection with the discharge of his duties as a Director, including any professional fees incurred by him (with the Board's approval or in accordance with any procedures prescribed by the Board) in taking independent professional advice in connection with the discharge of such duties
- (B) The Company may, subject to company legislation:
  - (i) provide any Director with funds 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 permitted by company legislation; and
  - (ii) do anything to enable him to avoid incurring any such expenditure.

## **62 Retirement and disability benefits**

The Board may exercise all the Company's powers to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances for a person who is or has been a Director, an officer or a director or an employee of a company which is or was a Group Undertaking, a company which is or was allied to or associated with a Group Undertaking or a predecessor in business of a Group Undertaking (and for any member of his family, including a spouse or former spouse, or a person who is or was dependent on him). For this purpose the Board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums. The Board may arrange for this to be done by the Company alone or in conjunction with another person.

## **DIRECTORS' INTERESTS**

## **63 Conflicts**

- (A) The Directors may authorise any situation or matter relating to a particular Director to which section 175 of the Companies Act applies (each a "**Conflict Matter**"), subject to that section, on such terms (if any) as they think fit. Before any such authorisation (a "**Conflict Authorisation**") is given, a Director shall propose to the Directors, in accordance with the Board's procedures for putting proposals to the Directors for their consideration and approval at a meeting of the Board or by way of written resolution or with such other procedures as the

Directors may determine, that the Conflict Matter concerned be so authorised. The Directors may terminate or withdraw a Conflict Authorisation by giving notice to the Director concerned.

(B) Any terms to which a Conflict Authorisation is made subject ("**Conflict Authorisation Terms**") may include, in each case at the Directors' discretion, that the Director concerned

- (i) is not obliged to disclose to the Company confidential information obtained by him (other than in his capacity as its Director or as its employee or agent or, if the Directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company, where to do so would amount to a breach of a duty of confidence to any third party, where the Director concerned has previously disclosed to the Board the existence of the conflict and the third party's identity; and
- (ii) may absent himself from any Board discussions, and make arrangements not to receive documents and information, relating to the Conflict Matter concerned for so long as he reasonably believes that, as a Director, he has or may have a conflict of interest in respect of it,

and the Company will not treat anything done, or omitted to be done, by the Director concerned in accordance with the Conflict Authorisation Terms as a breach of duty under the following sections of the Companies Act - section 172 (duty to promote the success of the company), section 173 (duty to exercise independent judgement) and section 174 (duty to exercise reasonable care, skill and diligence)

#### **64 Permitted benefits**

(A) A Director is not required, by reason of being a Director, to account to the Company for any profit, remuneration or other benefit which he derives from or in connection with a Conflict Matter which has been authorised by the Board pursuant to the preceding Article, or by the Company in general meeting (subject to any terms, limits or conditions attaching to such authorisation)

(B) Provided that a Director has disclosed his interest in the matter concerned to the other Directors in accordance with the Companies Act (if that Act obliges him to do so), he is not required, by reason of being a Director, to account to the Company for any profit, remuneration or other benefit which he derives from or in connection with:

- (i) being a party to or otherwise interested in any arrangement or transaction with the Company or in which the Company is otherwise interested;
- (ii) holding any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and on such terms, including as to remuneration, as the Board may decide;
- (iii) acting by himself or through a firm with which he is associated in a professional capacity for the Company or any body corporate in which the Company is interested (other than as auditor); or
- (iv) being a director or other officer of, or employed by or otherwise interested in any body corporate in which the Company or any other Group Undertaking is interested or which has an interest in the Company or in any other Group Undertaking

- (C) The Company will not treat the receipt by the Director of any profit, remuneration or other benefit referred to above in this Article as a breach of duty under section 176 of the Companies Act (duty not to accept benefits from third parties). No arrangement or transaction to which the previous paragraph applies may be avoided on the ground of any such interest, profit, remuneration or other benefit.
- (D) A Director or former Director will not be accountable to the Company for any benefit provided to him or his dependants in accordance with any provision in these Articles.

