

**THE COMPANIES ACT 1985**

---

**COMPANY LIMITED BY SHARES**

---

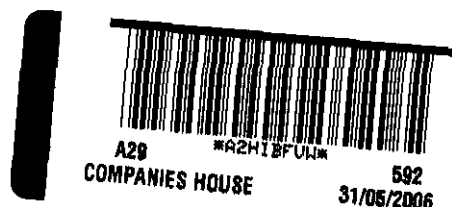
***Memorandum of Association***

**OF**

**B&Q PROPERTIES LIMITED**

**(Previously Chartwell Land plc)**

1. The name of the Company is "B&Q Properties Limited"
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
  - (a) (i) To carry on the business of an investment and property holding company and for the purposes of that business to invest the capital and other monies of the Company in all or any of the following manners and whether in the name of the Company or in that of any nominee as may from time to time be thought fit:-
    - (A) in the purchase of or upon the security of lands buildings and property real or personal of any description or any interest therein.
    - (B) in the acquisition of stocks, shares, debentures, debenture stock, bonds, notes, mortgages, obligations, securities or other investments of any kind whatsoever, whether by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit and to guarantee the subscription thereof.



- (C) Upon loans with or without security to any company, corporation, partnership, association or person or to any Government public body or Local Authority.

AND to hold and from time to time to vary or dispose of such assets as may be deemed expedient but so that such assets as aforesaid and any assets acquired in substitution therefor shall be acquired for the purpose of investment only and with a view to receiving the income therefrom Provided always that nothing herein contained shall empower the Company to carry on business or to trade in any way as a Property Company, it being expressly intended that all and every activity of the Company shall be restricted to investment only and that if it shall be considered necessary for the Company to realise all or any of its property or assets, it shall be empowered to do so, provided always that any surplus or deficiency resulting from such realization shall be dealt with either as a capital surplus not available for the payment of dividends or as a capital loss to be charged against capital account as the case may be.

(ii) To purchase take on lease or hiring agreement or otherwise acquire for any estate or interest any property or assets of any kind which may appear to be necessary or convenient for the business of the Company.

(iii) To develop and improve any land or other property acquired by the Company or in which the Company is interested and in particular by laying out and preparing the same for building purposes, construction or for pulling down, decorating, improving and maintaining buildings, and to let property on building lease or building agreement and to advance money to and enter into contracts and engagements of all kinds with builders, contractors, tenants and others and to sell, let on lease or agreement, manage or otherwise turn to account strictly for the purposes referred to in (i) above any land, buildings or erections thereon held by the Company pursuant to (A) above and to provide all necessary conveniences and amenities as required for tenants and occupiers.

(iv) To carry on all or any of the following businesses strictly for the purposes of (i) above namely builders and contractors, decorators, carpenters, joiners, plumbers, gas and electric

light fitters, electricians, merchants and dealers in stone, sand, lime, bricks, timber, hardware and other building requisites, and house agents.

(v) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above businesses or any of them or calculated directly or indirectly to further or facilitate the objects of the Company or which it may be advisable to undertake with a view to developing, rendering valuable, prospecting or improving, any property real or personal, belonging to the Company or in which the Company may be interested.

(vi) To make, build, erect, construct, maintain, alter, use, manage and work in any part of the world offices, factories, mills, roads, railways, tramways, telegraph lines, telephones, electric light and power works, canals, reservoirs, waterworks, wells, aqueducts, watercourses, furnaces, gasworks, piers, wharfs, docks, quarries, mines, saw and other mills, warehouses, steam and other ships and other works and things which may be deemed expedient for the purposes of the Company and to pay and contribute to the payment of the cost of making, building, maintaining, using and working with same.

- (b) To buy, sell, hire, manufacture, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles of all kinds which are capable of being used for the purposes of the above mentioned businesses or any of them or likely to be used by the customers of any such businesses.
- (c) To invest the money of the Company in any manner that the Company may think fit.
- (d) To adopt such means of making known the businesses or any of them or the products of the Company as may seem expedient, and in particular by advertising in the Press, by displays, exhibitions or circulars, by purchase and exhibition of works of art or interest, by publication in books and periodicals, and by granting prizes, rewards and donations whether to customers, potential customers or others and to carry on and conduct prize and competition schemes or any scheme or arrangement of any kind, either alone or in conjunction with any other person, firm or company, whereby the above

businesses or any of them may be promoted or developed, or whereby the Company's products may be more extensively advertised and made known.

