

238937

JOHN LEWIS PARTNERSHIP plc

At the Eighty Third Annual General Meeting of the Company held on 31 May 2012 at pm in the Boardroom, Fifth Floor, Partnership House, Carlisle Place, London, SW1P 1BX the following resolution was passed as an Ordinary Resolution

ORDINARY RESOLUTION

THAT, pursuant to the Company's Articles of Association,

(a) The Company be and is hereby authorised to purchase by way of market purchase on a recognised Stock Exchange

- (i) up to £3,696,995 in nominal amount of 5 per cent Cumulative Preference Stock ("the 5 per cent Stock") in the Company at a minimum price of 60p and a maximum price of 95p per £1 nominal of the 5 per cent Stock

and

- (ii) up to £500,000 in nominal amount of 7½ per cent Cumulative Preference Stock ("the 7½ per cent Stock") in the Company at a minimum price of 80p and a maximum price of 125p per £1 nominal of the 7½ per cent Stock

and

(b) this authority shall expire on the earlier of the of the close of the Annual General Meeting of the Company held in 2013 or 30 August 2013



Chairman



JOHN LEWIS PARTNERSHIP plc

At the Eighty Third Annual General Meeting of the Company held on 31 May 2012 at pm in the Boardroom, Fifth Floor, Partnership House, Carlisle Place, London, SW1P 1BX the following resolution was passed as a Special Resolution


SPECIAL RESOLUTION

THAT, in accordance with section 21 of the Companies Act 2006, the Company's Articles of Association,

- (i) are amended by the deletion of the provisions of the company's Memorandum of Association which, by virtue of section 28 of the Company's Act 2006, are treated as provisions of the company's Articles,

and

- (ii) the Articles of Association contained in the document which is attached to this written resolution and marked "A" for identification are approved and adopted as the company's Articles of Association in substitution for, and to the exclusion of, the existing Articles of Association



Chairman

**John Lewis Partnership plc - Articles of Association**

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**John Lewis Partnership plc - Articles of Association**



**COMPANY LIMITED BY SHARES**

**Articles of Association**

**of**

**JOHN LEWIS PARTNERSHIP plc**

[As amended by Special Resolutions passed on 4 May 1929, 25 February 1937, 14 September 1948, 31 July 1957, 10 June 1965, 30 March 1967, 29 October 1968, 9 April 1970, 31 March 1977, 30 March 1978, 9 February 1984, 9 September 1997, 9 September 1999, 15 September 2005, 2 March 2006, 7 September 2006, 29 January 2009 and 31 May 2012]

**IT IS AGREED AS FOLLOWS -**

- (i) <sup>1</sup>The name of the Company is John Lewis Partnership plc
- (ii) <sup>\*\*</sup>The Company is to be a public company
- (iii) The registered office of the Company will be situate in England
- (iv) The liability of the members is limited

**PART 1 – PRELIMINARY**

**Interpretation**

- 1 The marginal notes hereto shall not affect the construction hereof, and in these presents unless there be something in the subject or context inconsistent therewith

“The 2006 Act” means the Companies Act 2006 including any modification or re-enactment thereof for the time being in force,

“These Articles” mean these Articles of Association and the regulations of the Company from time to time in force,

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<sup>1</sup>By Special Resolution duly passed on 25 February 1937 the name of the Company was changed from The John Lewis Partnership Limited to John Lewis Partnership Limited & By Board Resolution duly passed on 18 February 1982 it was resolved that the Company be re-registered as a public company, under the name John Lewis Partnership plc and that the Memorandum of Association be altered accordingly

“The Board” means the Directors or any of them acting as the board of Directors of the Company,

“Company” means John Lewis Partnership plc incorporated under the laws of England and Wales with Company number 00238937,

“Cumulative Preference Stock” means the 7½ per cent of Cumulative Preference Stock Units of £1 each and the 5 per cent Cumulative Preference Stock Units of £1 each,

“Director” means a Director of the Company for the time being,

“Dividend” includes bonus,

“Electronic communication” means any document or information sent or supplied in electronic form as set out in the 2006 Act,

“Electronic copy”, “electronic form” and “electronic means” have the meaning given to them in Section 1168 of the 2006 Act,

“Hard copy” and “hard copy form” have the meaning given to them in Section 1168 of the 2006 Act,

“London Stock Exchange” means London Stock Exchange plc,

“Member” means a member of the Company,

“Month” means calendar month,

“Non-Executive Directors” means those Directors for the time being who hold the title of Non-Executive Director,

“The Office” means the registered office for the time being of the Company,

“The Register” means the Register of Members to be kept pursuant to the Statutes,

“The Secretary” means the secretary of the Company and includes all joint, assistant, deputy or temporary secretary and any other person appointed to perform the duties of the secretary,

“Special Resolution” has the meaning for the time being assigned thereto respectively by Statutes,

“The Statutes” means the Companies Acts (as defined in Section 2 of the 2006 Act) and every other Act for the time being in force concerning a body corporate and affecting the Company,

“In writing” and “written” means the representation or reproduction of words, symbols or any other information in a usable form by any method or combination of methods whether sent or supplied in electronic form or otherwise,

Words importing the singular number only include the plural number and vice versa,

Words importing the masculine gender only include the feminine gender, and

Words importing persons include corporations

Table “A” not to apply

- 2 None of the Regulations contained in Table “A” in the first Schedule to the Companies (Consolidation) Act 1908 or in the Companies Act (Tables A to F) Regulations 1985 (as amended), shall apply to the Company - except so far as embodied in any of the following Articles, which shall be the regulations for the management of the Company
- 3 Subject to and in accordance with the provisions of the Statutes and without prejudice to any relevant special rights attached to any class of shares or stock, the Company may purchase any shares or stocks of any class (including

redeemable shares) in the Company for the time being issued at any time (whether at part or above or below par), and so that any shares or stocks to be so purchased may be selected in any manner whatsoever. Every contract for the purchase of, or under which the Company may become entitled or obliged to purchase, shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and by a Special Resolution passed at a separate general meeting of the holders of each class of shares and stock (if any) which, at the date on which the contract is authorised by the Company in general meeting, entitle them, either immediately or at any time later on, to convert all or any of the shares and stock of that class held by them into equity share capital of the Company.

#### Payment of Commission

- 4 The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares of the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company, at a rate not exceeding the rate of 10 per cent of the nominal amount of the shares in respect whereof the same is paid, or an amount not exceeding 10 per cent of the nominal amount of such shares, and such commission may be satisfied in shares of the Company partly or fully paid up.

## PART II - DISTRIBUTION OF THE CAPITAL OF THE COMPANY

### SHARES

#### Share Capital

- 5 The capital of the Company is £110,000,000 divided into 600,000 7½ per cent Cumulative Preference Stock Units of £1 each, 8,788,000 5 per cent Cumulative Preference Stock Units of £1 each, 612,000 Deferred Ordinary Shares of £1 each and 100,000,000 SIP Shares of £1 each <sup>2</sup>

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<sup>2</sup> See notes at the end of the Articles of Association

(a) The holders of the

- (i) 7½ per cent Cumulative Preference Stock will be entitled to a fixed cumulative preferential dividend at the rate of 7½ per cent per annum on the capital for the time being paid up or credited as paid up thereon, payable *pari passu* with the dividends payable on the 5 per cent Cumulative Preference Stock and in priority to any dividend on the Deferred Ordinary Shares or the SIP Shares and in a winding-up to repayment *pari passu* with the 5 per cent Cumulative Preference Stock of the capital paid up or credited as paid up thereon, together with all arrears or accruals of the said preferential dividend down to the date of such repayment, whether earned or declared or not, and whether or not there shall have been profits available for the payment thereof, to an additional sum equal to one-half of the amount of such capital before any return of capital is made to the holders of the Deferred Ordinary Shares or the holders of the SIP Shares but to no further right of participation either in profits or assets, and
- (ii) 5 per cent Cumulative Preference Stock will be entitled to a fixed cumulative preferential dividend at the rate of 5 per cent per annum on the capital for the time being paid up or credited as paid up thereon, payable *pari passu* with the dividends payable on the 7½ per cent Cumulative Preference Stock and in priority to any dividend on the Deferred Ordinary Shares or the SIP Shares and in a winding-up to repayment *pari passu* with the 7½ per cent Cumulative Preference Stock of the capital paid up or credited as paid up thereon, together with all arrears or accruals of the said preferential dividend down to the date of such

repayment, whether earned or declared or not, but to no further right of participation either in profits or assets

- (b) Any payment of or on account of the said preferential dividend or any arrears thereof made to the holders of the said Cumulative Preference Stock shall be deemed to be a payment by the Company for all the purposes of these Articles
- (c) The said Cumulative Preference Stock shall not confer the right to receive notice of any General Meeting of the Company or to attend or vote at any such Meeting unless their preferential dividend shall be six months in arrear or unless a resolution (not being a resolution for winding up the Company) directly affecting the interest of such shares as a class is proposed and (whether such preferential dividend is in arrear or not) shall not confer any right to vote on any resolution for winding up the Company
- (d) Any shares in any new or increased capital of the Company may be issued as Cumulative Preference Stock ranking in priority to or pari passu with the said Cumulative Preference Stock without any such consent or resolution as is mentioned in Articles 80 and 81

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- (a) The holders of the said SIP Shares will be entitled to a dividend on the Capital for the time being paid up or credited as paid up thereon and whether or not any dividend on the said Deferred Ordinary Shares is declared or payable, and in a winding up to repayment of the Capital paid up or credited as paid up thereon, together with all arrears or accruals of the said dividend down to the date of such repayment, whether declared or not, and whether or not there shall have been profits available for the payment thereof but to no further right of participation either in profits or assets