## **65 Indemnity and insurance**

- (A) Subject to company legislation, the Company may:
  - (i) indemnify any Director or any director 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 lawful, in each case on such terms as the Board may decide, and
  - (ii) purchase and maintain for any Director or any director of any associated company insurance against any liability.
- (B) In this Article "qualifying third party indemnity provision", "qualifying pension scheme provision" and "associated company" have meanings that they have in Part 10 of the Companies Act.

## **66 Voting restrictions**

- (A) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning any contract in which he has an interest (and, if he votes on it, his vote is not be counted) unless that interest cannot reasonably be regarded as likely to give rise to a conflict of interest or only arises from or relates to one or more of the following matters:
  - (i) the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of a Group Undertaking;
  - (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of a Group Undertaking for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (iii) an offer of securities by a Group Undertaking in which 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,
  - (iv) a contract with or relating to another company in which he does not have to his knowledge an interest (as that term is used in Part 22 of the Companies Act) in shares representing one per cent. or more of either any class of the equity share capital, or the voting rights in, such company,
  - (v) an arrangement for the benefit of employees of any Group Undertaking which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
  - (vi) insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including any Director; or



- (vii) a proposal for the Company (1) to provide him with an indemnity permitted by company legislation, (2) to provide him with funds in circumstances permitted by company legislation 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 permitted by company legislation, or (3) to do anything to enable him to avoid incurring any such expenditure.
- (B) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment, or the settlement or variation of the terms of his appointment or its termination, as a holder of any office or place of profit with the Company or any body corporate in which the Company is interested.
- (C) Where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment) of two or more Directors to offices or places of profit with the Company or any body corporate in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. Each Director concerned (if not debarred from voting under these Articles) may vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

## **67 General**

- (A) Subject to companies legislation, the Company may by ordinary resolution:
  - (i) suspend or relax to any extent any of the preceding provisions in these Articles that follow after the heading "DIRECTORS' INTERESTS", and
  - (ii) ratify any transaction or arrangement not properly authorised by reason of a contravention of any such provision.
- (B) In such provisions and in this Article references to:
  - (i) a conflict of interest includes a conflict of interest and duty and a conflict of duties; and
  - (ii) a contract include any proposed contract and any transaction or arrangement or any proposed transaction or arrangement whether or not constituting a contract.
- (C) If a question at a meeting as to the entitlement of any Director to vote is not resolved by his agreeing to abstain from voting, it is to be referred to the chairman or, if he is the Director concerned, the remainder of the Board. The chairman's ruling (or, in his case, the Board's ruling) on the matter will be final and conclusive and binding, unless the nature or extent of the Director's interest, as known to him, has not been adequately disclosed to the meeting.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **68 Dividend rights**

- (A) Except as provided by these Articles or the rights attached to shares, a dividend on any shares is to be declared and paid according to the amounts paid up on their nominal value during any period for which it is paid.
- (B) Any share may be issued on terms that it will rank for dividend as if it were fully paid from a particular date and, if so, it will rank for dividend on this basis.

- (C) Except as provided by these Articles or the rights attached to shares.
  - (i) a dividend may be paid in any currency or currencies decided by the Board, and
  - (ii) the Company may agree with a member that any dividend declared or which may become due in one currency will be paid to him in another currency,

for which purpose the Board may decide the basis of conversion for any currency conversions and how any costs involved are to be met.
- (D) The Company may pay a dividend on shares in proportion to the amount paid up on them where a larger amount is paid up on some than on others.

## **69 Declared, interim and fixed dividends**

- (A) The Company may by ordinary resolution declare a dividend in accordance with the respective rights of members. No such dividend may exceed the amount recommended by the Board.
- (B) Subject to company legislation, the Board may resolve that the Company pay an interim dividend on any shares and may resolve that the Company pay any dividend payable on any shares at a fixed rate at intervals settled by the Board.