- (e) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purpose of or in connection with the Company's business or any branch or department thereof;
- (f) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
- (g) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (h) Either with or without consideration to lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, and to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon such terms as the Company may approve and to support secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including without prejudice to the generality of the foregoing any parent, subsidiary or fellow subsidiary company in such manner as the Company may think fit.
- (i) To borrow and raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's

property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.

- (j) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration, and with such rights, powers and privileges as may be thought fit, debentures, mortgage debentures or debenture stock, payable to bearer or otherwise, and either permanent or redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- (k) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company or in whose businesses or undertakings the Company is interested, whether directly or indirectly.
- (l) To draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (m) To apply for, promote, and obtain any Act of Parliament, Provisional Order, or Licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (n) To enter into any arrangements with any Government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government or authority

any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

- (o) To subscribe for, take, purchase, or otherwise acquire and hold shares or other interests in or securities of any other company having objects altogether or in part similar to those of the Company or carrying on any business capable of being carried on so as directly or indirectly to benefit the Company or enhance the value of any of its property and to co-ordinate, finance and manage the businesses and operations of any company in which the Company holds any such interest.
- (p) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (q) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (r) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- (s) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the Company, or of any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or of the predecessors in business of the Company or of any

such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.

- (t) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as may seem expedient.
- (u) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as may seem expedient and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (v) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.

- (w) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets or liabilities of or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of the Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company.
- (x) To purchase or otherwise acquire and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on, or the carrying on of which is calculated to benefit this Company or to advance its interests, or possessed of any property suitable for the purpose of the Company.
- (y) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking or any part thereof, subject to the liabilities of this or any other such company as aforesaid with or without winding-up or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any other such company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.
- (z) To distribute among the Members of the Company in kind any property of the Company of whatever nature.
- (aa) To procure the Company to be registered or recognised in any part of the world.
- (bb) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.
- (cc) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.



The objects set forth in each sub-clause of this Clause shall not be restrictively constructed but the widest interpretation shall be given thereto, and they shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or from the name of the Company. None of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Company shall have as full a power to exercise all or any of the objects conferred by and provided in each of the said sub-clauses as if each sub-clause contained the objects of a separate company. The word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

4. The liability of the Members is limited.

5. The share capital of the Company is £100 divided into 100 Ordinary Shares of £1 each.

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

NAMES ADDRESSES AND DESCRIPTIONS  
OF SUBSCRIBERS

Number of  
shares taken  
by each  
subscriber

---

Michael Richard Counsell,  
15, Pembroke Road  
Bristol BS99 7DX  
Commerical Manager:

One

Christopher Charles Holder,  
15, Pembroke Road  
Bristol BS99 7DX  
Commerical Manager:

One

---

Dated the 18th day of May 1981

WITNESS to the above Signatures:-

Dawn Bennett,  
15, Pembroke Road,  
Bristol BS99 7DX,  
Clerk

COMPANIES ACT 1985

---

A PRIVATE COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION

of

B&Q PROPERTIES LIMITED

(adopted by special resolution passed on 14 April 2003)

---

PRELIMINARY

Table A

1. The regulations in Table A in the schedule to the Companies (Table A to F) Regulations 1985 (*Table A*) do not apply to the company.

Definitions

2. In these articles, except where the subject or context otherwise requires:

*the Act* means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

*address*, in relation to electronic communications, includes any number or address used for the purposes of such communications;

*articles* means these articles of association, as altered from time to time by special resolution;

*auditors* means the auditors of the company;

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

*director* means a director of the company;

*directors* means the directors or any of them acting as the board of directors of the company;

*dividend* means dividend or bonus;

references to a *document* include, unless the context otherwise requires, references to an electronic communication;

**electronic communication** means, unless the contrary is stated, an electronic communication (as defined in the Electronic Communications Act 2000) comprising writing;

**electronic signature** has the meaning given by section 7(2) of the Electronic Communications Act 2000;

references to a document being **executed** include references to its being executed under hand or under seal or, in the case of an electronic communication, by electronic signature;

**the holder** in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

references to an **instrument** mean, unless the contrary is stated, a written document having tangible form and not comprised in an electronic communication (as defined in the Act);

**office** means the registered office of the company;

**paid** means paid or credited as paid;

**seal** means the common seal of the company and includes any official seal kept by the company by virtue of section 39 or 40 of the Act;

**secretary** means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary;

references to a notice or other document being **sent** or **given** to or by a person mean such notice or other document, or a copy of such notice or other document, being sent, given, delivered, issued or made available to or by, or served on or by, that person by any method authorised by these articles, and **sending** and **giving** shall be construed accordingly;

**the United Kingdom** means Great Britain and Northern Ireland; and

references to writing mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether comprised in an electronic communication (as defined in the Act) or otherwise, and written shall be construed accordingly.

Construction

3. in these articles:

- (a) words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender and words denoting persons include corporations;
- (b) words or expressions contained in these articles which are not defined in these articles but are defined in the Act have the same meaning as in the Act (but

excluding any modification of the Act not in force at the date of adoption of these Articles) unless inconsistent with the subject or context;

- (c) subject to paragraph (b), references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force;
- (d) headings and marginal notes are inserted for convenience only and do not affect the construction of these articles;
- (e) powers of delegation shall not be restrictively construed but the widest interpretation shall be given to thereto;
- (f) the word **directors** in the context of the exercise of any power contained in these articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the company to which or, as the case may be, to whom the power in question has been delegated;
- (g) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and
- (h) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these articles or under another delegation of the power.

Single Member 4. If at any time and for so long as the company has a single member, all the provisions of these articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member.

#### SHARE CAPITAL

Share capital 5. The share capital of the company is £500,000,000 divided into 500,000,000 ordinary shares of £1 each.

Shares with special rights 6. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine or, subject to and in default of such determination, as the directors shall determine.

Redeemable shares 7. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles.

Commissions 8. The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied

by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

Trusts not  
recognised

9. Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

Allotment

10. Subject to the provisions of article 7, the provisions of the Act and to any resolution of the company in general meeting passed pursuant thereto:

- (a) all unissued shares for the time being in the capital of the company (whether forming part of the original or any increased share capital) shall be at the disposal of the directors; and
- (b) the directors may allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons on such terms and conditions and at such times as they think fit.

#### SHARE CERTIFICATES

Members\*  
rights to  
certificates

11. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be executed under the seal or otherwise in accordance with the Act or in such other manner as the directors may approve and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

Replacement  
certificates

12. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

#### LIEN

13. The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.

14. The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is

presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

Giving effect to sale 15. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

Application of proceeds 16. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES AND FORFEITURE**

Power to make calls 17. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

Time when call made 18. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

Liability of joint holders 19. The joint holders of a share shall be jointly and severally liable to pay all calls thereof.

Interest payable 20. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

Deemed calls 21. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.

- Differentiation on calls** 22. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- Notice requiring payment of call** 23. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
- Forfeiture for non-compliance** 24. If the notice is not complied with any share in respect of which it was given may, non-compliance before me payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
- Sale of forfeited shares** 25. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- Liability following forfeiture** 26. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- Evidence of forfeiture or surrender** 27. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### TRANSFER OF SHARES

- Form and Definition of transfer of share** 28. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.



- Registration of transfer 29. The directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share to any person, whether or not it is fully paid or a share on which the company has a lien.
- Notice of refusal to register 30. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
- Suspension of registration 31. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
- No fee payable on registration 32. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
- Retention of transfers 33. The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

#### TRANSMISSION OF SHARES

- Transmission 34. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
- Elections submitted 35. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
- Rights of persons entitled by transmission 36. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

#### ALTERATION OF SHARE CAPITAL

- Alterations by Ordinary resolution 37. The company may by ordinary resolution:
- (a) increase its share capital by new shares of such amount as the resolution prescribes;

- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
- (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Fractions arising

38. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

Power to reduce capital

39. Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

#### PURCHASE OF OWN SHARES

power to purchase own shares

40. Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

#### GENERAL MEETINGS

Types of general meeting

41. All general meetings other than annual general meetings shall be called meeting extraordinary general meetings.

Convening general meetings

42. The directors may call general meetings and, on the requisition of members general meetings pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.

period of notice

43. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed -

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent, in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members and to all persons entitled to a share in consequence of the death or bankruptcy of a member, but need not be given to the directors in their capacity as such.

Accidental omission to give notice

44. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

Effectiveness of special and extraordinary resolutions

45. Where for any purpose an ordinary resolution of the company is required, a special or extraordinary resolution shall also be effective. Where for any purpose an extraordinary resolution is required a special resolution shall also be effective.

Quorum

46. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

Of quorum not present

47. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.

Chairman

48. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

No director willing to act or present

49. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

Directors entitled to speak

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

**Adjournments:  
chairman's  
powers**

51. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

**Methods of  
voting**

52. A resolution put to the vote of a meeting shall, be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

- (a) by the chairman; or
- (b) by at least two members having the right to vote at the meeting; or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; and a demand by a person as proxy for a member shall be the same as a demand by the member

**Declaration of  
result**

53. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

**Withdrawal of  
demand for poll**

54. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

**Conduct of a**

55. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

**Chairman's  
casting vote**

56. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

**When poll to be  
taken**

57. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question

on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

Notice of poll 58. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

#### **VOTES OF MEMBERS**

Right to vote 59. Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.

Votes of joint holders 60. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

Member under incapacity 61. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

Calls in arrears 62. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.

Objection to meeting 63. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

Supplementary provisions on voting 64. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.

#### **PROXIES AND REPRESENTATIVES IF BODIES CORPORATE**

Appointment of proxy: execution 65. The appointment of a proxy, whether by means of an instrument or contained in an electronic communication, shall be executed by the appointor or his attorney or,

if the appointor is a corporation, executed by a duly authorised officer, attorney or other authorised person or under its common seal. For the purposes of this article and articles 66, 67 and 68, an electronic communication which contains a proxy appointment need not comprise writing if the directors so determine and, in such a case, if the directors so determine, the appointment need not be executed but shall instead be subject to such conditions as the directors may approve.

**Form of Proxy** 66. The appointment of a proxy shall be in any usual form or in any other form which the directors may approve. Subject thereto, the appointment of a proxy may be:

- (a) by means of an instrument; or
- (b) contained in an electronic communication sent to such address (if any) for the time being notified by or on behalf of the company for that purpose, provided that the electronic communication is received in accordance with article 67 before the time appointed for holding the meeting or adjourned meeting or, where a poll is taken more than 48 hours after it is demanded, after the poll has been demanded and before the time appointed for the taking of the poll.

The directors may, if they think fit, but subject to the provisions of the Act, at the company's expense send forms of proxy for use at the meeting and issue invitations contained in electronic communications to appoint a proxy in relation to the meeting in such form as may be approved by the directors. The appointment of 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.

**Delivery/receipt of proxy appointment** 67. The appointment of a proxy shall:

- (a) in the case of an instrument, be delivered personally or by post to the registered office or such other place within the United Kingdom as may be specified by or on behalf of the company for that purpose:
  - (i) in the notice convening the meeting, or
  - (ii) in any form of proxy sent by or on behalf of the company in relation to the meeting,

before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (b) in the case of an appointment contained in an electronic communication, where an address has been specified by or on behalf of the company for the purpose of receiving electronic communications:
  - (i) in the notice convening the meeting, or
  - (ii) in any form of proxy sent by or on behalf of the company in relation to the meeting, or

- (iii) in any invitation contained in an electronic communication to appoint a proxy issued by or on behalf of the company in relation to the meeting,

be received at that address before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (c) in either case, where a poll is taken more than 48 hours after it is demanded, be delivered or received as aforesaid after the poll has been demanded and before the time appointed for the taking of the poll; or
- (d) in the case only of an instrument, where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and any proxy appointment which is not delivered or received in a manner so permitted shall be invalid.

Receipt of  
authority

68. Any power of attorney or other written authority under which a proxy appointment is executed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority shall be:

- (a) delivered personally or by post to the registered office, or to such other place within the United Kingdom as may be specified by or on behalf of the company in accordance with article 67(a), before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
- (b) where a poll is taken more than 48 hours after it is demanded, be delivered as aforesaid after the poll has been demanded and before the time appointed for taking the poll; or

in the case only of a proxy appointment by means of an instrument, where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director together with the proxy appointment to which it relates.

Revocation  
authority

of 69. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding the poll unless notice of the determination was delivered or received as mentioned in the following sentence before the start of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll. Such notice of determination shall be either by means of an instrument delivered to the office or such other place within the United Kingdom as may be specified by or on behalf of the company in accordance with article 67(a) or contained in an electronic communication at the address (if any) specified by the company in accordance with

article 67(b), regardless of whether any relevant proxy appointment was effected by means of an instrument or contained in an electronic communication. For the purpose of this Article, an electronic communication which contains such notice of determination need not comprise writing if the directors have determined that the electronic communication which contains the relevant proxy appointment need not comprise writing.

**Rights of proxy** 70. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

**Proxies of the bodies corporate** 71. For so long as the company is a subsidiary, any director or secretary of a body corporate which is a member of the company (each such person being hereafter referred to as a Qualifying Representative) shall be recognised as the proxy of that body corporate unless the body corporate has delivered to the company in relation to the meeting a valid instrument of proxy which has not been revoked. A Qualifying Representative shall be entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual member of the other company. If more than one Qualifying Representative of a body corporate is present at any meeting of the company, such persons shall agree between them who shall act as proxy for the body corporate. In default of their promptly so agreeing, the Chairman of the meeting shall direct which person shall act as proxy of the body corporate and his decision shall be final. All acts done by a Qualifying Representative who acts as proxy pursuant to the provisions of this article shall, notwithstanding that it afterwards be discovered that there was a defect in his appointment or that he was disqualified from holding office, or had vacated office, or that he was not authorised by the body corporate to do the act in question, be as valid as if such Qualifying Representative had been duly appointed and was qualified and had continued to hold the relevant office and had been duly authorised to do the act in question.

#### **ALTERNATE DIRECTORS**

**Power to appoint alternates** 72. A director (other than an alternate director) may appoint any person willing to act, whether or not he is a director of the company, to be an alternate director and may remove from office an alternate director so appointed by him.

**Alternates entitled to receive notice** 73. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom. A director or any other person approved pursuant to article 72 above may act as alternate director to represent more than one director, and an alternate director shall be entitled at meetings of the directors or any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a



director, but he shall count as only one for the purpose of determining whether a quorum is present.

Termination of appointment

74. An alternate director shall cease to be an alternate director:
- (a) if his appointor ceases to be a director; or
  - (b) if his appointor revokes his appointment pursuant to article 72; or
  - (c) on the happening of any event which, if he were a director, would cause him to vacate his office as director; or
  - (d) if he resigns his office by notice to the company.

Method of appointment and revocation

75. Any appointment or removal of an alternate director shall be by notice to the company executed by the director making or revoking the appointment and shall take effect in accordance with the terms of the notice on receipt of such notice by the company which shall:

- (a) in the case of a notice contained in an instrument, be delivered personally to the secretary or a director other than the director making or revoking the appointment; or
- (b) in the case of a notice contained in an instrument, be at the registered office or at another address designated by the directors for that purpose; or

in the case of a notice contained in an electronic communication, be at such address (if any) as may for the time being be notified by or on behalf of the company for that purpose.

Alternate not an agent of appointor

76. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

## POWERS OF DIRECTORS

Business to be managed by board

77. Subject to the provisions of the Act, the memorandum and the articles and to any managed by directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

## DELEGATION OF POWERS OF THE DIRECTORS

Committees of directors 78. The directors may delegate any of their powers to any committee consisting of directors one or more directors the directors may also delegate to any director holding any executive office such of their powers as the directors consider desirable to be exercised by him. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate all or any of the powers delegated to one or more directors (whether or not acting as a committee) or to any employee or agent of the company and may be made subject to such conditions as the directors may specify, and may be revoked or altered. The directors may co-opt persons other than directors on to any such committee. Such co-opted persons may enjoy voting rights in the committee. The co-opted members shall be less than one-half of the total membership of the committee and a resolution of any committee shall be effective only if a majority of the members present are directors. Subject to any conditions imposed by the directors, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

Agents 79. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

Local boards etc. 80. The board may establish local or divisional boards or agencies for managing any of the affairs of the company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local or divisional boards, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the board, with power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any appointment or delegation made pursuant to this article may be made upon such terms and subject to such conditions as the board may decide and the board may remove any person so appointed and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

Offices including the title "director" 81. The directors may appoint any person to any office or employment having a designation or title including the word "director" or attach to any existing office or employment with the company such a designation or title and may terminate any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that the holder is a director of the company, and the holder shall not thereby be empowered in any respect to act as, or be deemed to be, a director of the company for any of the purposes of the articles.

## APPOINTMENT AND REMOVAL OF DIRECTORS

Appointment and removal by holding company 82. While the company is a subsidiary, the ultimate holding company for the time being of me company (the *appointor*) may at any time and from time to time appoint company any person to be a director either to fill a vacancy or as an additional director, and remove any director from office at any time and from time to time.

Every such appointment or removal shall be by notice to the company executed by or on behalf of the appointor and shall take effect in accordance with the terms of the notice on receipt of such notice by the company which shall:

- (a) in the case of a notice contained in an instrument, be delivered personally to the secretary or to a director other than the director being appointed or removed; or
- (b) in the case of a notice contained in an instrument, be at the office or at another address designated by the directors for that purpose; or

if contained in an electronic communication, be at such address (if any) as may for the time being be notified by or on behalf of the company for that purpose.

Appointment by  
the directors

83. While the company is a subsidiary, the directors shall also have the power to appoint any person to be a director either to fill a casual vacancy or as an addition to the existing directors, subject to any maximum for the time being in force, and, subject to article 85, any director so appointed shall hold office until he is removed pursuant to article 82.

Age limit

84. No person shall be disqualified from being appointed a director, and no director shall be required to vacate that office by reason only of the fact that he has attained the age of 70 years or any other age nor shall it be necessary by reason of his age to give special notice under the Act of any resolution.

Disqualification  
as a director

85. The office of a director shall be vacated if:

- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either:
  - (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 (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 bonis or other person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by notice to the company; or
- (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or

- (f) he is removed in accordance with article 82; or
- (g) he is required to resign in writing by not less than three quarters of the other directors. In calculating the number of directors who are required to make such a request to the director, (i) an alternate director appointed by him acting in his capacity as such shall be excluded; and (ii) a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that the signature of either shall be sufficient.

#### **REMUNERATION OF DIRECTORS**

**Remuneration** 86. The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### **DIRECTORS' EXPENSES**

**Directors may be paid expenses** 87. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties.

#### **DIRECTORS' APPOINTMENTS AND INTERESTS**

**Appoint to executive office** 88. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company.

**Exercise by company of voting rights** 89. The directors may exercise the voting power conferred by the shares in any body corporate held or owned by the company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing any or all of them directors of such body corporate, or voting or providing for the payment or giving of remuneration or other benefits to the directors of such body corporate).

**Directors may contract with the company** 90. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;

- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
- (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any 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.

Notification of interests

91. For the purposes of article 90.
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class or persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
  - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
  - (c) a director shall not in any circumstances be required to disclose to the directors that he is a director or other officer or, or employed by, or interested in shares or other securities of, any body corporate which is the ultimate holding company of the company or is a subsidiary of such ultimate holding company.

#### **GRATUITIES, PENSIONS AND INSURANCE**

92. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

Insurance

93. Without prejudice to the provisions of article 128, the directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time:
- (a) directors, officers, or employees of the company, or of any other company which is or was its holding company or its subsidiary undertaking or in which the company or such holding company or its subsidiary undertaking has or had any interest (whether direct or indirect) or which is in any way allied to or associated with the company or such holding company or subsidiary undertaking; or

- (b) trustees of any pension fund in which employees of the company or any other company referred to in (a) above;

including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the relevant company or pension fund.

Directors not  
liable to account

94. Without prejudice to the generality of article 90, no director or former director shall be accountable to the company or the members for any benefit provided pursuant to article 92 and 93. The receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.

Section 719 of  
the Act

95. Pursuant to section 719 of the Act, the directors are hereby authorised to make such provision as may seem appropriate for the benefit of any persons employed or formerly employed by the company or any of its subsidiary undertakings in connection with the cessation or the transfer of the whole or part of the undertaking of the company or any subsidiary undertaking. Any such provision shall be made by a resolution of the directors in accordance with section 719.

#### PROCEEDINGS OF DIRECTORS

Convening  
meetings

96. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent by instrument to him at his last known address or any other address (if any) as may for the time being be given by him or on his behalf to the company for this purpose or sent using electronic communication to such address (if any) as may for the time being be given by him or on his behalf to the company for this purpose. It shall not be necessary to give notice of a meeting to a director who is for the time being absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. Any director may waive notice of a meeting and any such waiver may be retrospective. Any electronic communication pursuant to this article need not comprise writing if the directors so determine.

Resolutions in  
writing

97. A resolution in writing signed by all the directors entitled to receive notice of a meeting of the directors or of a committee of the directors (not being less than the number of directors required to form a quorum of the directors) shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of the directors duly convened and held and for this purpose:

- (a) a resolution may be by means of an instrument or contained in an electronic communication sent to such address (if any) for the time being notified by the company for that purpose;

- (b) a resolution may consist of several instruments or several electronic communications, each executed by one or more directors, or a combination of both;
- (c) a resolution executed by an alternate director need not also be executed by his appointor; and

a resolution executed by a director who has appointed an alternate director need not also be executed by the alternate director in that capacity.

Meetings by  
telephone, etc.

98. Without prejudice to the first sentence of article 96, a meeting of the directors or of a committee of the directors 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, and to be heard by each of the others simultaneously. A director entitled to be present at a meeting of the directors or of a committee of the directors and taking part in such a conference shall be deemed to be present in person at the meeting for all purposes and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no director is present in that place) where the largest group of those participating in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is. The word "*meeting*" in the articles shall be construed accordingly.

Directors;  
power to vote on  
contracts in  
which they are  
interested

99. Without prejudice to his obligations of disclosure under the Act and the articles, a director may vote at any meeting of the directors or of a committee of the directors on, and be counted in the quorum present at a meeting relating to, any resolution concerning a transaction or arrangement with the company or in which the company is interested, or concerning any other matter in which the company is interested, notwithstanding that he is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the company.

Chairman and  
deputy  
chairman

100. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

Validity of acts  
of the board

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

## **SECRETARY**

Appointment  
and removal of  
secretary

102. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

## **MINUTES**

Minutes  
required to be  
kept

103. The directors shall cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the directors; and
- (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

## **SEAL AND DEEDS**

Authority  
required for  
execution

104. The seal shall only be used by the authority of a resolution of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument executed under the seal. If they do not, it shall be signed by at least one director and the secretary or by at least two directors. Any document may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the document or by applying the seal or a facsimile of it by any other means to the document. A document signed, with the authority of a resolution of the directors, by a director and the secretary or by two directors and expressed (in whatever form of words) to be executed by the company has the same effect as if executed under the seal. For the purpose of the preceding sentence only, "secretary" shall have the same meaning as in the Act and not the meaning given to it by article 2.

Official seal for  
use abroad

105. The company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad.

## **CERTIFICATION**

Certified copies

106. Any director or the secretary or any person appointed by the directors for the purpose shall have power to authenticate any documents affecting the constitution of the company and any resolutions passed by the company or the holders of any class of shares of the company or the directors or any committee of the directors, and any books, records, documents and accounts relating to the business of the company, and to certify copies thereof or extracts therefrom as true copies or extracts, in each case whether in physical or electronic form. A document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting; of the company or the holders of any class of shares of the company or of the directors or any committee of the directors, whether in physical form or electronic form, that is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the company in reliance on it that such resolution was duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.



## RECORD DATES

Record of dates for dividends, etc. 107. Notwithstanding any other provision of these articles, the company or the directors may fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made.

## DIVIDENDS

Declaration of dividends 108. Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.

Interim dividends 109. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors 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 directors may also pay at intervals settled by them any dividend payable £.t a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they 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.

Appointment of dividends 110. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

Dividends in specie 111. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

Procedure for payment to holders and others entitled 112. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good

discharge to the company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

Interest payable not 113. No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.

Forfeiture unclaimed dividends of 114. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

#### ACCOUNTS

Rights to inspect 115. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

#### CAPITALISATION OF PROFITS

116. The directors may with the authority of an ordinary resolution of the company:

- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;
- (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
- (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and
- (d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for this allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

## NOTICES

**Form of notice** 117. Form of notice H7. Any notice to be sent to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be contained in writing. Any such notice may be sent using electronic communications to such address (if any) for the time being notified for that purpose to the person sending the notice by or on behalf of the person to whom the notice is sent.

**Method of giving notice to member** 118. The company may serve or deliver any notice or other document on or to a member by whichever of the following methods it may in its absolute discretion determine:

- (a) personally; or
- (b) by sending it by post in a prepaid envelope addressed to the member at his registered address; or
- (c) by leaving it at that address; or
- (d) to the member's usual address; or
- (e) by sending it by facsimile transmission to the member at the last telephone number (if any) which the member has given the company for this purpose; or
- (f) by sending the notice or other document using electronic communications to such address (if any) for the time being notified to the company by or on behalf of the member for that purpose; or

by any other method approved by the directors.

**Deemed receipt of notice** 119. A member present, either in person or by proxy at any meeting of the company of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

**Transferees etc. bound by prior notice** 120. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

**Notice to joint holders** 121. In the case of joint holders of a share, all notices or other documents shall be served on or delivered to the joint holder whose name stands first in the register of members in respect of the joint holding and any notice or other document so served or delivered shall be deemed for all purposes sufficient service on or delivery to all the joint holders.

**Registered address outside the UK** 122. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise:

- (a) no such member shall be entitled to receive any notice from the company;

- (b) without prejudice to the generality of the foregoing, any notice of a general meeting of the company which is in fact given or purports to be given to such members shall be ignored for the purpose of determining the validity of the proceedings at such general meeting.

123. The directors may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic communications for the sending of notices, other documents and proxy appointments by the company to members or persons entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law and by members or such persons entitled by transmission to the company.

124. (a) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice or other document contained in Jin electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators current at the date of adoption of these articles, or, if the directors so resolve, any subsequent guidance so issued, shall be conclusive evidence that the notice or document was sent. A notice sent by post shall be deemed given:

- (i) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom or, by a postal service similar to first class or special delivery post from an address in another country to another address in that other country, on the day following that on which the envelope containing it was posted;
- (ii) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the envelope containing it was posted; and

in any other case, on the fifth day following that on which the envelope containing it was posted.

**When other notices deemed served** 125. A notice left at the registered address of a member or sent by facsimile transmission to a member at the last telephone number (if any) which the member has given the company for this purpose shall be deemed given at the time the notice is received.

**When notices etc. deemed sent by electronic communication** 126. A notice or other document sent by the company to a member contained in an electronic communication shall be deemed sent to the member on the day following that on which the electronic communication was sent to the member. Such a notice or other document shall be deemed sent by the company to the member on that day notwithstanding that the company becomes aware that the member has failed to receive the relevant notice or other document for any reason and notwithstanding that the company subsequently sends a copy of such notice or other document by post to the member.

## WINDING UP

Liquidator may distribute in specie 127. If the company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. 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 accept any assets upon which there is a liability.

## INDEMNITY

Indemnity to directors, officers etc. 128. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer of the company shall be indemnified out of the assets of the company against all costs, charges, losses, expenses and liabilities incurred by him in the execution or discharge of his duties or the exercise of his powers or otherwise in relation thereto, including (but without limitation) any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

## CONTENTS

CLAUSE	PAGE
PRELIMINARY .....	1
SHARE CAPITAL .....	3
SHARE CERTIFICATES .....	4
LIEN .....	4
CALLS ON SHARES AND FORFEITURE .....	5
TRANSFER OF SHARES .....	6
TRANSMISSION OF SHARES .....	7
ALTERATION OF SHARE CAPITAL .....	7
PURCHASE OF OWN SHARES .....	8
GENERAL MEETINGS .....	8
VOTES OF MEMBERS .....	11
PROXIES AND REPRESENTATIVES IF BODIES CORPORATE .....	11
ALTERNATE DIRECTORS .....	14
POWERS OF DIRECTORS .....	15
DELEGATION OF POWERS OF THE DIRECTORS .....	16
APPOINTMENT AND REMOVAL OF DIRECTORS .....	16
REMUNERATION OF DIRECTORS .....	18
DIRECTORS' EXPENSES .....	18
DIRECTORS' APPOINTMENTS AND INTERESTS .....	18
GRATUITIES, PENSIONS AND INSURANCE .....	19
PROCEEDINGS OF DIRECTORS .....	20
SECRETARY .....	22
MINUTES .....	22
SEAL AND DEEDS .....	22
CERTIFICATION .....	22
RECORD DATES .....	23
DIVIDENDS .....	23
ACCOUNTS .....	24
CAPITALISATION OF PROFITS .....	24
NOTICES .....	25

WINDING UP .....	27
INDEMNITY .....	27