- (b) The said SIP Shares shall not confer the right to receive notice of any General Meeting of the Company or to attend or vote at any such Meeting unless a resolution (not being a resolution for winding up the Company) directly affecting the interest of such shares as a class is proposed and shall not confer any right to vote on any resolution for winding up the Company
- (c) Any shares in any new or increased capital of the Company may be issued as SIP Shares ranking in priority to or pari passu with the said SIP Shares without any such consent or resolution as is mentioned in Articles 80 and 81

Allotment of Shares and Return of Allotments	8	The shares in the capital of the Company shall be under the control of the Directors, who may, subject to the provisions of Article 37, allot or otherwise dispose of the same to such persons and for such consideration, upon such terms and conditions, and at such times, as the Directors think fit Shares may be issued at par or at a premium
	9	As regards all allotments from time to time made, the Directors shall duly comply with all requirements as to returns prescribed by the Statutes
Shares may be issued subject to different conditions as to Calls	10	The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls
Instalments on Shares to be duly paid	11	If by the conditions of the allotment of any share the whole or part of the amount or issued price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share
Liability of joint holders of Shares	12	The joint holders of a share shall be severally as well as jointly liable for payment of all instalments and calls in respect of such shares, and any one of such persons may give effectual receipts for any return of Capital payable in respect of such

share

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|-----------------------|----|---|
| Trusts not recognised | 13 | Save as herein otherwise provided the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not except as ordered by a Court of competent jurisdiction or by statute required be bound to recognise any equitable, contingent, future, partial or other claim to or interest in such share on the part of any other person |
|-----------------------|----|---|

## CERTIFICATES

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|---|----|---|
| Certificates  | 14 | Every certificate of title to shares, stock, debentures or debenture stock of the Company shall be issued under the Common Seal provided that with the general or special authority of a resolution of the Directors such certificates of shares, stock, debentures or debenture stock may be issued under the Common Seal but without such signatures as are prescribed in Articles 160 to 164 or with such signatures affixed by means of some method or system of mechanical signature or in electronic form |
| Members rights to Certificates  | 15 | Every Member shall be entitled to one certificate for all the shares registered in his name Every such certificate of shares shall specify the number and the denoting numbers of the shares in respect of which it is issued and the amount paid up thereon Where the Company sends share certificates to Members or their agents by post, such share certificates shall be sent at the Member's risk  |
| As to issue of a new Certificate in the place of one defaced, lost or destroyed | 16 | If any certificate be worn out or defaced then upon production thereof to the Directors they may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors and on such indemnity with or without security as the Directors may deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate        |



Fee	17	For every certificate issued under the last preceding clause, there shall be paid to the registrars of the Company such indemnity and/or administrative fee as shall be reasonably requested by the Company as prescribed by the Statutes and to the Company the costs of any exceptional out-of-pocket expenses reasonably incurred by the Company in investigating evidence and preparing the requisite form of indemnity as the board may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate
To which of joint holders Certificate to be issued	18	The certificates of shares registered in the names of two or more persons shall be delivered to the person first named on the register in respect of such shares

### CALLS ON SHARES

Calls	19	The Directors may from time to time make such calls as they think fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of the allotment thereof made payable at fixed times and each Member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments, a date fixed for payment may be postponed and a call may be wholly or in part revoked
When Call deemed to have been made	20	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed
Liability of joint holders	21	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
Instalments to be treated as Calls	22	If by the terms of any prospectus or by the conditions of allotment any amount is payable in respect of any shares by instalments, every such instalment shall be payable as if it were a call duly made by the Directors of which due notice had been given
When interest on Call or	23	If the sum payable in respect of any call or instalment be not

instalment payable

paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at such rate not exceeding 10 per cent per annum as the Directors shall from time to time determine, from the time appointed for payment thereof until the actual payment thereof, and shall not receive any dividend in respect of the amount unpaid

Payment of Calls in advance

24

The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the money paid in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advances shall have been made, the Company may pay interest at such rate as the Member paying such sum in advance and the Directors agree upon, but any amount so for the time being paid in advance of calls shall not be included or taken into account in ascertaining the amount of the dividend payable upon the shares in respect of which such advance has been made

#### FORFEITURE AND LIEN

If Call or instalment be not paid 25  
notice may be given

If any Member fail to pay any call or instalment on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses incurred by the Company by reason of such non-payment

Form of Notice

26

The notice shall name a day (not being less than 14 days from the date of the notice) and a place or places on or at which such call or instalment and such interest and expenses as aforesaid are to be paid The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited

If Notice not complied with Shares may be forfeited	27	If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, and before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
Forfeited Shares to become the property of the Company	28	Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot, and otherwise dispose of the same in such manner as they think fit, and either with or without any past or accruing dividends, and in the case of re-allotment, with or without any money paid thereon by the former holder being credited as paid up.
Power to annul forfeiture	29	The Directors may at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture upon such conditions as they think fit.
Arrears to be paid notwithstanding forfeiture	30	Any Member whose shares have been forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all calls, instalments, interest, and expenses owing upon or in respect of such shares at the time of forfeiture, together with interest thereon from the time of forfeiture until payment at 5 per cent per annum, and the Directors may enforce payment thereof if they think fit.
	31	The Directors may accept the surrender of any share upon such terms and conditions as may be agreed upon. Any share so surrendered may be disposed of in the same manner as a forfeited share.
Company's lien on Shares	32	The Company shall have a first and paramount lien upon all the shares other than fully paid-up shares registered in the names of each Member (whether solely or jointly with any others) for his debts, liabilities and engagements, solely or jointly with any other person to or with the Company, whether the period for payment, fulfilment, or discharge thereof shall have actually arrived or not. And such lien shall apply to all

dividends from time to time declared in respect of such shares  
Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share

- |   |    |   |
|---|----|---|
| As to enforcing lien by sale              | 33 | For the purpose of enforcing such lien, the Directors may sell the shares subject thereto, in such manner as they think fit, but no such sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such Member, his executors or administrators, and default shall have been made by him or them in the payment, fulfilment, or discharge of such debts, liabilities, or engagements for seven days after such notice   |
| Validity of sale under Articles 28 and 33 | 34 | Upon any sale after forfeiture or for enforcing any lien in purported exercise of the powers hereinbefore given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively   |
| Certificate of proprietorship             | 35 | In the event of the re-allotment or sale of a forfeited or surrendered share, or the sale of any share to enforce a lien of the Company, a certificate in writing under the common seal of the Company that the share has been duly forfeited, surrendered or sold in accordance with the regulations of the Company, shall be sufficient evidence of the facts therein stated as against all persons claiming the share. A certificate of proprietorship shall be delivered to the purchaser or allottee, and he shall be registered in respect thereof, and thereupon he shall be deemed the holder of the share discharged from all calls or other money interest and expenses due prior to such purchase or allotment and he shall not be bound to see to the application of the purchase money or consideration, nor shall his title to the share be affected by any irregularity in the forfeiture, surrender, or sale, and the remedy of any person aggrieved by the sale shall be in damages only and against the |

Company exclusively

## TRANSFER OF SHARES

Form of transfer

- 36 The instrument of transfer of any share in the Company shall be in the usual common form, and shall be executed by the transferor and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect thereof, and when registered the instrument of transfer shall be retained by the Company

Restraint on transfer

37

- (a) For the purposes of this Article the following terms shall have the following meanings

<b>"Board"</b>	the Directors or any duly authorised committee (consisting of one or more Directors) or representative of the Directors,
<b>"Control"</b>	has the same meaning as in Section 840 of the Income and Corporation Taxes Act 1988,
<b>"Group Company"</b>	the Company, any company which is under the Control of the Company and any jointly owned company (within the meaning in paragraph 91 of Schedule 2) of which the Company is a joint owner and any company under the Control of that company,
<b>"JLPBP"</b>	the John Lewis Partnership BonusSave Plan established by deed dated 17 March 2006,
<b>"Leaver"</b>	means (i) a person who is no longer a director or employee of any Group Company or (ii) a person who is a director or employee of any Group Company who has been declared bankrupt,
<b>"Market Value"</b>	on any day, the most recent value agreed as market value for a SIP Share with HM Revenue and Customs Shares Valuation for

the purpose of the JLPBP or any other share incentive plan which satisfies the requirements of Schedule 2 or another purpose unless there has been since such agreement, in the opinion of the Board, a material change in the Company's circumstances in which case the value shall be determined by a share valuer, appointed by the Board, who shall use the same methodology as was last used to obtain such a valuation from HM Revenue and Customs Shares Valuation and in so determining the value the share valuer shall act as an expert and not an arbitrator and his decision shall be final and binding,

<b>"Nominated Employee Trustee"</b>	The trustee or trustees for the time for the time being of the JLPBP,
<b>"Permitted Transferee"</b>	a person to whom, under this Article 37, an employee or director of a Group Company is permitted to transfer SIP Shares,
<b>"SIP Award Shares"</b>	in relation to any employee or director of a Group Company, SIP Shares awarded to such individual under the JLPBP or under any other share incentive plan established by the Company which satisfies the requirements of Schedule 2 and which are beneficially owned (subject only to the provisions of the JLPBP) by such individual,
<b>"Schedule 2"</b>	Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003,

- (b) Except those who were registered as holders on the date of the adoption of this Article 37(b), the only persons who may be registered as a holder of Deferred Ordinary Shares or SIP Shares are the Nominated Employee Trustee and the trustee or trustees for the time being of the trusts established by John Spedan Lewis by deeds dated respectively 18 April 1929 and 26 April 1950
- (c) An employee or director of a Group Company may transfer SIP Shares to the Nominated Employee

Trustee

- (d) In the event that an employee or director of a Group Company becomes a Leaver, he and any Permitted Transferee shall be deemed to have given on the date on which he became a Leaver, pursuant to this Article 37, a Transfer Notice or Transfer Notices in respect of all SIP Award Shares then registered in the Leaver's and the Permitted Transferee's names respectively
- (e) Except in the case of a transfer expressly permitted by this Article 37, no person shall be entitled to dispose of any interest in either Deferred Ordinary Shares or SIP Shares without first offering them for transfer to the Nominated Employee Trustee. The offer shall be made by the proposing transferor by notice in writing to the Company (a "Transfer Notice") and may be in respect of all or some only of the shares (the "Offer Shares")
- (f) The Transfer Notice shall specify the Offer Shares and shall constitute the Board as the agent for the sale of the entire interest in the Offer Shares to the Nominated Employee Trustee at the Market Value per share. Anyone disposing of SIP Shares is required to offer such shares for sale on no better terms. The Transfer Notice may not be revoked unless the Board otherwise agrees
- (g) Within 14 days (or, if applicable, within 14 days after the Market Value has been determined) the Board shall give notice to the Nominated Employee Trustee of the number of the Offer Shares and the Market Value, inviting the Nominated Employee Trustee to notify the Board within 30 days whether it is willing to purchase any and, if so, what maximum number, of Offer Shares
- (h) On or before the expiry of the 30 day period referred to above the Board shall allocate such Offer Shares as the Nominated Employee Trustee is willing to

purchase to the Nominated Employee Trustee. The Company may purchase at Market Value any shares that remain unallocated.