## **70 Payment**

- (A) The Company may pay a dividend, interest or other amount payable in cash in respect of a share by cheque, warrant or money order or through an inter-bank transfer or through the CREST System or by other electronic transfer or by any other means in accordance with any authority given to the Company to do so by or on behalf of the member in a form or in a manner satisfactory to the Board.
- (B) Any joint holder or other person jointly entitled to a share may give an effective receipt for a dividend, interest or other amount paid in respect of such share.
- (C) Every cheque, warrant or money order will be made payable to the order of the distribution recipient or to such other person or persons as the distribution recipient may in writing direct. Payment of any dividend or other sum in accordance with this Article is made at the risk of the distribution recipient. The payment of the cheque, warrant or money order, and the making of the payment through an inter-bank transfer or through the CREST System or by other electronic transfer or by any other means, will be a good discharge to the Company. The Company will not be responsible for amounts lost or delayed in the course of transfer.
- (D) The Board may deduct from any dividend or other amounts payable to any person in respect of a share the amount of any sum owed by him to the Company in respect of any shares. The Company can apply the deducted amount to pay the sum owed to it.
- (E) No dividend or other money payable in respect of a share will bear interest against the Company, unless otherwise provided by the rights attached to the share.
- (F) In respect of the payment of any dividend or other distribution in cash in respect of shares, the Board may decide, and notify the distribution recipients, that:
  - (i) one or more of the means described in paragraph (A) of this Article will be used for the payment and a distribution recipient may elect to receive payment by one of the means so notified in the manner prescribed by the Board;

- (ii) one or more of the means described in paragraph (A) of this Article will be used for the payment unless a distribution recipient elects otherwise in the manner prescribed by the Board, or
- (iii) one or more of the means described in paragraph (A) of this Article will be used for the payment and that distribution recipients will not be able to elect otherwise

The Board may for this purpose decide that different methods of payment may apply to different distribution recipients or groups of distribution recipients.

(G) In the event that

- (i) a distribution recipient does not specify an address, or does not specify an account of a type prescribed by the Board, or other details necessary in order to make a payment of a dividend or other distribution by the means by which the Board has decided in accordance with this Article that a payment is to be made, or by which the distribution recipient has elected to receive payment, and such address or details are necessary in order for the Company to make the relevant payment in accordance with such decision or election; or
- (ii) if payment cannot be made by the Company using the details provided by the distribution recipient,

then the dividend or other distribution shall be treated as unclaimed for the purposes of these Articles.

(H) For the purposes of this Article, “**distribution recipient**” means, in respect of a share in relation to which a dividend or other sum is payable:

- (i) the holder of the share; or
- (ii) in the case of joint holders, the holder whose name appears first in the Register of Members; or
- (iii) the person entitled by transmission.

## **71 Unclaimed dividends**

- (A) Monies representing unclaimed or unpaid dividends or other sums payable by the Company in respect of a share may be made use of by the Board for the benefit of the Company until claimed. The payment of any unclaimed dividend or other amount payable by the Company in respect of a share into a separate account will not constitute the Company a trustee in respect of it. Any dividend unclaimed after a period of 12 years from the date the dividend was declared or became due for payment will be forfeited, by operation of this Article, and revert to the Company
- (B) If, in respect of a dividend or other amount payable in respect of a share a cheque, warrant or money order is returned undelivered or left uncashed or a transfer made by or through a bank transfer system and/or other funds transfer system(s) fails or is not accepted, on two consecutive occasions, or one occasion and reasonable enquiries have failed to establish another address or account of the person entitled to the payment, the Company is not obliged to send or transfer a dividend or other amount payable in respect of such share to such person until he notifies the Company of an address or account to be used for such purpose

## **72 Dividends in kind**

A general meeting declaring a dividend may, on the recommendation of the Board, direct that it is to be satisfied wholly or partly by the distribution of assets (including paid up shares or securities of any other body corporate). The Board may direct that any interim dividend be satisfied wholly or partly by the distribution of assets on the same basis. Where any difficulty arises concerning a distribution, the Board may settle it as it considers appropriate.

## **73 Scrip dividends**

- (A) The Board may, with the authority of an ordinary resolution, offer any holders of Ordinary Shares the right to elect to receive fully paid Ordinary Shares instead of cash in respect of all or part of any dividend to which that resolution applies (a **"scrip dividend offer"**).
- (B) A holder of Ordinary Shares who makes a valid election under a scrip dividend offer will be entitled to receive new Ordinary Shares with a market value that is as near as possible to the amount of the cash dividend that is the subject of his election (disregarding any tax credit), but no more than it. For this purpose, the "market value" of a new Ordinary Share is the average of its middle market quotations as derived from such source as the Board considers appropriate for five consecutive dealing days chosen by the Board commencing on or after the day on which Ordinary Shares are first quoted "ex" the relevant dividend, unless it is to be determined differently in accordance with the ordinary resolution authorising the scrip dividend offer. The Auditor's written confirmation or report as to the amount of the market value will be conclusive evidence of that value. In giving such confirmation or report, the Auditor may rely on advice or information from any source that it considers appropriate.
- (C) A scrip dividend offer will be made on such terms as the Board decides, subject to this Article and to the authorising resolution. The Board may exclude from the offer any holders of Ordinary Shares where the Board considers that the making of the offer to them would or might involve the contravention of any law or that for any other reason the offer should not be made to them. The accidental omission or failure to send any notice informing a shareholder of his right to make an election under a scrip dividend offer, or the non-receipt of any such notice (even if the Company becomes aware of such non-receipt), will not invalidate the offer or give rise to any claim, suit or action against the Company or anyone acting on its behalf.
- (D) The Board may capitalise out of any amount standing to the credit of any reserve or fund of the Company (including retained earnings) a sum equal to the aggregate nominal amount of any new Ordinary Shares referred to above in this Article and apply it in paying up in full those shares for allotment pursuant to any elections referred to above in this Article. Such new Ordinary Shares will rank equally with the fully paid Ordinary Shares in issue on the record date for the dividend to which such elections relate, except that they will not carry any right to participate in the dividend.
- (E) The Board may do all acts and things which it considers necessary or expedient to give effect to any capitalisation referred to above in this Article and may authorise any person on behalf of all electing members to enter into an agreement with the Company providing for such capitalisation and incidental matters and any agreement so made will be binding on all concerned.

## **74 Capitalisation issues**

- (A) The Board may, with the authority of an ordinary resolution:

- (i) resolve to capitalise any sum standing to the credit of any reserve or fund of the Company (including retained earnings);
  - (ii) appropriate that sum as capital to the holders of Ordinary Shares on a record date selected by the Board in proportion (as nearly as may be) to their holdings or in such other proportions as stated, or fixed as stated, in the ordinary resolution;
  - (iii) apply that sum in paying up in full and allotting new Ordinary Shares to those holders or as they may direct, and
  - (iv) allot new Ordinary Shares to the Company, if it holds Ordinary Shares as treasury shares on the record date, on the same basis as to other holders
- (B) In relation to any allotments for the purposes of the previous paragraph the Board may:
- (i) provide for fractions of new Ordinary Shares or disregard them, as it decides; and
  - (ii) authorise any person to enter on behalf of all the holders of Ordinary Shares concerned into an agreement with the Company to give effect to allotments of new shares in accordance with this Article (which, when entered into, will be binding on all of them by operation of this Article); and
  - (iii) generally do all acts and things required or expedient to give effect to such resolution.
- (C) The Board may, with the authority of an ordinary resolution, capitalise and appropriate and apply any sum standing to the credit of any reserve or fund of the Company and take other actions permitted under the previous provisions of this Article, in all cases on the basis as set out in them, for the purpose of allotting shares of another class fully paid or debentures fully paid (or to allot any combination of them) to the holders of Ordinary Shares. For the purposes of this paragraph, the share premium account, the capital redemption reserve and any reserve or fund representing unrealised profits may only be applied in paying up new shares that are to be allotted fully paid