- (i) The Board shall promptly give details of the allocation in writing to the proposing transferor and the Nominated Employee Trustee and within seven days after such details are given, the Nominated Employee Trustee shall be bound to pay the purchase price for the number of Offer Shares allocated to it to the proposing transferor and the proposing transferor shall be bound, on the payment of the purchase price, to complete any necessary transfer of such number of Offer Shares to the Nominated Employee Trustee.
- (j) If in any case a proposing transferor, after having become bound to transfer any shares to a purchaser, shall make default in transferring such shares, the Board may authorise any person to execute on behalf of and as attorney for the proposing transferor any necessary transfers and may receive the purchase price and cause the name of the purchaser to be entered in the register as the holder of the shares and hold the purchase price in trust for the proposing transferor. The receipt of the Company for the purchase price shall be a good discharge to the purchaser and if the name of the purchaser is entered in the register of members of the Company in respect of such shares the validity of these transactions shall not be questioned by any person.
- (k) If any person at any time attempts to deal with or dispose of any interest in Deferred Ordinary Shares or SIP Shares otherwise than in accordance with this Article 37, he shall be deemed immediately before the attempt to have served the Company with a Transfer Notice in respect of all such shares pursuant to this Article 37.
- (l) The Directors may decline to register any transfer of shares upon which the Company has a lien, and in the



case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve

- (m) If the Board refuses to register the transfer, it shall within two (2) months after the date on which the instrument of transfer was lodged with the Company send the transferee notice of the refusal

Registration of transfer	38	Every instrument of transfer must be left at the office of the Company to be registered, accompanied by the certificate of the shares comprised therein, and such evidence as the Directors may reasonably require to prove the title of the transferor and the due execution by him of the transfer, and with such fee, not exceeding the sum prescribed by the Statutes, as the Directors may from time to time determine, and thereupon the Directors, subject to the power vested in them by the last preceding Article, shall register the transferee as a Shareholder
Closing of transfer books	39	The transfer books and the register and any register of holders of debentures of the Company may be closed at such time or times as the Board shall deem expedient so that the same be not closed for any greater period in the whole than thirty days in the year

## TRANSMISSION OF SHARES

Representatives of interest of deceased Members	40	The executors or administrators of a deceased Member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to shares held by him alone, but in the case of shares held by more than one person, the survivor or survivors only shall be recognised by the Company as being entitled to such shares
Evidence in case of death, bankruptcy or insolvency	41.	Any person becoming entitled to a share in consequence of death, bankruptcy or insolvency of any Member may, upon such evidence being produced as may be required by the Directors, be either registered as a Member (in respect of which registration the Company may require payment of such fee not exceeding the sum prescribed by the Statutes, as the Directors may from time to time determine) or may, without

being so registered, execute a transfer to some other person who shall be registered as a transferee of such share, but the Company shall have the like power of declining to register such transfer as is provided with respect to ordinary transfers. This clause is hereinafter referred to as the "Transmission Clause"

Power for executors to pay up in full 42

The executors or administrators of a deceased Member shall be entitled at any time to pay up in full all the moneys due upon the shares held by such Member alone beyond the amount called up thereon, unless within two calendar months after being requested in writing so to do the Directors shall procure some person or persons to purchase such shares at a price equal to the amount paid up or credited as paid up thereon

Power to sell shares 43

The Company shall be entitled to sell, in such manner and at such price as the Directors think fit, the shares or stock of a Member or any share or stock to which a person is entitled by transmission on death or bankruptcy if and provided that -

- (a) for any period of 12 years ending after the date of the resolution incorporating this Article no cheque, warrant or order sent by the Company in the manner authorised by these Articles in respect of the share in question has been cashed and no communication has been received by the Company from the Member or the person entitled by transmission and during such period at least three dividends whether interim or final on or in respect of the share(s) in question have become payable and no such dividend sent during that period has been claimed, and
- (b) on or after expiration of the said period of 12 years the Company has given notice of its intention to sell such share(s) by advertisement in both a national newspaper and a newspaper circulating in the area in which the last address of the Member or the address at which service of notices may be effected is located, and by letter sent to the Member at such address, but so that such advertisements need not refer to the names of the

holder(s) of the share(s) or identify the share(s) in question, and

- (c) during the further period of three months after the publication of such advertisements and the sending of such letter, and prior to the exercise of the powers of sale conferred by this Article, the Company has not received any communication from the Member or person entitled by transmission, and
- (d) if the shares are listed or dealt in on the London Stock Exchange, the Company has given Notice in writing to the London Stock Exchange of its intention to sell such shares or stock

44 To give effect to any such sale the Directors may appoint any person to execute as transferor an instrument of transfer of such share(s) or stock and such instrument of transfer shall be as effective as if it had been executed by the holder of or person entitled by the transmission to such share(s) or stock, and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The Directors shall be entitled to register such transfer notwithstanding that no certificate representing the said shares shall have been produced

45 The sale proceeds will belong to the Company. The Company must record the name of the former shareholder, or the person who was automatically entitled to the shares by law, as a creditor for this money in its accounts. The money will not be held on trust. The Company can use the money in its business or invest it in any way the Directors may decide (but not in shares of the Company or one of its subsidiaries). If subsequently the former shareholder or such person requires payment the Company must pay the money (after deducting the costs of selling the shares) to that person but without any interest, and the Company will not have to pay any other money earned from the sale proceeds to the former shareholder or such person

#### Unclaimed Dividends

46 Where any dividend has been sent by cheque warrant or order

to the holder of the share to which it relates in the manner authorised by these Articles and such cheque warrant or order has not been presented for payment and the said dividend has remained unclaimed for a period of 12 years ending after the date of the resolution making this Article, the said dividend will be forfeited and returned to the Company

## CONSOLIDATION AND SUB-DIVISION OF SHARES

- |               |    |  |
|---------------|----|--|
| Consolidation | 47 | The Company may in General Meeting consolidate its shares, or any of them, into shares of a larger amount  |
| Sub-division  | 48 | The Company may, subject to the provisions of the Statutes by ordinary resolution sub-divide its shares, or any of them, into shares of a smaller amount, and may by Special Resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the other or others |

## CONVERSION OF STOCK INTO SHARES

- |                               |    |   |
|-------------------------------|----|---|
| Stock convertible into Shares | 49 | The Directors may, in accordance with the Statutes, convert stock into fully paid up shares of the same class and denomination as the stock |
|-------------------------------|----|---|

## INCREASE OR REDUCTION OF CAPITAL

- |  |    |   |
|--|----|---|
| Increase of Capital                            | 50 | The Directors may, with the sanction of a General Meeting of the Company, increase the capital of the Company by the issue of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the Company may direct Subject to such privileges, priorities or conditions as are or may be attached thereto, all new shares shall be subject to the same provisions in all respects as if they had been part of the original capital |
| Power to issue new Shares as Preference Shares | 51 | The Directors may with the sanction of a General Meeting of the Company, given either at the Meeting which sanctions an increase of capital, or at any other meeting, issue any new   |

shares with such preferential right to dividend and such priority in the distribution of assets, or subject to such postponement of dividends or in the distribution of assets, and with or subject to such preferential or limited or qualified right of voting at General Meetings as they may think proper, but so that the preferential or special rights of any issued shares shall not be prejudiced or affected except with the consent of the holders thereof duly given under Articles 80 and 81

Manner of issue of new shares	52	Any new shares shall be allotted and issued in such manner and on such terms as the Company at the meeting which sanctions such issue shall direct, or, if no direction be given, as the Directors may think expedient
Reduction of Capital	53	The Company may, in accordance with the Statutes, from time to time by special resolution reduce its capital, any capital redemption reserve and any share premium account in any way.

### **PART III – GENERAL MEETINGS**

When Annual General Meetings are to be held	54	A General Meeting shall, in accordance with the Statutes, be held every year at such time and place as may be determined by the Directors
Distinction between Annual General Meetings and General Meetings	55	The General Meeting referred to in the last preceding clause shall be called Annual General Meetings, all other meetings of the Company shall be called General Meetings
When General Meeting to be called	56	The Directors may, whenever they think fit, and they shall on the requisition of holders entitled to vote of not less than one-tenth of the issued capital of the Company, upon which all calls and other sums then due have been paid, forthwith proceed to convene a General Meeting of the Company, and in case of such requisition the following provisions shall have effect -

- (a) The requisition must state the objects of the General Meeting, and must be signed by the requisitionists, and deposited at the office, and may consist of several documents in like form, each signed by one or more requisitionists
- (b) If the Directors do not proceed to cause a General Meeting to be held within 21 days from the date of the requisition being so deposited, the requisitionists or a majority of them in value may themselves convene the General Meeting, but any General Meeting so convened shall not be held after three months from the date of such deposit
- (c) If at any such General Meeting a resolution requiring confirmation at another General Meeting is passed the Directors shall forthwith convene a further General Meeting for the purpose of considering the resolution, and, if thought fit, of confirming it as a special resolution, and if the Directors do not convene the General Meeting within seven days from the date of the passing of the first resolution, the requisitionists or a majority of them in value may themselves convene the meeting
- (d) Any General Meeting convened under this clause by the requisitionists shall be convened in the same manner as nearly as possible as that in which Meetings are to be convened by the Directors

Notice of Meetings

57 Not less than twenty-one (21) clear days' notice in respect of an Annual General Meeting and not less than the minimum number of days' notice permissible under the Statutes in respect of any other General Meeting specifying the place, the day and hour of General Meeting, and in case of special business the general nature of such business shall be given to the Members except such of them as under any provision of these Articles are not entitled to receive such notice With the consent in writing of ninety-five per cent (95%) of all Members entitled to receive notice of any meeting such

		meeting may be convened by a shorter notice and in any manner they think fit. The non-receipt of any notice by any Member shall not invalidate the proceedings at any General Meeting. For the purposes of this Article a notice of Meeting must be given in accordance with the 2006 Act that is in hard copy, electronic form or by means of a website.
Electronic Communication	58	If notice of a Meeting is sent in electronic form the Company must have complied with all applicable regulatory requirements and the person entitled to receive such notice must have agreed that the notice can be sent to him in that way and not revoked that agreement or, in the case of a company, be deemed to have agreed to receive notice in that way by a provision in the Statutes. The notice must be sent to the address specified by the person entitled to receive such notice or, in the case of notice sent to a company, an address which is deemed to have been specified by any provision of the Statutes.
Notice of meeting on a website	59	<p>Provided that the Company has complied with all applicable legal requirements the Company may send or supply a notice of Meeting by making it available on a website and where the Company intends to make that notice of Meeting available on a website, the Company must</p> <ul style="list-style-type: none"> <li>(a) comply with the provisions of Articles 173 and 174,</li> <li>(b) notify persons entitled to receive such notice that the notice of Meeting has been published on the website, such notification to state that it concerns a notice of Meeting to specify the place, date and time of the Meeting and whether the Meeting will be an Ordinary Meeting, and</li> <li>(c) the notice must be available on the website throughout the period beginning with the date of notification and ending with the conclusion of the Meeting.</li> </ul>
Business of Annual General Meeting	60	The business of an Annual General Meeting other than the first one shall be to receive and consider the profit and loss account, the balance sheet and reports of the Directors and of

Special Business		the Auditors, to elect Directors and Officers in the place of those retiring, to declare dividends, and to transact any business brought before the meeting by the Directors' report and any other business which under these presents ought to be transacted at an Annual General Meeting All other business transacted at an Annual General Meeting and all business transacted at a General Meeting shall be deemed special Except pursuant to a resolution of the Board no business shall be transacted at any Annual General Meeting which would render it necessary to summon the holders of Cumulative Preference Stock or the holders of SIP Shares
Quorum	61	For all purposes the quorum for a General Meeting shall be not less than two Members present in person, and entitled to vote at such meeting
Quorum to be present when business commenced	62	No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business
Proceeding if quorum not present	63	If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened by or upon the requisition of members, shall be dissolved In any other case it shall stand adjourned to such time and place as the Chairman shall appoint At any such adjourned meeting, the members present and entitled to vote, whatever their number (other than a Non-Executive Director), shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place
Chairman	64	The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company If there be no such Chairman, or if at any meeting he be not present within fifteen minutes after the time appointed for holding the meeting or be unwilling to act, the Directors present shall select one of their number to be Chairman, and, that failing, the Members present and entitled to vote shall choose some one of their number to be Chairman
Power to adjourn	65	The Chairman may, with the consent of the meeting, adjourn



any meeting from time to time and from place to place, and without such consent he may adjourn any meeting at which a proposal of importance is made for the consideration whereof in his judgement - which shall not be challenged - a larger attendance of Members is desirable No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place

	66	Whenever a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given in the same manner as of an original meeting Save as aforesaid the Members shall not be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting
How questions to be decided at meetings	67	Every question submitted to a meeting shall be decided in the first instance by a show of hands
What is evidence of the passing of a Resolution unless poll demanded	68	At any General Meeting, unless a poll be demanded, a declaration by the Chairman that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the books of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution
Who may demand a poll	69	A poll may be demanded upon any question by the Chairman or by not less than three persons present in person or by proxy and entitled to vote, or by any holder of Deferred Ordinary Shares present in person or by proxy
How poll to be taken	70	If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded The demand of a poll may be withdrawn No notice need be given of a poll not taken immediately
In what cases poll taken without	71	Any poll duly demanded on the election of a Chairman of a

adjournment

meeting or on any question of adjournment shall be taken at the meeting and without adjournment

Business may proceed notwithstanding demand of a poll

72

The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded

## VOTING

Votes of Members

73

- (a) On a poll every holder of Deferred Ordinary Shares shall have 1,000 votes for every Deferred Ordinary Share of which he is the holder
- (b) Subject as aforesaid and subject also to any special terms as to voting upon which any shares may be issued, or may for the time being be held, every Member who is present in person or by proxy shall upon a show of hands have one vote and upon a poll one vote in respect of each share held by him Any corporation holding shares conferring the right to vote may by resolution of its Directors authorise any of its officials or any other person to act as its representative at any General Meeting of the Company and at any meeting of holders of any class of shares of the Company and such representative shall be entitled to exercise the same powers on behalf of such corporation as if he had been an individual shareholder of the Company

Joint Owners

74

If two or more persons are jointly entitled to shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect thereof as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, either personally or by proxy, the Member whose name stands first on the Register as one of the holders of such shares, and no other, shall be entitled to attend the meeting and to vote in respect of the same Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this clause be deemed to

be joint holders

No Member in arrear with Call to vote	75	No Member shall be entitled to be present or to vote at any General Meeting or upon any poll, or to exercise any privilege as a Member unless all calls or other moneys due and payable in respect of any share of which he is the holder have been paid, and no Member shall be entitled to vote at any meeting in respect of any share that he has acquired by transfer unless he has been registered as the holder of the share in respect of which he claims to vote for at least one month previously to the time of holding the meeting at which he proposes to vote
Voting personally or by proxy	76	Votes may be given personally or by proxy The instrument appointing a proxy shall be writing in the usual form, under the hand of the appointor or his duly constituted attorney, or if such appointor is a corporation, under its Common Seal or the hand and seal of its attorney No person shall be appointed a proxy who is not a Member of the Company or otherwise entitled to attend the meeting and vote Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the Meeting or poll concerned A Member may appoint more than one proxy to attend on the same occasion, and may appoint different proxies to exercise the rights attaching to different shares held by that member
As to deposit of proxy	77	The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed, or other written authority under which it is executed or an office or notarily certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority shall be deposited by personal delivery or delivered by post or facsimile transmission or electronic communication at or to the Office not less than forty-eight hours before the time for holding the meeting at which the person named in such instrument proposes to vote
When votes by proxy valid, though authority revoked	78	A vote given in accordance with the terms of an instrument of proxy will be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given, provided no intimation in

writing of the death, revocation or transfer shall have been received at the Office before the meeting

Votes in respect of Shares of bankrupt or deceased Members	79	Any person entitled under the transmission clause to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that 48 hours at least before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares or the Directors shall have previously admitted his right to vote at such meeting in respect thereof
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#### MEETINGS OF CLASSES OF MEMBERS

Meetings of classes of Members	80	The holders of any class of shares may at any time, and from time to time, and whether before or during liquidation, by writing signed by the holders of three-fourths in number of the issued shares of the class or by Special Resolution passed at a meeting of such holders, consent on behalf of all the holders of shares of the class to the issue or creation of any shares ranking equally therewith or having any priority thereto, or to the abandonment of any preference or priority or of any accrued dividend, or to the reduction for any time or permanently of the dividends payable thereon, or to the amalgamation into one class of the shares of any two or more classes or to the sub-division of shares of one class into shares of different classes or to any alterations in these Articles varying or taking away any rights or privileges attached to shares of the class, or to any scheme for the reduction of the Company's capital affecting the shares of the class in a manner not otherwise authorised by these Articles, or to any scheme for the distribution (though not in accordance with legal rights) of assets in money or in kind in or before liquidation, so far as any such distribution is permitted by Clause 6 of the Memorandum of Association of the Company or to any contract for the sale of the whole or any part of the Company's property or business determining the way in which as between the several classes of shareholders the purchase consideration
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shall (so far as distributable) be distributed, and generally consent to any alteration, contract, compromise or arrangement which the persons voting thereon could if sui juris and holding all the shares of the class consent to or enter into, and such resolution shall be binding upon all the holders of shares of the class

- 81 Notwithstanding the provisions of this Article, the Company may create and issue further shares ranking pari passu with the 5 per cent Cumulative Preference Stock in the capital of the Company or the SIP Shares in the capital of the Company and may purchase any of its 5 per cent Cumulative Preference Stock or 7½ per cent Cumulative Preference Stock or SIP Shares pursuant to the provisions of the Statutes without any such consent as is in this Article provided. No such purchase of Preference Stock of either class or SIP Shares shall be treated as directly affecting the interests of or varying or abrogating any of the rights or privileges of the holders of either class of the Preference Stock or the holders of SIP Shares

Proceedings at meetings of  
classes of Members

- 82 Any meeting for the purposes of the last preceding clause shall be convened and conducted in all respects as nearly as possible in the same way as a General Meeting of the Company, provided that no Member, not being a Director, shall be entitled to notice thereof or to attend thereat, unless he be a holder of shares of the class intended to be affected by the resolution, and that no vote shall be given except in respect of a share of that class, and that the quorum at any such meeting shall, subject to the provision as to an adjourned meeting hereinbefore contained, be Members holding or representing by proxy at least one-half of the issued shares of the class, and that a poll may be demanded in writing by any three Members present in person or by proxy and entitled to vote at the meeting

#### **PART IV - DIRECTORS AND OTHER OFFICERS**

##### **DIRECTORS**

Number of Directors

- 83 The number of Directors shall not be less than three (such

minimum number of Directors to exclude any Non-Executive Directors), but the continuing or actual Directors may act notwithstanding any vacancy in their body, provided that if the number of the Board be less than the prescribed minimum the remaining Directors or Director shall forthwith appoint an additional Director or additional Directors to make up such minimum or convene a General Meeting of the Company for the purpose of making such appointment

84 The Directors shall receive for their services as Directors such remuneration, if any, as the Board shall from time to time determine

85 The Directors shall also be entitled to be repaid all reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors including any expense incurred in attending Meetings of the Board or of Committees of the Board or General Meetings and if in the opinion of the Directors it is desirable that any of their number should make any special journeys or perform any special services on behalf of the Company or its business, such Director or Directors may be paid such reasonable additional remuneration and expenses therefor as the Directors may from time to time determine

#### Qualifications

86 A Director shall not be required to hold any shares in the capital of the Company by way of qualification A Director who is not a Member of the Company shall nevertheless be entitled to receive notice of and attend and speak at General Meetings of the Company or at any separate meeting of the holders of any class of shares in the Company

#### Directors to have power to fill casual vacancies

87 The Directors shall have power at any time to appoint any person as an addition to the Board either to fill a casual vacancy, or as an addition to the Board, but so that the total number of Directors shall not exceed the maximum number fixed as above But any Director so appointed shall hold office only until the next Ordinary General Meeting of the Company, and shall then be eligible for re-election

#### ALTERNATE DIRECTORS

- 88 Any Director (other than a Non-Executive Director) may by writing under his hand appoint any Member of the Company who is approved by the Board of Directors to be his substitute, and every such substitute shall in the absence from the Board of the Director appointing him be entitled to attend and vote at Meetings of the Directors, and shall have and exercise all the powers, rights, duties and authorities of the Director appointing him. A Director may at any time revoke the appointment of a substitute appointed by him, and subject to such approval as aforesaid appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his substitute shall thereupon cease and determine.
- 89 Every person acting as a substitute for a Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such substitute shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the substitute and the Director appointing him.

## MANAGING DIRECTORS

- 90 The Directors may from time to time appoint one or more of their body (excluding any Non-Executive Directors) to be Managing Director, joint Managing Directors or any other executive position of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.
- 91 A Managing Director shall while he continues to hold that office be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Director from any cause he shall ipso facto and immediately cease to be a Managing Director.

- 92 The salary or remuneration of any Managing Director of the Company shall, subject as provided in any Agreement, be such as the Directors may from time to time determine, and may either be a fixed sum of money, or may altogether or in part be governed by the business done or profits made, or may be upon such other terms as the Directors determine
- 93 The Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions as they may think expedient, and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers

#### POWERS AND DUTIES OF DIRECTORS

Directors to have entire  
superintendence and control of  
business of Company

- 94 The business of the Company shall be managed by the Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them may exercise all such powers, and do all such acts and things as may be exercised or done by the Company, and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to such directions being not inconsistent with any regulation of these Articles or the provisions of the Statutes as may be given by the Company in General Meeting Provided that no direction be given by the Company in General Meeting shall invalidate any prior act of the Directors, which would have been valid if such direction had not been given, and the provisions contained in these Articles as to any specific power of the Directors shall not be deemed to abridge the general powers hereby given

Directors specially empowered  
in regard to certain matters

- 95 Without restricting the generality of the foregoing powers the Directors shall have power to do and perform, in the name and



on behalf of the Company, the several matters and things hereinafter specified, that is to say -

- (a) To appoint any person or persons whether a Director or Directors of the Company or not to hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and execute and do all such instruments and things as may be requisite in relation to any such trust
- (b) To purchase, take upon lease, hire, or otherwise acquire any lands, buildings, or other property (real or personal) rights or easements which may be considered necessary or desirable for the purposes of the Company, upon such terms and conditions as the Directors may think fit, with power to purchase or acquire any property or rights, with less than a marketable title and to cause or procure any property or rights, purchased or acquired, to be conveyed or let to or vested in a Trustee or Trustees for the Company
- (c) To erect and execute any buildings or works which may be considered necessary or desirable for the purposes of the Company
- (d) To pay or provide for the payment of the costs, charges and expenses of or incidental to the issue of the capital of the Company, either by or through an issuing house purchasing with a view to re-sale, or otherwise, or on any direct offer by the Company, including expenses brokerage or commission for obtaining applications for or placing its debentures or shares (such commission in the case of shares not to exceed the rate or amount hereinbefore specified)
- (e) To make and carry out any amalgamation with any other company or firm carrying on any business included amongst the objects of this Company, as stated in the Memorandum of Association, and to sell the whole of the undertaking, property, and assets of the Company as a going concern, or to purchase the

business of any such other company or firm as a going concern

- (f) To pay for any property or rights either wholly or partially in shares of the Company, and to allot and issue any such shares, either as fully paid up, or with such amount credited as paid up thereon as the Directors may think fit, and in like manner to pay or satisfy any money payable or agreed or required to be paid by the Company, and to pay or satisfy any such money by crediting the same as paid upon shares previously issued
- (g) To sell, grant, let, exchange, surrender, or otherwise dispose of absolutely or conditionally, or for any limited estate or interest, all or any part of the property of the Company
- (h) To accept payment or satisfaction of any money payable to the Company, or of any claim of the Company, whether in respect of any sale or disposition of property or otherwise wholly or partially in shares, stock, debentures, or securities of any other Company
- (i) To secure the fulfilment of any contracts or engagements entered into by the Company by deposit of money or deposit or charge on property of the Company, including its unpaid capital for the time being or in such other manner as they think fit
- (j) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments, and to require security in such instances and to such amount as they think fit
- (k) To invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such securities (not being shares of the

Company) and in such manner as they may think fit and from time to time to transpose or realise such investments

- (l) To give to any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses
- (m) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants
- (n) To make and give or authorise any other persons to make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company
- (o) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the property or affairs of the Company, and also to compound or allow time for payment or satisfaction of any debts due, and of any claims or demands by the Company
- (p) To refer any claims or demands by or against the Company to arbitration, and to perform and observe the awards
- (q) Before recommending any dividend to set aside out of the profits of the Company such sums as they think proper as a reserve fund to meet contingencies or for equalising dividends or for special dividends or for repairing, improving and maintaining any of the property of the Company, or for distribution among the Members to the extent of and in accordance with their rights and interest in the profits at the time of distribution, or for such other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company, and to invest the several

sums so set aside upon such investments (other than shares of the Company) as they may think fit and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and to divide this reserve fund into such special funds as they think fit, with full power to employ the assets constituting the reserve fund in the business of the Company, and that without being bound to keep the same separate from the other assets

- (r) To enter into all such negotiations and contracts, to make all such payments and to do and execute all such other acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for any of the matters aforesaid or otherwise for the purposes of the Company, and to rescind or vary any contracts
- (s) The Directors from time to time and at any time may establish any local boards or agencies for managing any of the affairs of the Company abroad, and may appoint any person to be members of such local board or any managers or agents, and may fix their remuneration

Directors may contract with Company

- 96. Subject to the Statutes and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director notwithstanding his office may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director

Directors may join Boards of other companies

- 97 A Director may be or become a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by this Company, or in which it may otherwise be interested as a Vendor, Shareholder, or otherwise, and no such Director shall, by reason of his office, be accountable for any benefits

derived from such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

## DIRECTORS' CONFLICTS OF INTEREST

- 98 Subject to Articles 96 and 97, the Board shall have power and shall be enabled, subject to and in accordance with the remaining provisions of these Articles 98 to 113, to authorise (an “**Authorisation**”) any matter which would or might constitute or give rise to any breach of the duty of a Director under Section 175 of the 2006 Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it, but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest)

### Effectiveness of Authorisation

- 99 An Authorisation shall only be effective where
- (a) the resolution in respect of the Authorisation is proposed for consideration at a meeting of the Board in accordance with the Board’s normal procedures or in such other manner as the Board may determine, or is proposed by way of a written resolution of the Directors pursuant to Articles 131 to 136,
  - (b) reasonable details of the matter or situation to the Authorisation relates were disclosed to the Board, and
  - (c) in accordance with Section 175(6) of the 2006 Act, the Authorisation is agreed to without counting in the quorum for the relevant meeting of the Board, or counting any votes on the Authorisation cast by, any of the following (all or any of which persons may, if the other Directors present so decide, be excluded from the relevant meeting of the Board while the

proposal to provide an Authorisation is under consideration)

- (i) the Director to which the Authorisation relates,
- (ii) any Director who is a “connected person” of the Director to which the Authorisation relates, as such term is defined in Section 252 of the 2006 Act), and
- (iii) any Director who is an “other interested director” for the purposes of Section 175(6)(a) of the 2006 Act,

but otherwise an Authorisation may be proposed and resolved upon by the Board in such manner as the Board deems at its absolute discretion to be appropriate

For whom Authorisation may be given 100

An Authorisation may be given in respect of

- (a) a person who is to be, or is proposed to be, appointed as a Director, with regard to such appointment, or
- (b) an appointed Director with regard to discontinuing performance of his duties,

or otherwise as the Board may determine

Authorisation requirements 101

An Authorisation may be given subject to such terms and conditions as the Board may determine at its absolute discretion, and the relevant Director shall comply with all such requirements, and which may (but need not) include all or any of the following (but without limitation to any other limitations, terms and conditions as may be imposed by the Board)

- (a) the period for which the Authorisation shall subsist, or any date or event upon which it shall expire or be modified,
- (b) any events, matters or consequences which do not fall

within the Authorisation or whereby a further Authorisation shall be required,

- (c) whether the relevant Director may count in the quorum for and/or vote upon any matter to which the Authorisation relates at meetings of the Board,
- (d) the exclusion of the relevant Director from receipt of or access to certain information or documentation of the Company connected with the matter to which the Authorisation relates (including any general classes or categories of information or documentation),
- (e) the exclusion of the relevant Director from discussions (whether at meetings of the Board, general meetings of the Company or otherwise) connected with the matter to which the Authorisation relates,
- (f) requirements with respect to the disclosure of confidential information of the Company to any other person, or the disclosure of confidential information of any other person to the Company (and which may include permitting the relevant Director not to disclose confidential information of another person to the Company)

Authorisations to be recorded	102	The Board shall ensure that the terms of each Authorisation are recorded in writing and a copy retained by the Company (but the Authorisation shall be effective whether or not the terms are so recorded)
Revocation or variation of Authorisation	103	The Board may revoke or vary an Authorisation at any time, but this shall not affect anything done or omitted to be done by the relevant Director in accordance with the terms of the Authorisation prior to receiving notice of the revocation or variation
Extent of Authorisation	104	Save as provided in any terms and conditions determined by the Board in accordance with Article 101, above, an Authorisation shall be deemed to be given to the fullest extent permissible at law, and shall extend to any actual or potential

conflict of interest which may reasonably be expected to arise out of or in connection with the matter so authorised

Confidential information

- 105 Any Authorisation relating to a matter where the relevant Director obtains (other than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence
- 106 These Articles 98 to 113 shall constitute a provision for the purposes of Section 175(5)(b) of the 2006 Act, but for the avoidance of doubt shall not apply in respect of any situation where a Director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company (in respect of which Article 98 to 113 shall apply)
- 107 If any question arises at any meeting as to whether an interest of a Director (other than the Chairman's interest) shall reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned (so far as it is known to him) has not been fairly disclosed to the Board
- 108 If any question arises at any meeting as to whether an interest of the Chairman shall reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of the Chairman to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman), whose majority vote shall be final and conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to



the Board

109 A Director shall not (save as may otherwise be agreed by him or may be provided by terms and conditions determined by the Board) be liable to account to the Company for any remuneration, profit or other benefit resulting from any matter to which the Authorisation relates, and no contract shall be liable to be avoided on the grounds of any such profit or benefit, nor shall the receipt of any such remuneration, profit or other benefit constitute a breach of Section 176 of the 2006 Act

110 A Director shall not be in breach of the general duties he owes to the Company under the 2006 Act by virtue of the fact that pursuant to the terms of an Authorisation he

(a) absents himself from Board Meetings or other proceedings of the Board at which matters relating to the conflict of interest or possible conflict of interest will or may be discussed, or

(b) makes arrangements not to receive, or refrains from considering, any documents relating to the conflict of interest or possible conflict of interest, or makes arrangements for a professional adviser to receive any such documents on his behalf,

for so long as he reasonably believes the matter to which the Authorisation relates subsists

111 The provisions of these Articles 98 to 113 are without prejudice to any equitable principle or rule of law which may excuse a Director from

(a) disclosing information in circumstances where disclosure would otherwise be required under these Articles or otherwise; or

(b) attending meetings or discussions or receiving documents or information in circumstances where such attendance or receiving would otherwise be

required under these Articles

- 112 Any reference to a conflict of interest in these Articles 98 to 113 shall include a conflict of interest and duty, and a conflict of duties, and any reference to an interest includes both direct and indirect interests
- 113 For the purposes of these Articles 98 to 113, in relation to an alternate Director, the interest of his appointor is treated as the interest of the alternate Director in addition to any interest which the alternate Director otherwise has

## BORROWING POWERS

- |   |     |  |
|---|-----|--|
| Power to raise money                              | 114 | The Directors may borrow or raise from time to time such sums of money as they think necessary for the purposes of the Company   |
| Mode of Borrowing                                 | 115 | The Directors may borrow or raise any such money as aforesaid upon or by the issue or sale of any bonds, debentures, debenture stock, or securities and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as they may think proper, including a right for the holders of bonds, debentures, debenture stock or securities, to exchange the same for shares in the Company of any class authorised to be issued  |
| Security for payment of moneys borrowed or raised | 116 | Subject as aforesaid the Directors may secure or provide for the payment of any moneys to be borrowed or raised by a mortgage of or charge upon all or any part of the undertaking or property of the Company, both present and future, and upon any capital remaining unpaid upon the shares of the Company whether called up or not or by any other security, and the Directors may confer upon any mortgagees or persons in whom any debentures, debenture stock, or security is vested, such rights and powers as they think necessary or expedient, and they may vest any property of the Company in trustees for the purpose of securing any moneys so borrowed or raised, and confer upon the trustees or any receiver to be appointed by them or by any debenture-holder such rights and powers as the |

Directors may think necessary or expedient in relation to the undertaking or property of the Company, or the management or the realisation thereof or the making, receiving, or enforcing of calls upon the Members in respect of unpaid capital, and otherwise, and may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated

- |                                  |     |   |
|----------------------------------|-----|---|
| Security for payment of moneys   | 117 | The Directors may give security for the payment of any moneys payable by the Company in like manner as for the payment of money borrowed or raised but in such case the amount shall for the purposes of the above limitation be reckoned as part of the money borrowed   |
| Register of Mortgages to be kept | 118 | The Directors shall cause a proper register to be kept in accordance with the Statutes, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Statutes in relation to the registration of mortgages and charges therein specified and otherwise The fee to be paid by any person other than a creditor or Member of the Company for each inspection of the register of mortgages to be kept under the Statutes, shall be the sum as prescribed by the Statutes |

## DISQUALIFICATION OF DIRECTORS

- |                                  |     |   |
|----------------------------------|-----|---|
| Office of Director to be vacated | 119 | The office of a Director shall be vacated -   |
| If he resigns                    |     | (a) If he deliver to the Board or to the Secretary of the Company a notice in writing of his resignation of his office of Director,   |
| Becomes bankrupt                 |     | (b) If he become bankrupt, make any declaration of insolvency or suspend payment or compromise with his creditors,  |
| Or incapacitated                 |     | (c) If he is, or may be, suffering from a mental disorder and either<br><br>(i) he is admitted to hospital in pursuance of an application for admission for treatment under |

the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health Act (Scotland) Act 1960, or

- (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator basis or other person to exercise powers with respect to his property or affairs

Fail to attend meetings

- (d) If not having leave of absence from the Directors he fail to attend the meetings of Directors for six successive months, unless prevented by illness, unavoidable accident or other cause which may seem to the Directors to be sufficient, or
- (e) If he be requested in writing by all the other Directors to resign

#### RETIREMENT, ELECTION AND APPOINTMENT OF DIRECTORS

Notice to propose new Directors 120

No person except a retiring Director shall be elected a Director (except as a Director appointed by the Board) unless notice in writing shall be sent to the Secretary of the Company at least five days before the day of the meeting at which election is to take place, stating the name and address of the person who offers himself or is proposed as a candidate, together with a notice in writing by himself of his willingness to be elected

Power of General Meeting to increase or reduce the number of Directors 121

The Company in General Meeting may from time to time as special business and within the limits hereinbefore provided increase or reduce the number of Directors then in office and upon passing any resolution for an increase may appoint the additional Director or Directors necessary to carry the same into effect, but this Article shall not be taken to authorise the removal of a Director

Power to remove Director by ordinary resolution 122

The Company may by ordinary resolution remove any Director from office appoint another person instead of the

Director so removed

Register of Directors and  
notification of changes to  
Registrar

- 123 The Company is to keep at the office a register containing the names and addresses and occupations of the Directors and shall from time to time notify to the Registrar any changes that take place in such Directors as required by the Statutes

## PROCEEDINGS OF DIRECTORS AND COMMITTEES

Meetings of Directors

- 124 The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business (except that for the purposes of determination such quorum the Directors shall exclude any Non-Executive Directors) Until otherwise determined three Directors (which number shall exclude any Non-Executive Directors) or Directors (excluding any Non-Executive Directors) comprising at least one-third of the Directors for the time being (excluding any Non-Executive Directors) (whichever shall be the greater number) shall constitute a quorum Questions arising at any meeting shall be determined by a majority of votes but any Non-Executive Directors shall not be entitled to vote on any matter or question whatsoever arising at any meeting of the Board or howsoever otherwise decided by the Directors In case of an equality of votes, the Chairman shall have a second or casting vote One Director may, and the Secretary shall, at the request of a Director, at any time summon a meeting of the Directors, giving at least two days' notice, and stating the object of the meeting It shall not be necessary to give notice of a meeting of the Directors to a Director who is not within the United Kingdom

Chairman of the Board

- 125 Subject as herein provided the Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office, but if no such Chairman is elected, or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting provided that a Non-Executive Director may not be appointed a Chairman
- 126 A meeting of the Directors for the time being at which a

quorum is present shall be competent to exercise all or any of the authorities, powers and discretions, by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally

Directors may appoint  
Committees

127

The Directors may delegate any of their powers to committees consisting of such person or persons (whether a Director of the Company or not) as they think fit, provided that the number of Directors on the committee is at least equal to the number of committee members who are not Directors of the Company

Committees subject to control of  
Directors

128

All Committees shall in the exercise of the powers delegated to them, and in the transaction of business, conform to any mode of proceedings and regulations which may be prescribed by the Directors, and subject thereto may regulate their proceedings in the same manner as the Directors may do. No meeting of any committee consisting of two or more members shall be quorate for the purpose of exercising any of its powers unless the number of Directors present is at least equal to the number of committee members present who are not Directors of the Company

Minutes of Proceedings

129

The Directors shall cause minutes to be made of the following matters, in books provided for the purpose, namely

- (a) Of all appointments of officers, servants and Committees made by the Directors, and of their salary or remuneration
- (b) Of the names of Directors present at every meeting of the Board or of Committees of Directors, and all business transacted at such meetings
- (c) Of all orders, resolutions and proceedings of all General Meetings and of the Directors and Committees of Directors or Managers

And any such minute as aforesaid, if signed by any person purporting to be the Chairman of the meeting to which it relates, or of the next meeting of the Directors, or of the same Committee, shall be receivable as prima facie evidence of the

matters stated in such minutes without any further proof

Defective appointment of  
Directors not to invalidate their  
acts

130 All acts done by a meeting of the Directors, or of a Committee, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any person or persons acting as aforesaid, or that they or any of them were or was disqualified, or had in any way vacated their or his office, be as valid as if every such person had been duly appointed and were duly qualified to be a Director

Written Resolution of Directors

131 Any Director (excluding any Non-Executive Director) may propose a Directors' written resolution. The Secretary must proposed a Director's written resolution if a Director so requests

132 A Directors' written resolution is proposed by giving notice of the proposed resolution to the Directors. Notice of a proposed Directors' written resolution must -

(a) indicate

(i) the proposed resolution, and

(ii) the time by which it is proposed that the Directors should adopt it, and

(b) be given in writing to each Director

133 Any decision which a person giving notice of a proposed Directors' written resolution takes regarding the process of adopting that resolution must be taken in good faith

134 A proposed Directors' written resolution is adopted when all the Directors (excluding any Non-Executive Directors) have signed one or more copies of it. It is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it should be adopted

135 Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a board meeting

in accordance with these Articles

**136.** The Secretary must ensure that the Company keeps a record, in writing, of all Directors' written resolutions for at least ten years from the date of that adoption

Meetings by telephone etc

**137.** Without prejudice to Article 124, a meeting of the Board or a Committee of the Board may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall (excluding any Non-Executive Directors) be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or if there is no such group, where the chairman of the meeting then is.

#### INDEMNIFICATION OF OFFICERS

Indemnification of Officers

**138** Subject to Article 139, a relevant officer of the Company or an associated company may be indemnified out of the Company's assets against

- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
- (b) any liability incurred by that officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the 2006 Act),
- (c) any other liability incurred by that officer as an officer of the Company or an associated company

**139** Article 138 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Statutes or



by any other provision of law

140 In Article 138

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a “relevant officer” means any director, former director or other officer of the Company or an associated company (but not its auditor)

### SECURITY CLAUSE

Members not entitled to information

141 No Member or general or other meeting of Members shall be entitled to require discovery of or any information respecting any detail of the Company’s trading, or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company, and which in the opinion of the Directors it will be inexpedient in the interest of the Company to communicate to the public

### PART V - DIVIDENDS, ACCOUNTS, AUDIT, COMMON SEAL, NOTICES

#### DIVIDENDS

Dividends how payable

- 142 Subject to the provisions of Clause 6 of the Memorandum of Association of the Company the Company in General Meeting may declare a dividend to be paid to the Members according to their rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Board
- 143 Subject to any preferential or other special rights for the time being attached to any special class of shares the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be distributed among the Members in accordance with the amounts at the time being paid up or credited as paid up at the end of the period in respect of which the dividend is declared on the shares held by

them respectively other than the amounts paid in advance of calls

Retention in certain cases	144	The Directors may retain the dividends payable upon any share in respect of which any person is under the transmission clause entitled to become a Member, or which any person under that clause is entitled to transfer, until such person shall become a Member in respect thereof or shall duly transfer the same No dividend shall bear interest as against the Company
Dividends not to bear Interest		
Dividends to joint holders	145	In case several persons are registered as joint holders of any share any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share
Interim Dividends	146	Subject to the provisions of the Statutes, the Board may pay interim dividends if it appears to the board that they are justified by the profits of the Company available for distribution If the share capital is divided into different classes, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear The Board may also pay at intervals settled by it any dividend payable at a fixed rate if it appears to the Board that the profits available for distribution justify the payment Provided the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights
Dividends payable only out of profits	147	No dividends shall be payable except out of profits
	148	When a share is issued after the commencement of any financial year it shall, unless otherwise provided by the terms of issue, rank pari passu with previously issued shares as regards any dividend subsequently declared in respect of such year

	149	All dividends unclaimed for twelve (12) years, after having been declared, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed
To whom dividends belong	150	Every dividend shall belong and be paid (subject to the Company lien) to those Members who shall be on the Register at the date fixed for the payment of such dividend notwithstanding any subsequent transfer or transmission of shares
Calls or debts may be deducted from dividends	151	The Directors may deduct from the dividends payable to any Member all such sums as may be due from him to the Company on account of calls or otherwise
Notice of dividend	152	Notice of any dividend that may be declared shall be given to the Members subject as and in manner hereinafter mentioned
Loss in transmission by post	153	The Company may remit any dividend by cheque, dividend warrant, or money order, to be sent by post to the Members, or in case of joint holders, to the Member whose name stands first in the register, and the Company shall not be responsible for any loss of any such cheque, warrant or order. Every such cheque, warrant, or order, shall be made payable to the order of the person to whom it is sent, and the payment of the cheque, warrant, or order, if purporting to be duly endorsed, shall be a good discharge to the Company
Capitalisation of undistributed profits	154	Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of the Company, or paid-up shares, debentures or debenture-stock of any other company or any General Meeting may (subject to the provisions of Clause 6 of the Memorandum of Association of the Company) direct a distribution of undistributed profits among the Members by applying the same in payment up in whole or in part shares of the Company, and distributing the same among the Members, or in any one or more of such ways, but so that paid-up shares of the Company shall not for this purpose be treated as worth more than par, and the Directors shall give effect to any such

direction, provided that no such distribution shall be made unless recommended by the Board. Where any difficulty arises in regard to the distribution, the Board may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments may be made to any Members upon the footing of the value so fixed, in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Board.

## ACCOUNTS

Proper accounts to be kept

155 The Directors shall cause true accounts to be kept -

- (a) of the Company's business and transactions,
- (b) of the property and assets of the Company,
- (c) of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and
- (d) of the credits and liabilities of the Company.

The books and accounts shall be kept at the office or at such other place or places as the Directors think fit.

Inspection of accounts and books and Register of Members

156 The Directors shall from time to time determine whether and to what extent and at what time and places, and under what conditions or regulations the accounts and books of the Company, or any of them, shall be open to inspection of the Members, and no Member shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors. The register shall be open for inspection by any Member or other person entitled to inspect the same, and any person other than a member inspecting the same shall pay a fee as prescribed by the Statutes.

- |  |     |  |
|--|-----|--|
| Statements of accounts and balance sheets to be laid before General Meetings | 157 | A copy of every profit and loss account and a balance sheet which is to be laid before the Company in General Meeting in accordance with the Statutes shall contain a summary of the property and liabilities of the Company made up to some date as near as conveniently can be to the date of such meeting from the time when the last preceding accounts and balance sheet were made up, or in the case of the first account and balance sheet from the incorporation of the Company  |
| Form of Statement  | 158 | Every such balance sheet shall be accompanied by a report of the Directors as to the state and condition of the Company, and as to the amount which they recommend to be paid out of the profits by way of dividend to the Members, and the amount (if any) which they propose to carry to the reserve fund according to the provisions in that behalf hereinbefore contained, and the account and report shall be signed by two Directors and countersigned by the Secretary Every item of expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with the addition of the reasons why a portion only of such expenditure is charged against the income of the year |
| Copy to be sent to Members   | 159 | A printed copy of such balance sheet, account and report, (including any documents required by law to be annexed thereto) which is to be laid before the Company in General Meeting shall at least twenty-one (21) days previously to the meeting be served on the registered holders of shares and to every other person who is entitled to receive notice of meetings from the Company under the provisions of the Statute or of these Articles, in the manner in which notices are hereinafter directed to be served  |

#### COMMON SEAL

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| Authority required for use of seal | 160 | The seal shall only be used by the authority of a resolution of the Board The Board may determine who shall sign any |
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instrument to which the seal is affixed and unless otherwise so determined it shall be signed by at least one director and the Secretary or by at least two Directors

Certificates for shares and debentures	161	The Board may by resolution determine either generally or in any particular case that any certificates for shares or debentures or representing any other form of security to which the seal is affixed may have signatures affixed to them by some mechanical means, or printed thereon or that such certificates need not bear any signature
Official seal for use abroad	162	The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad
Execution of instrument as a deed under hand	163	Where the Statutes so permit, any instrument signed, with the authority of a resolution of the Board, by one Director and the Secretary or by two Directors and expressed to be executed by the Company as a deed shall have the same effect as if executed under the seal, provided that no instrument which makes it clear on its face that it is intended by the persons making it to have effect as a deed shall be signed without the authority of the Board
Delivery of deeds	164	A document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of its having been executed by the Company

## NOTICES

Service of notice on Members	165	A notice may be served by the Company upon any Member, either personally or by sending it through the post in a pre-paid letter addressed to such Member at his registered place of abode, or at any other address in the United Kingdom which the Member shall have in writing given to the Company as his address for service or by giving it using electronic communication to an address for the time being notified to the Company by the Member
When registered address not in the United Kingdom	166	Members whose registered place of abode shall not be in the United Kingdom, and who shall not have given to the

Company an address for service of notices in the United Kingdom, shall not be entitled to receive any notices whatsoever, but the Directors may, if they think proper, serve any notice upon such Member in manner above mentioned

Evidence of service

167 A notice or other document addressed to a Member at his registered place of abode or address for service in the United Kingdom shall, if served by post, be deemed to have been served at the latest within twenty four hours after the same shall have been posted, and in providing such service it shall be sufficient to prove that the letter containing the same was properly addressed and put into a post-office Where a document or other information is sent or supplied by electronic means to an address specified for the purpose by the intended recipient, service or delivery shall be deemed to be effected on the same day on which it is sent or supplied and improving such service it will be sufficient to prove that it was properly addressed Where a document or information is sent or supplied by means of a website service or delivery shall be deemed effected when

- (a) the material is first made available on the website, or
- (b) (if later, when the recipient received (or, in accordance with this Article, is deemed to have received) notification of the fact that the material was available on the website

Notice to joint holders

168 All notices directed to be given to the Members shall with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such share

Notice in case of death

169 Service of a notice at the registered place of abode or the address for service of any person whose name remains registered as the holder or joint holder of any share, shall notwithstanding the death of such person and whether or not the Company have notice of his decease be deemed to be sufficient notice to his executors or administrators, and to the survivor or survivors of the joint holders, and to all other

persons entitled to such share

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| How time to be counted | 170 | Where a given number of days' notice, or notice extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period |
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## WINDING-UP

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| Division of assets in specie | 171 | The Liquidator on any winding-up of the Company (whether voluntary or under supervision or compulsory) may with the authority of a special resolution and any other sanction required by the Insolvency Act 1986, divide among the members in specie the whole or any part of such assets of the Company and may, for that purpose, value any assets and determine how such division shall be carried out as between Members or classes of Members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to any assets upon which there is a liability |
|                              | 172 | The power of sale of a Liquidator shall include a power to sell wholly or partially for shares or debentures or other obligations of another body corporate, either then already constituted or about to be constituted for the purpose of carrying out the sale   |

## COMMUNICATIONS

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| Documents communicated in electronic form | 173 | Subject to any requirement of the Statutes and provided that the Company has complied with all applicable legal requirements, the Company may send any documents or notices to its members in electronic form and such documents or notices will be validly sent provided that |
|   | (a) | the Member has agreed (generally or specifically) (or in the case of a company is deemed to have agreed by   |



a provision in the Statutes that documents or notices can be sent in electronic form,

- (b) the documents are documents to which the agreement applies, and
- (c) copies of the documents are sent in electronic form to the address notified by the Member to the Company for that purpose

Documents communicated by website

174 Subject to any requirement of the Statutes and provided that the Company has complied with all applicable legal requirements, the Company may send documents or notices to its Members by means of a website and any such documents or notices will be validly sent provided that

- (a) the Member has expressly agreed (generally or specifically) that documents or notices may be sent by means of a website to him or he has been asked (individually) to agree that documents and notices can be sent by means of a website and the Company has received no responses to that request within 28 days from the date on which the request was sent, and
- (b) the documents are documents to which the agreement or request for agreement applies, and
- (c) the Member is notified of the presence of the documents on the website, the address of the website, the place of the website, where the documents may be accessed and how they may be accessed

175 Documents must be available on the website for a period of not less than 28 days from the date of notification unless the statutes make provision for any other time period

176 If the documents are published on the website for a part only of the period of time referred to in Article 175, they will be treated as being published throughout the period if the failure to publish throughout that period is wholly attributable to circumstances, which it would not be reasonable to have

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expected the Company to prevent or avoid

Right to hard copies	177	Where the Company sends documents to Members otherwise than in hard copy form, any Member can require the Company to send him a hard copy version and the Company must do so free of charge and within 21 days of the date of the Member's request
Documents sent to the Company	178	Where the Statutes permit documents to be sent to the Company, only such documents as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose
Document sent by hand or post	179	If the document in electronic form is sent by hand or post, it must be sent to the Company's office
Authentication of document	180	A document sent to the Company in electronic form is sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified
Signature of notice	181	The signature to any notice to be given by the Company may be written or printed

## DESTRUCTION OF DOCUMENTS

Destruction of Documents	182	<p>The Company can destroy</p> <ul style="list-style-type: none"><li>(a) all cancelled share certificates after one year from the date they were cancelled,</li><li>(b) any dividend payment instructions, including any instruction to vary or cancel these, and notifications of a change of name or address, after two years from the date these were recorded by the Company,</li><li>(c) any forms for a transfer of shares that have been registered, and any other documents which were the basis for making an entry in the Register, after six years from the date of registration,</li><li>(d) all paid dividend warrants and cheques at any time</li></ul>
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after the expiration of one year from the date of actual payment,

- (e) all instruments of proxy which have been used for the purpose of a poll at any time after the expiration of one year from the date of such use, and
- (f) all instruments of proxy which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the instrument of proxy relates and at which no poll was demanded

183 If the Company destroys a cancelled share certificate after the one year period, it is conclusively treated by the Company as being a valid certificate which was properly cancelled

184 If the Company destroys a transfer form after the six year period, the form is conclusively treated by the Company as having been properly registered, valid and effective

185 Every other document which the Company has destroyed under these Articles 182 to 186 will be conclusively treated by the Company as having been a valid and effective document in accordance with the details of that document which were recorded in the Company's book of records

186 However

- (a) the provisions of these Articles 182 to 186 will only apply to documents which are destroyed in good faith, and will not apply if the Company has received express notice that the documents may be relevant to a claim,
- (b) these Articles 182 to 186 should not be read as making the Company liable for destroying a document earlier than the time referred to in Article 182 or any other circumstances which attach to the Company in the absence of this Article, and
- (c) these Articles 182 to 186 apply equally whether a

document is destroyed or disposed of in some other way

#### NOTE

The original share capital of the Company was £312,000 divided into 312,000 shares of £1 each of which 300,000 were Preferred Ordinary shares and 12,000 were Deferred Ordinary shares

The Preferred Ordinary shares were issued as 7½% Cumulative Preferred Ordinary shares By Ordinary Resolution duly passed on 28 December 1933 the capital of the Company was increased by the creation of 200,000 additional 7½% Cumulative Preferred Ordinary shares

By Ordinary Resolution duly passed on 3 December 1934 the capital of the Company was increased by the creation of 350,000 5% First Cumulative Preferred Ordinary shares

By Ordinary Resolution duly passed on 8 July 1936 the 5% First Cumulative Preferred Ordinary shares and the 7½% Cumulative Preferred Ordinary shares were converted respectively into 5% First Cumulative Preferred Ordinary Stock and 7½% Cumulative Preferred Ordinary Stock

By Ordinary Resolution duly passed on 29 October 1947 the capital of the Company was increased by the creation of 100,000 additional 7½% Cumulative Preferred Ordinary shares, subsequently converted into stock

By Ordinary Resolution duly passed on 15 June 1950 the capital of the Company was increased by the creation of 500,000 new 5% Second Cumulative Preferred Ordinary shares Further amounts of this stock were created by Ordinary Resolutions duly passed on the dates shown and of the amounts given below

<u>Date of Ordinary Resolution</u>	<u>Amount of stock</u>	<u>Date of Ordinary Resolution</u>	<u>Amount of stock</u>
4 July 1956	500,000	11 June 1964	756,000
4 June 1958	150,000	10 June 1965	533,000
13 August 1959	258,000	17 March 1966	750,000
16 June 1960	517,000	16 March 1967	600,000
15 June 1961	675,000	14 March 1968	949,000
31 May 1962	625,000	20 March 1969	1,000,000
13 June 1963	625,000		

Under a reorganisation of the capital of the Company effected by Special Resolution duly passed on 29 October 1968 the special rights attaching to the £350,000 5% First Cumulative Preferred Ordinary stock were varied so that such stock be consolidated with the 5% Second Cumulative Preferred Ordinary stock into a single class of 5% Cumulative Preferred Ordinary stock

NOTE (continued)

With effect from 2 December 1968 the 5% Cumulative Preferred Ordinary shares and stock and the 7½% Cumulative Preferred Ordinary stock in the capital of the Company were respectively re-named 5% Cumulative Preference shares or stock and 7½% Cumulative Preference stock

By Ordinary Resolution duly passed on 2 July 1959 the capital of the Company was increased by the creation of 600,000 new Deferred Ordinary shares of £1 each

By Ordinary Resolution duly passed on 2 March 2006 the capital of the Company was increased by the creation of 100,000,000 SIP Shares of £1 each

Dated the 18th day of April, 1929

Witness to all the above Signatures -

NORMAN D GALL

Clerk to Messrs Clifford-Turner Hopton & Lawrence

81/7, Gresham Street, E C 2,

Solicitors

**NAMES, ADDRESSES and DESCRIPTIONS of  
SUBSCRIBERS**

**HAROLD ARTHUR NORTON, 26 , Barnsbury Park,  
London, N 1, Solicitor's Clerk**

**EDWIN GEORGE WHITE, 50, Hillside Road, S W.2,  
Solicitor's Clerk**

**ARTHUR DERECOURT GARDNER, 31, Adelaide Road,  
N W 3, Solicitor's Clerk**

**ALFRED EDWARD PATTERSON, 4, Bemsted Road,  
Walthamstow, E 17, Solicitor's Clerk**

**CHARLES CLAUDE ROSE, 9, Balfour Road, Lower  
Edmonton, N 9, Solicitor's Clerk**

**LESLIE JOHN WILLIAMS, 16, Royle Crescent, Ealing,  
W 13, Solicitor's Clerk**

**GEORGE CONRAD, 103, Phyllis Avenue, New Malden,  
Surrey, Solicitor's Clerk**