## **RECORD DATES**

### **75 Board to fix date**

- (A) The Company or the Board may fix a time on a particular date as the record date for entitlement to any dividend, distribution, allotment or issue or for determining to whom any notice, information, document or circular is to be given or for any other matter for which a record date is appropriate
- (B) Any notice or other document to be given to a member may be given by reference to the Register of Members as it stands at a time within the period of 21 days before the day that the notice is given. No change in the Register of Members after that time will invalidate the giving of such notice or document or require the Company to give such item to any other person
- (C) The notice of a general meeting may specify a time by which a person must be entered on the Register of Members in order for such person to have the right to attend or vote at it

## COMMUNICATIONS

### 76 Notices to be in writing

Any notice to be given to or by any person pursuant to these Articles shall be in writing, unless otherwise provided elsewhere in these Articles, except that a notice calling a meeting of the Board need not be in writing

### 77 Communications to members

- (A) Subject to the Companies Act and unless otherwise provided for in these Articles, the Company may send or supply any document or information that is required or authorised by company legislation or pursuant to these Articles to be sent or supplied by it to a member or a person entitled by transmission in such form and by such means as the Board may decide
- (B) *The Company may send or supply documents or information to any member by making them available on a website, provided that the member is taken to have agreed to this in accordance with the Companies Act*
- (C) The Company may choose at its sole discretion to send any document or information in hard copy form alone to some or all members.

### 78 Communications from members

Unless otherwise provided for in these Articles, whether a document or information sent or supplied to the Company by or on behalf of any member or any person entitled by transmission is validly sent or supplied is to be determined in accordance with the Companies Act and, subject to that Act, any terms imposed by the Board for its sending or supply to the Company.

### 79 Authentication

- (A) Any document or information sent or supplied in electronic form to the Company by or on behalf of a member or a person entitled by transmission that is required to be authenticated will be sufficiently authenticated if it is treated as such under the Companies Act or is authenticated on any other basis approved by the Board. Any document or information not so authenticated will be deemed not to have been received by the Company.
- (B) The Company may require such evidence as the Board considers to be reasonable of any person's authority to send or supply any document or information to the Company on the behalf of someone else who is a member or a person entitled by transmission.

### 80 Joint holders

*In the case of joint holders of a share:*

- (i) any document or information which is authorised or required to be sent or supplied by the Company to them as joint holders may be sent or supplied to any one of them to the exclusion of all the others,
- (ii) anything to be agreed or specified in relation to any document or information to be sent or supplied by the Company to them as joint holders may be agreed or specified by any one of them,

- (iii) the agreement or specification of the senior joint holder in relation to any such document or information shall be accepted to the exclusion of that of any of the others; and
- (iv) the Company is not required to send or supply any document or information to them as joint holders if none of them has a registered address in the United Kingdom and none of them has supplied a postal address in the United Kingdom to the Company for sending or supplying documents and information to him.

## **81 Members outside the United Kingdom**

- (A) Any member with a registered address outside the United Kingdom who gives to the Company, for sending and supplying documents and information to him, a postal address in the United Kingdom or an address for the purposes of communications by electronic means is entitled to have documents or information sent or supplied by the Company to him at that address or, where applicable, by the Company making them available on a website and notifying him at that address of their availability
- (B) Except as provided above in this Article, the Company is not required to send or supply documents or information to a member with a registered address outside the United Kingdom.

## **82 Deemed receipt**

- (A) Any document or information sent or supplied by or on behalf of the Company
  - (i) by post (whether in hard copy or electronic form) is deemed to have been received by the intended recipient 24 hours after it was posted first class or (as applicable) 48 hours after it was posted second class (provided that the Company is able to show that it was properly addressed, pre-paid and posted),
  - (ii) in hard copy form by leaving it (other than through the post) at the intended recipient's registered address or a postal address in the United Kingdom notified by him to the Company for the sending or supply of documents and information is deemed to have been received when it was left,
  - (iii) by electronic means is deemed to have been received by the intended recipient 24 hours after it was sent (provided that the Company is able to show that it was properly addressed);
  - (iv) by means of a website is deemed to have been received on the day the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of its availability on the Company's website; and
  - (v) by any other means authorised in writing by the intended recipient is deemed to have been received when the Company has carried out the action that it has been authorised to take for that purpose
- (B) Any accidental failure on the part of the Company to send, or the non-receipt by any person entitled to, any document or information relating to any meeting or other proceeding will not invalidate the relevant meeting or proceeding
- (C) For the purposes of calculating the time when any 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

**83 Documents returned undelivered**

If the Company sends more than one document to a member during any 24 month period and each document that it sends to him in that period is returned undelivered or unopened or marked "return to sender" or with other words or in any other manner that indicates that the document has not been received or accepted by the person to whom it (or any envelope or package in which it was contained) was addressed, the Company will not be required to send or supply documents or information to him until he gives a new address to the Company for sending and supplying documents and information to him. A document sent in electronic form is to be treated as returned undelivered if the sender receives notification that it was not delivered to the address to which it was sent.

**84 Notices by advertisement**

If as a result of the suspension or curtailment of postal services in any part of the United Kingdom or for any other reason outside the Company's control it is unable to give notice by post of a general meeting to each person entitled to receive it in hard copy form at a postal address in the United Kingdom, the Company:

- (i) need only give notice of a general meeting to those members with whom the Company can give notice by electronic means;
- (ii) shall advertise the notice in a leading daily newspaper widely circulated in hard copy form in the United Kingdom,
- (iii) shall state in that advertisement that the notice will be available on its website until the conclusion of the meeting, and
- (iv) shall send confirmatory copies of the notice by post to those members who would otherwise have been entitled to receive it in hard copy form if, at least seven days before the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable

**COMPANY DOCUMENTS**

**85 Seals**

Any Seal may be used only by the authority of the Board or of a committee of the Board. The Board may decide who is to sign an instrument to which the Seal is to be affixed. Subject as otherwise provided in these Articles or by any resolution of the Board or any Board committee dispensing with any requirement in this Article for a signature, any instrument to which the Seal is affixed shall be signed by at least one Director and by the Secretary or by at least two Directors or by one Director in the presence of a witness who attests the signature or such other person or persons as the Board may approve

**86 Document destruction**

- (A) The Company may delete or destroy
  - (i) any share certificate or other evidence of title to shares which has been cancelled after one year from the date of such cancellation,
  - (ii) any mandate for the payment of dividends or other amounts or any variation or cancellation of such mandate or any other instruction concerning the payment of



monies or any notification of change of name or address after two years from the date such mandate, variation, cancellation or notification was recorded by the Company;

- (iii) any instrument or other evidence of a transfer or renunciation of an allotment of shares which has been registered after six years from the date of registration;
- (iv) any instrument of proxy which has been used for the purpose of a poll after a period of one year from the date of use;
- (v) any instrument of proxy which has not been used for the purpose of a poll after a period of one month from the end of the meeting to which the instrument of proxy relates; and
- (vi) any other document on the basis of which an entry in the Register is made after six years from the date an entry in the Register was first made in respect of it,

and the Company may delete or destroy any such document earlier than the relevant date, provided that a permanent record of the document is made which is not destroyed before that date.

- (B) It shall be conclusively presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of a document deleted or destroyed in accordance with this Article was properly made, that every instrument of transfer so destroyed was a valid and effective instrument of transfer and properly made, that every share certificate so destroyed was valid and properly cancelled and that every other document so deleted or destroyed was valid and effective in accordance with the recorded particulars in the records of the Company, provided that:

- (i) this Article shall apply only to the destruction of a document in good faith and without express notice of any claim (regardless of the parties to it) to which the document might be relevant;
- (ii) nothing in this Article imposes on the Company any liability in respect of the destruction of any such document otherwise than as provided for in this Article which would not attach to the Company in the absence of this Article; and
- (iii) references in this Article to the deletion or destruction of any document include references to its disposal in any manner.

## UNTRACED MEMBERS

### 87 Sale of shares

- (A) The Company may sell any shares ("**untraced shares**") registered in the name of a particular member (an "**untraced member**") on such basis and in such manner as it may decide if:
- (i) during the period (the "**initial holding period**") of 12 years before the sending of an intended sale notice (as defined below):
    - (a) the shares have been registered in that member's name and held in the same form (certificated or uncertificated) throughout, and
    - (b) the Company has paid at least three cash dividends in respect of shares of the same class;

- (ii) at least one cash dividend was paid in respect of shares of the same class in the first twelve months of the initial holding period;
  - (iii) before sending the intended sale notice, the Company made tracing enquiries for the purpose of contacting that member which the Board considers to be reasonable and appropriate in the circumstances;
  - (iv) the Company has sent a notice (an "**intended sale notice**") to that member at his registered address or at his last known address stating the Company's intention to sell the shares in accordance with this Article; and
  - (v) during the initial holding period and in the three months following the sending of the intended sale notice:
    - (a) the Company did not receive, so far as the Board is aware, any authenticated communication from that member or any cash payment from him or from a third party on his behalf in respect of the allotment of any shares, and
    - (b) no dividend on the shares was cashed and no dividend was paid on them through a completed funds transfer.
- (B) Any additional shares issued in respect of untraced shares during the initial holding period or in the three months following the sending of the intended sale notice under a capitalisation issue or in any other circumstances not requiring or involving any act of acceptance or election or payment by or on behalf of the untraced member may be sold in accordance with this Article as if they were untraced shares and as if they had been held by the untraced member for the duration of the initial holding period, so long as the additional shares:
- (i) were first registered in the untraced member's name and remain registered in that name; and
  - (ii) have always been held in the same form (certificated or uncertificated) as the untraced shares.
- (C) Any sale of untraced shares, or any additional shares or transmission shares (as referred to elsewhere in this Article), in accordance with this Article must be made between three and five months following the sending of the intended sale notice. To give effect to such a sale, the Board may authorise a person to sign an instrument of transfer of shares in the name and on behalf of the untraced member to the purchaser or as the purchaser may direct or, for uncertificated shares, exercise any power conferred on it under these Articles to effect their transfer
- (D) The purchaser will not be bound to see to the application of the purchase monies in respect of any such sale. The title of the transferee to the shares will not be affected by any irregularity in or invalidity of the proceedings connected with the sale or transfer. Any instrument or exercise referred to in the previous paragraph is effective as if it had been signed or exercised by the untraced member.
- (E) No communication received by the Company
- (i) in relation to any shares more the three months following the sending of an intended sale notice will prevent the Company from selling them under this Article; or
  - (ii) from any person other than the untraced member will prevent the Company from selling that member's shares under this Article.

- (F) If a person entitled by transmission to any shares ("**transmission shares**") is in default for more than one year in making an election required in accordance with these Articles either to be registered as the holder of those shares or to have some person nominated by him registered as their holder, the Company may send him a notice of its intention to sell those shares in accordance with this Article. If that person does not make the required election within three months after the sending of that notice, the Company may sell those shares in accordance with this Article between three and five months afterwards as if they were untraced shares and had been held by that person for the duration of the holding period and as if all other relevant requirements under this Article for the sale of untraced shares had been met in relation to those shares.
- (G) The proceeds of any sale under this Article will belong to the Company. The Company shall account to the untraced member for the net proceeds of such sale by carrying all monies in respect of the sale to a separate account. The Company will be a debtor to, and not a trustee for, the untraced member in respect of an amount equal to such monies (the "**sale debt**"). Monies carried to such separate account may either be employed in the business of the Company or invested as the Board may think fit. No interest will be payable to the untraced member in respect of the sale debt. The Company will be released from all its obligations to the untraced member or any other person in respect of the sale debt if the Company does not receive any valid claim in respect of it by the sixth anniversary of the date of the registration of the transfer of the shares pursuant to such sale.

## **WINDING UP**

### **88 Division of assets**

- (A) On a winding up of the Company and subject to company legislation, the Company's assets available for distribution shall be divided among the members in proportion to the nominal amounts of capital paid up on their shares, subject to the terms of issue of or rights attached to any shares.
- (B) On a winding up of the Company (whether voluntary, under supervision or by the Court) the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of such valuation and in accordance with the then existing rights of members how the division is to be carried out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner.