

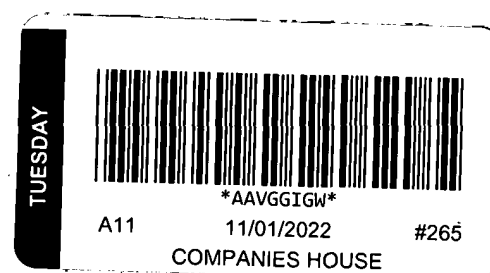
**Company No: 01812912**

**AMENDED**  
**MEMORANDUM AND ARTICLES OF ASSOCIATION OF**  
**NETCALL PLC**

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ADOPTED AT THE ANNUAL GENERAL MEETING HELD ON 16 December 2021

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# MEMORANDUM OF ASSOCIATION

OF

**NETCALL plc**

WE, the several persons whose Names, Addresses and Descriptions 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
ROY C. KEEN Temple Chambers, Temple Avenue, London EC4Y 0HP.  Company Director.	One
NIGEL L. BLOOD Temple Chambers, Temple Avenue, London EC4Y 0HP.  Company Director.	One

Dated this 1<sup>st</sup> day of January, 1985.

Witness to the above Signatures:-

J. JEREMY A. COWDRY  
Temple Chambers,  
Temple Avenue,  
London EC4Y 0HP.

Company Director.

**Company No: 01812912**

**AMENDED**  
**ARTICLES OF ASSOCIATION OF**  
**NETCALL PLC**

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ADOPTED AT THE ANNUAL GENERAL MEETING HELD ON 16 December 2021

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**PUBLIC COMPANY LIMITED BY SHARES**  
**AMENDED ARTICLES OF ASSOCIATION**

**of**  
**NETCALL PLC**

**(Adopted by special resolution passed on 16 December 2021)**

**GENERAL**

- 1 No regulations set out in any statute (including any schedule thereto) or in any subordinate legislation shall apply as regulations or articles of association of the Company.

**INTERPRETATION**

- 2 In these Articles:

- 2.1 unless the context otherwise requires:

**"Act"**

the Companies Act 2006 (including any modification or re-enactment for the time being in force);

**"these Articles"**

these articles of association, including any changes made to them, and the expression 'this article' refers to a particular article in these articles of association;

**"Auditors"**

the auditors for the time being of the Company;

**"Bank of England Base Rate"**

the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998;

**"Board"**

the Directors or any of them acting as the board of directors of the Company;

**"business day"**

a day (not being a Saturday or Sunday) on which clearing banks are open for business in London;

**"certificated share"**

a share of the Company which is not a CREST share and is normally held in certificated form;

**"clear days"**

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

**"Company Communication Provisions"**

Shall have the same meaning as in the Act;

**"CREST"**

the electronic settlement system for securities traded on a recognised investment exchange and owned by Euroclear UK & Ireland Limited;

**"CREST share"**

a share which is noted on the shareholders' register as being held through CREST in uncertificated form;

**"Directors"**

the executive and non-executive directors of the Company who make up its board of directors (and 'Director' means any one of them) or the Directors present at a meeting of the Directors at which a quorum is present;

**"electronic form"**

the meaning ascribed thereto by section 1168 of the Act;

**"Group"**

the Company and its subsidiary or associated companies from time to time;

**"hard copy form"**

has the meaning given in section 1168 of the Act;

**"holder"**

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

**"legislation"**

every statute (and any orders, regulations or other subordinate legislation made under it) applying to the Company;

**"London Stock Exchange"**

the London Stock Exchange plc or its successors;

**"member"**

a member of the Company;

**"month"**

a calendar month;

**"Office"**

the registered office for the time being of the Company;

**"Recognised Person"**

a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange each of which terms has the meaning given to it by section 285 of the Financial Services and Markets Act 2000;

**"Register"**

the register of members of the Company (required to be kept pursuant to section 113 of the Act);

**"Seal"**

means any common or official seal that the Company may be permitted to have under the legislation;

**"shareholder"** a holder of the Company's shares;

**"Transfer Office"**

the place where the Register is kept for the time being (subject to the requirements of section 114 of the Act);

**"uncertificated securities rules"**

any provision in the legislation which relates to CREST shares or to the transfer of CREST shares or how the ownership of CREST shares is evidenced;

**"United Kingdom"**

Great Britain and Northern Ireland;

**"UK Listing Authority"**

the Financial Services Authority in its capacity as competent authority for official listing under Part VI of the Financial Services and Markets Act 2000;

**"in writing"**

means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise;

**2.2 any reference to:**

2.2.1 "dividend" includes bonus;

2.2.2 the "secretary" includes (subject to the legislation) any assistant or deputy secretary of the Company appointed pursuant to these Articles and any person duly appointed by the Directors to perform any of the duties of the secretary of the Company and, where two or more persons are duly appointed to act as joint secretaries of the Company, includes any one of those persons;

2.2.3 "paid up" includes credited as paid-up;

2.3 words denoting the singular number also include the plural number and vice versa, words denoting one gender include the others and words denoting persons include individuals, corporations and unincorporated associations;

2.4 words and expressions defined in the legislation shall, unless the context otherwise requires, have the same meanings in these Articles;

2.5 the headings in these Articles are for ease of reference only and shall not affect construction;

2.6 any reference to any statute or statutory provision shall be construed as a reference to such statute or statutory provision as amended, re-enacted or replaced from time to time;

2.7 where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose; and

2.8 in these Articles:

2.8.1 powers of delegation shall not be restrictively construed but the widest interpretation shall be given thereto;

2.8.2 the word Board 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;

2.8.3 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

- 2.8.4 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 power.

## **SHARE CAPITAL**

### **3 Capital**

The share capital of the Company at the date of adoption of these Articles is comprised of ordinary shares of five pence each with no maximum amount of authorised share capital.

### **4 Issue and Allotment of shares**

- 4.1 Subject to the Articles, but without prejudice to the rights attaching to any ordinary share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 4.2 Any decision about whether or not to issue shares and about any rights or restrictions attaching to them shall be made by the Directors subject to any pre-existing resolution of shareholders to the contrary. The Directors may, in their discretion, express such a decision to be subject to the approval of the shareholders.
- 4.3 Subject to 4.1 and 4.2 above and to the provisions of the legislation regarding pre-emption rights and any resolution of the Company relating thereto or relating to any authority to allot relevant securities, all of the shares of the Company for the time being unissued shall be under the control of the Directors who may generally and unconditionally allot (with or without conferring a right of renunciation), grant options over, offer or otherwise deal with or dispose of the same to or in favour of such persons, on such terms and conditions, at a premium or at par and at such times as the directors think fit.
- 4.4 The Board may at any time after the allotment of a share but before a person has been entered in the Register as the holder of the share recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on such terms and conditions as the Board thinks fit.

### **5 Redeemable shares**

Subject to any rights attached to existing shares, the Company may issue shares which can be redeemed. This shall include shares which can be redeemed if the holders want to do so, as well as shares which the Company can insist on redeeming and the Directors may determine the terms, conditions and manner of redemption of any such shares.

### **6 Payment of commission**

In addition to all other powers of paying commissions, the Company may exercise the powers conferred by the legislation of paying commissions to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company. Subject to the provisions of the legislation, such commission may be satisfied by payment of cash or (with the sanction of an ordinary resolution of the Company) the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

**Trusts not recognised**

Except as required by law and notwithstanding any information received by the Company pursuant to any statutory provision relating to the disclosure of interests in voting shares or otherwise, no person shall be recognised by the Company as holding any share upon any trust and (except only as by these Articles or by law otherwise expressly provided or as by legislation required or under an order of a court of competent jurisdiction) the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fraction or part of a share or any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

**VARIATION OF RIGHTS****Consent to variation**

Subject to the provisions of the legislation, if at any time the capital of the Company is divided into different classes of shares all or any of the rights or privileges attached to any class may be varied or abrogated:

- 8.1 in such manner (if any) as may be provided by such rights; or
- 8.2 in the absence of any such provision, either with the consent in writing of the holders of at least 75% (seventy-five per cent) of the nominal amount of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting (convened and conducted pursuant to the provisions of Article 83) of the holders of the issued shares of that class, but not otherwise.

The creation or issue of shares ranking *pari passu* with or subsequent to the shares of any class shall not (unless otherwise expressly provided by these Articles or the rights attached to such last-mentioned shares as a class) be deemed to be a variation of the rights of such shares. A reduction of the capital paid up on any shares of any class will not be deemed to constitute a variation or abrogation of the rights attached to those shares. A purchase or redemption by the Company of any of its own shares in accordance with the provisions of the Act and of these Articles shall not be deemed to be a variation of the rights attaching to any shares.

**SHARE CERTIFICATES****CREST shares**

Unless otherwise determined by the Board and permitted by the uncertificated securities rules, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument by virtue of the uncertificated securities rules. The Board shall have power to implement any arrangements it may, in its absolute discretion, think fit in relation to the evidencing of title to, and transfer of, uncertificated shares (subject always to the uncertificated securities rules and the facilities and requirements of CREST). CREST shares do not form a class of shares separate from certified shares with the same rights.

**Conversion**

Conversion of certificated shares into uncertificated shares, and vice versa, may be made in such manner as the Board may, in its absolute discretion, think fit (subject always to the uncertificated securities rules and the facilities and requirements of CREST).

11 **Registration of shares**

The Company shall enter on the register of members how many shares are held by each member in uncertificated form and in certificated form and shall maintain the register in each case as is required by the uncertificated securities rules and CREST. Unless the Board otherwise determines, holdings of the same holder or joint holders in certificated and uncertificated form shall be treated as separate holdings.

12 **Certificated and uncertificated shares**

A class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and CREST shares or as a result of any provision of these Articles or the uncertificated securities rules which apply only in respect of certificated shares or uncertificated shares.

13 **Member's right to share certificates and time for delivery**

Subject to the provisions of Article 9, every member, upon becoming the holder of any shares (except a Recognised Person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) 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 Board may from time to time determine. Every certificate shall be executed under the Seal or in such other manner as the Board 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. Shares of different classes may not be included in the same certificate.

14 **Sealing of share certificates**

Every certificate for shares or debentures shall be issued under the Seal, under the official seal kept by the Company by virtue of section 45 of the Act or in such other manner as the Board may approve having regard to the terms of issue and any listing requirements.

15 **Cost of certificates**

Every member shall be entitled without charge to one certificate for all his shares, and when the capital of the Company is divided into different classes of shares to one certificate for all his shares in each class **PROVIDED THAT**, in the case of any share registered in the names of two or more persons, the Company shall not be bound to issue more than one certificate in respect thereof to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Where a member (other than a Recognised Person) transfers part of the shares to which any certificate relates, he shall be entitled to a certificate for the balance thereof without charge. Every certificate shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up thereon.

16 **Issue of a new certificate in the place of one damaged, lost or destroyed**

If any certificate is damaged or defaced, then, upon delivery thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof. If any certificate be lost, stolen or destroyed, then, upon such

indemnity (with or without security) as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost, stolen or destroyed certificate. Every certificate issued under this Article 16 shall be issued without payment but there shall be paid to the Company a sum equal to any exceptional out of pocket expenses incurred by the Company in preparing any such indemnity and/or security referred to in this Article 16.

17 **Shares not to have distinguishing numbers**

If, at any time, all the issued shares of the Company, or all the issued shares of a particular class are fully paid up and rank *pari passu* for all purposes, none of those shares shall thereafter (subject to any resolution of the Directors to the contrary) have a distinguishing number so long as it remains fully paid up and ranks *pari passu* for all purposes with all shares of the same class for the time being issued and fully paid up.

**CALLS ON SHARES**

18 **Calls**

The Directors may, subject to the provisions of these Articles and to any relevant terms of allotment thereof, from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (whether in respect of nominal value or a premium). Each member shall, subject to being given fourteen days' notice at least of each call, pay the amount of each call so made on him to the person and at the time and place specified by the Directors in such notice. A call may be made payable by instalments. A call shall be deemed to have been made as soon as the resolution of the Directors authorising such call shall have been passed. A call may be revoked or postponed in whole or in part as the Directors may determine. A person on whom a call is made remains liable to pay the amount called despite the subsequent transfer of the share in respect of which the call is made.

19 **Liability of joint holders of shares**

The joint holders of a share shall be jointly and severally liable for payment of all instalments and calls in respect thereof and any one of such persons may give effectual receipts for any return of capital payable in respect of such share.

20 **Instalments to be treated as calls and power to differentiate**

If by the terms of any prospectus, listing particulars or any other document relating to an issue of shares in the Company or by the conditions of allotment any amount is payable in respect of any shares by instalments, every such instalment shall be payable as if it were a call duly made by the Directors of which due notice had been given. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

21 **When interest on calls or instalment payable**

If the call or instalment payable in respect of any share is not paid on or before the day appointed for payment thereof, the person from whom the amount of the call or instalment is due shall pay interest on the unpaid amount at such rate as the Directors will decide which must not exceed the Bank of England base rate by more than 5% from the time appointed for payment thereof until the actual payment thereof, and shall not receive any dividend in respect of the amount unpaid. The member shall also be liable to pay all expenses incurred by the Company as a result of the non-payment of the call. The Board may waive payment of the expenses and interest in whole or in part.

22 **Payment of calls in advance**

The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money unpaid upon the shares held by him beyond the sums actually called up; and upon the money paid in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance shall have been made, the Company may pay interest at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, a rate more than 5% above the Bank of England base rate) as the member paying such sum in advance and the Directors agree upon. A payment in advance of calls extinguishes to the extent of the payment the liability of the member on the shares in respect of which it is made.

23 **Sums due on allotment to be treated as calls**

Any sum which by or pursuant to the terms of allotment of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by or pursuant to the terms of allotment the same becomes payable and, in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

24 **Power to make calls if uncalled capital included in mortgage**

If any uncalled capital of the Company is included in or charged by any mortgage, charge or other security, the Directors may delegate to the person in whose favour such mortgage, charge or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys. The power so delegated may (if so expressed) be assignable.

**FORFEITURE OF SHARES**

25 **If call or instalment not paid, notice may be given**

If any member fails to pay the whole or any part of any call or instalment on or before the day appointed for the payment thereof, the Directors may, at any time thereafter during such time as the call or instalment or any part thereof remains unpaid, serve a notice on such member or on a person entitled by transmission to the relevant share requiring him to pay such call or such part thereof as remains unpaid, together with any interest that may have accrued thereon and all costs, charges and expenses incurred by the Company by reason of such non-payment.

26 **Form of notice**

The notice shall name the day (not being less than fourteen days after the date of service of the notice) on and the place at which such call or instalment (or such part thereof as remains unpaid) and such interest, costs, charges and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

27 **If notice not complied with, shares may be forfeited**

If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice shall have been given may at any time thereafter, and before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared or other amounts payable in respect of the forfeited shares and not actually paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture shall include surrender.

28 **Forfeited shares to become the property of the Company**

When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share or the person entitled by transmission to the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give notice as aforesaid. Subject to the provisions of the legislation, any share so forfeited and the rights attaching to it shall be deemed to be the property of the Company, no voting rights shall be exercised in respect thereof and the Directors may within three years of such forfeiture sell, re-allot or otherwise dispose of the same in such manner as they think fit either to the person who was before the forfeiture the holder thereof or to any other person, and either with or without any past or accruing dividends and, in the case of re-allotment, with or without any money paid thereon by the former holder being credited as paid-up thereon. The Directors may, if necessary, authorise some person to execute a transfer of a forfeited share to any such other person as aforesaid. Any share not disposed of in accordance with the foregoing within a period of three years from the date of its forfeiture shall thereupon be cancelled in accordance with the provisions of the legislation.

29 **Directors' power to annul forfeiture**

The Directors may at any time, before any share so forfeited shall have been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture upon such conditions as they think fit.

30 **Arrears to be paid notwithstanding forfeiture**

A member whose shares have been forfeited shall thereupon cease to be a member in respect of such shares but shall nevertheless remain liable to pay (and shall forthwith pay) to the Company all calls, instalments, interest, costs, charges and expenses owing upon or in respect of such shares at the time of forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as may be fixed by the terms of allotment of the shares or, if no rate is so fixed, at such rate not exceeding 5% above the Bank of England base rate as the Directors may determine, and the Directors may enforce payment thereof if they think fit without any allowance for the value of the shares at the time of forfeiture.

31 **Statutory declaration by Director as to forfeiture**

A statutory declaration in writing that the declarant is a Director or the secretary of the Company and that a share has been duly forfeited in pursuance of these Articles, and stating the time when it was forfeited, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated and such declaration, together with, in the case of certificated shares, a duly sealed certificate of proprietorship of the share delivered to a purchaser or allotted thereto, shall (subject to the execution of any necessary transfer) constitute a good title to the share, and the new holder thereof shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected

by any omission, irregularity or invalidity in or relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

## **LIEN ON SHARES**

### **32 Company's lien on shares**

The Company shall have a first and paramount lien and charge upon all the shares, other than fully paid-up shares, registered in the name of each member (whether solely or jointly with other persons) for any amount payable in respect of such shares, whether the time for payment thereof shall have actually arrived or not and such lien shall extend to all dividends from time to time declared or other moneys payable in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall not operate as a waiver of the Company's lien, if any, on such shares.

### **33 Enforcement of lien by sale**

For the purpose of enforcing such a lien, the Directors may sell all or any of the shares subject thereto, in such manner as they think fit, but no such sale shall be made until such time for payment referred to in Article 32 shall have arrived and until notice in writing stating, and demanding payment of, the sum payable and giving notice of the intention to sell in default of such payment shall have been served in such manner as the Directors shall think fit on such member (or to a person entitled by transmission to the shares) and default shall have been made by him in the payment of such amounts payable for seven days after such notice.

### **34 Application of proceeds of sale**

The net proceeds of any such sale, after payment of the costs thereof, shall be applied by the Company in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (on surrender to the Company for cancellation of the certificate for the shares sold, or the provision of an indemnity (with or without security) as to any lost or destroyed certificate required by the Board and subject to a like lien for sums not presently payable upon the share before the sale) be paid to the member or the person (if any) entitled by transmission to the shares.

### **35 Validity of sale for enforcing lien**

Upon any sale for enforcing any lien in purported exercise of the powers hereinbefore given, the Directors may, in the case of certificated shares, nominate some person to execute a transfer of the shares sold in the name and on behalf of the registered holder or the person entitled by transmission to the shares and may in any case cause the name of the purchaser to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and, after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

## **TRANSFER OF SHARES**

### **36 CREST shares**

All transfers of CREST shares shall be made in accordance with and be subject to the uncertificated securities rules and, subject thereto in accordance with any arrangements made by the Board pursuant to Article 9.

37 **Form of transfer**

All transfers of certificated shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.

38 **Directors power to refuse registration of transfers**

The Directors may, in their absolute discretion (but subject to any rules or regulations of the London Stock Exchange applicable to the Company from time to time) and without assigning any reason therefor, refuse to register any transfer of shares or renunciation of a renounceable letter of allotment:

38.1 unless all of the following conditions are satisfied:

- 38.1.1 it is in respect of a fully paid share;
- 38.1.2 it is in respect of a share on which the Company does not have a lien;
- 38.1.3 it is in respect of only one class of share;
- 38.1.4 it is in favour of a single transferee or renouncee or not more than four joint holders as transferees or renouncees;
- 38.1.5 it is duly stamped or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty;
- 38.1.6 the conditions referred to in Article 39 have been satisfied in respect thereof;

38.2 if (subject to Article 74.2) the transferor or renouncer of which or any person appearing to be interested in which has been duly served with, but is in default in complying with, a statutory notice as described in Article 74.1.2, **PROVIDED ALWAYS THAT** this paragraph 38.2 shall not apply in respect of a transfer or renunciation (i) which is a Permitted Sale within the meaning set out in Article 74.2 or (ii) of shares by a transferor or renouncer whose holding of shares immediately prior to the proposed transfer represents less than 0.25 % (one-quarter of one per cent) of the issued shares of the relevant class;

38.3 in respect of a transfer of CREST shares in such other circumstances (if any) as may be permitted by the uncertificated securities rules and the requirements of CREST, and, if the Directors refuse to register a transfer or renunciation, they shall, within two months after the date on which in the case of certificated shares the transfer or renunciation was lodged with the Company send to the transferee or renouncee notice of the refusal or, in the case of CREST shares, the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the facilities and requirements of CREST.

39 **Registration of transfers**

Every instrument of transfer must be left at the Transfer Office (or at such other place as the Directors may from time to time determine) to be registered, accompanied by the relevant share certificate(s) (save in the case of a Recognised Person where a share certificate has not been issued in respect of the shares in question or in the case of a renunciation), and such other evidence as the Directors may reasonably require to prove the title of the transferee or renouncer and the due

execution by him or his duly authorised agent of the transfer or renunciation. Thereafter, the Directors, subject to the power vested in them by Article 38, shall register the transferee or renouncer as the holder.

**40      No fee on registration**

No fee shall be chargeable by the Company for registering any transfer, renunciation of a renounceable letter of allotment, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or the right to transfer the same or otherwise for making any entry in the Register.

**41      Suspension of registration and closing of Register**

The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares. The Register shall not be closed for more than thirty days in any year and notice of closure shall be given by advertisement in accordance with the legislation.

**42      Retention of instruments of transfer**

All instruments of transfer which are registered shall, subject to Article 43(1), be retained by the Company but any instrument of transfer which the Directors may refuse to register shall (except in the case of suspected fraud) be returned to the person depositing the same.

**43      Destruction of transfers and other documents**

**43.1    The Company shall be entitled to destroy:**

- 43.1.1    all instruments of transfer (including a document constituting the renunciation of an allotment of shares) which have been registered at any time after the expiration of six years from the date of registration thereof;
- 43.1.2    all dividend mandates and any variations or cancellations thereof and all notifications of change of address at any time after the expiration of two years from the date of recording thereof;
- 43.1.3    all share certificates which have been cancelled at any time after the expiration of one year from the date of such cancellation; and
- 43.1.4    any other document on the basis of which any entry in the Register has been made at any time after the expiration of six years from the date on which an entry in the Register was first made in respect of it;

**PROVIDED ALWAYS THAT** any such instrument, mandate, variation, cancellation, notification, certificate, or other document may be destroyed before the expiration of the relevant period as aforesaid if an accurate, complete and legible copy thereof is retained on microfilm or any other mechanical or electronic method of recording and maintaining such copies.

**43.2    It shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid and effective document duly and properly cancelled, that every other document hereinbefore mentioned so destroyed was a**

valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company **PROVIDED ALWAYS THAT:**

43.2.1 the provisions aforesaid shall apply only to the destruction of a document effected in good faith and without express notice to the Company of any claim (regardless of the parties thereto) to which the document might be relevant;

43.2.2 nothing contained in this Article 43 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso 43.2.1 above are not fulfilled; and

43.2.3 references in this Article 43 to the destruction of a document include references to the disposal thereof in any manner.

### **TRANSMISSION OF SHARES**

#### **44 Representatives of interests of deceased members**

The executors or administrators of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to shares held by him alone; but, in the case of shares held by more than one person, the survivor or survivors only shall be recognised by the Company as being entitled to such shares. Nothing in this Article 44 shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

#### **45 Election in case of death or bankruptcy of member**

Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may, upon such evidence being produced as may be required by the Directors, elect either to be registered as a member (in respect of which registration no fee shall be payable) by giving notice in writing to that effect or, without being so registered, execute a transfer to some other person who shall be registered as a transferee of such share and the execution of such a transfer shall signify his election as aforesaid; but the Directors shall in either case have the like power of declining or refusing to register such transfer as is provided with respect to ordinary transfers. The Directors may at any time give notice requiring any such person to elect as aforesaid and, if such notice is not complied with within sixty days, the Directors may thereafter withhold payment of all dividends and other moneys payable in respect of such share until compliance therewith.

#### **46 Rights as to dividends and voting**

Any person becoming entitled to a share in consequence of the death or bankruptcy of any member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, unless and until he is registered as a member in respect of the share, be entitled in respect of it to receive notices of or to exercise or enjoy any right or privilege conferred by membership in relation to meetings of the Company.

## **CONSOLIDATION AND SUB-DIVISION OF SHARES**

### **47 Consolidation**

The Company may by ordinary resolution consolidate and divide its shares, or any of them, into shares of a larger amount.

### **48 Sub-division**

The Company may by ordinary resolution sub-divide its shares, or any of them, into shares of a smaller amount subject to any restriction in the legislation and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preferred or other advantage as regards dividend, capital, voting or otherwise over or shall have such deferred rights or be subject to such restrictions as compared with the other or others as the Company has power to attach to shares upon the allotment thereof.

49 Subject to any direction by the Company in general meeting and any restriction in the legislation, whenever as the result of any consolidation and division or sub-division of shares members of the Company are entitled to any issued shares of the Company in fractions, the Directors may deal with such fractions as they shall determine and, in particular, may:

49.1 sell the shares to which members are so entitled in fractions for the best price reasonably obtainable and pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof provided always that, where a member is entitled to net proceeds of sale of less than £3 (or such other amount as the Board, having regard to any relevant requirement of the London Stock Exchange in relation thereto, may determine), they will not be distributed as aforesaid but will be retained for the benefit of the Company. For the purpose of giving effect to any such sale, the Directors may, in the case of certificated shares, nominate some person to execute a transfer of the shares, or, in the case of CREST shares, nominate some person to transfer such shares on behalf of the members so entitled to the purchaser thereof and may cause the name of the purchaser to be entered in the Register as the holder of the shares comprised in any such transfer and he 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 or invalidity in the proceedings in reference to the sale; or

49.2 subject to the legislation, issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub-division, leaves a whole number of shares (such issue being deemed to have been effected immediately before consolidation or sub-division, as the case may be). The amount required to pay up those shares may be capitalised as the Board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the Board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to Article 136. In relation to the capitalisation the Board may exercise all the powers conferred on it by Article 136 without an ordinary resolution of the Company.

## **CONVERSION OF SHARES INTO STOCK**

### **50 Paid-up shares convertible into stock**

The Company may from time to time by ordinary resolution convert all or any fully paid-up shares into stock of the same class as the shares which shall be so

converted and may from time to time in like manner reconvert such stock into fully paid-up shares of the same class and of any denomination.

51      **Transfer of stock**

When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which any shares in the capital of the Company may be transferred, or as near thereto as circumstances admit, but the Directors may from time to time fix the minimum amount of stock transferable (which minimum shall not exceed the nominal amount of the shares from which the stock arose) and direct that fractions of that minimum shall not be transferred, but with power at their discretion to waive such rules in any particular case.

52      **Privilege of stockholders**

The several holders of such stock shall be entitled to participate in the dividends and profits of the Company according to the class of stock and the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company and for other purposes as would have been conferred by shares of the same class of equal amount in the capital of the Company, but so that none of such privileges or advantages, except the participation in the dividends and profits of the Company and in the assets of the Company on a winding up, shall be conferred by any such amounts of stock as would not, if existing in the shares, have conferred such privileges or advantages.

53      **Definitions of "stock" and "stockholder"**

All such provisions of these Articles relating to shares as are applicable to fully paid-up shares shall apply to stock, and in all such provisions the words "share" and "shareholders" shall include "stock" and "stockholder". No such conversion shall affect or prejudice any preference or other special privilege.

**INCREASE OF CAPITAL**

54      **Increase of capital**

The Company may, from time to time, pursuant to section 617 of the Act, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the Directors may prescribe. Subject to such privileges, priorities or conditions as are or may be attached thereto, all new shares shall be subject to the same provisions in all respects as if they had been part of the original capital.

55      **Power to attach rights to new shares**

Subject to the provisions of the legislation, any new shares in the capital of the Company may be allotted with such preferential right to dividend and such priority in the distribution of assets or subject to such postponement of dividends or in the distribution of assets and with or subject to such preferential or limited or qualified right of voting at general meetings as the Company may from time to time by special resolution determine or, if no such determination be made, as the Directors shall determine, but so that the rights attached to any issued shares as a class shall not be varied except with the consent of the holders thereof duly given under the provisions of these Articles.

## **REDUCTION AND CANCELLATION OF CAPITAL**

### **56      Reduction of capital**

The Company may from time to time by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner authorised, and with and subject to any incident prescribed or allowed, by the legislation and the rights attached to existing shares.

### **57      Cancellation of capital**

The Company may by special resolution cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal value of the shares so cancelled.

## **PURCHASE OF OWN SHARES**

### **58      Company may purchase own shares**

The Company may purchase its own shares (including any redeemable shares) but so that no such purchase shall take place save in accordance with the legislation. For the avoidance of doubt any shares purchased by the Company may either be cancelled or held or dealt with as treasury shares pursuant to sections 724 to 731 inclusive of the Act.

## **GENERAL MEETINGS**

### **59      Requirements for General Meetings**

59.1      An annual general meeting must be held in each year and not more than fifteen months may elapse between successive annual general meetings.

59.2.1.   The Directors may call a general meeting at any time and have power to postpone a general meeting, (including for the avoidance of doubt, an annual general meeting), at their absolute discretion in the event of, but not limited to, governmental intervention or guidance, whether or not in consequence of national emergency or other such catastrophe.

59.2.2.   A general meeting, (including an annual general meeting), may be held by such electronic and/or virtual, audio visual, or, by a combination of such means with personal attendance, or such other mechanisms as the Directors may from time to time reasonably consider, in their absolute discretion, appropriate.

59.3      If any notice, document or other information relating to any meeting or other proceeding is accidentally not sent or supplied, or is not received (even if the Company becomes aware of such non-receipt) the meeting or other proceeding will not be invalid as a result.

59.4      A member present in person or by proxy at a shareholder's meeting is treated as having received proper notice of that meeting and, where necessary, of the purpose of that meeting.

### **60      Meetings at short notice**

A general meeting shall, notwithstanding that it is called by shorter notice than that specified in the Act, be deemed to have been duly called if it is so agreed by such members as are prescribed in that behalf by the legislation.

## **PROCEEDINGS AT GENERAL MEETINGS**

61 **Quorum**

Before a general meeting starts to do business, there must be a quorum present. Unless these articles say otherwise, a quorum for all purposes is two people who are entitled to vote. They can be shareholders who are personally present or proxies for shareholders or a combination of both. If a quorum is not present, a chairman of the meeting can still be chosen and this will not be treated as part of the business of the meeting.

62 **Proceedings if quorum not present**

If within thirty minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to such day (being at least 10 clear days after the original meeting) and to such time and place stated in the notice of the meeting. If the notice does not provide for this, the meeting shall be adjourned to a day (being at least 10 clear days later) as the chairman (or, in default, the Board) shall appoint. At any such adjourned meeting, the member or members present in person or by proxy and entitled to vote shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

63 **Chairman of general meeting**

The chairman (if any) of the Board or, in his absence, the deputy chairman (if any) shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither is present within fifteen minutes after the time appointed for holding the meeting or neither is willing to act, the Directors present shall select one of their number to be chairman failing which the members present and entitled to vote shall choose one of their number to be chairman. Nothing in these Articles is intended to restrict or exclude any of the powers or rights of a chairman of a meeting which are given by the legislation.

64 **Power to adjourn meetings**

64.1 The chairman of the meeting may, with the consent of the meeting (and shall, if so directed by the meeting) adjourn any meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

64.2 Without prejudice to any other power which he may have under the provisions of these Articles or at common law, the chairman of the meeting may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:

64.2.1 seize the proper and orderly conduct of the meeting; or

64.2.2 give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or

64.2.3 ensure that the business of the meeting is properly disposed of.

65      **Notice of adjournment**

If the continuation of an adjourned meeting is to take place three months or more after it was adjourned, notice of the adjourned meeting must be given in the same way as was required for the original meeting. Except where these Articles require it, there is no need to give notice of the adjourned meeting or of the business to be considered there.

66      **Accommodation of members at meeting**

If it appears to the chairman of the meeting that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting is duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able to:

- 66.1      participate in the business for which the meeting has been convened; and
- 66.2      hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communication equipment or otherwise), whether in the meeting place or elsewhere; and
- 66.3      be heard and seen by all other persons present in the same way.

67      **Security**

The Board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The Board is entitled to refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions.

68      **Demand for poll**

At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

- 68.1      the chairman of the meeting; or
- 68.2      at least five persons present at the meeting who are entitled to vote; or
- 68.3      a member or members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- 68.4      a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid equal to not less than one tenth of the total sum paid up on all the shares conferring that right.

A demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made.

**Evidence of passing of resolution**

Unless a poll is demanded and the demand is not withdrawn, a declaration by the chairman of the meeting 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 is made in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is demanded, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and, if so directed by the meeting, shall) appoint scrutineers, who need not be members, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

**Poll demanded by proxy**

A valid appointment of a proxy shall be deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and, for the purposes of Article 68 a demand by a proxy for a member or other person entitled to vote shall be deemed to be a demand by that member or other person.

**How poll to be taken**

A poll demanded on the election of a chairman of a general meeting or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman of the meeting may direct. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is announced. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

**VOTING****Votes of members**

Subject to any special terms as to voting upon which any shares may have been issued or may for the time being be held or a suspension or abrogation of voting rights pursuant to these Articles, every member present in person shall upon a show of hands have one vote and every member present in person or by proxy shall upon a poll have one vote for every share of which he is holder, unless the proxy has been appointed by more than one member and has been instructed by one or more of those members to vote against the resolution, in which case the proxy shall have one vote for and one vote against the resolution. A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or such other person may, on a poll, vote by proxy if evidence (to the satisfaction of the Board) of the authority of the person claiming to exercise the right to vote is deposited at the Office (or at another place specified in accordance with these Articles for the deposit of instruments of proxy) within the time limits prescribed by these Articles for the deposit of instruments of proxy for

use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

- 72.2 The Company will determine that only those persons entered on the Register no more than 48 hours before the commencement of the General Meeting or adjourned meeting shall be entitled to vote at such meeting of the Company. In calculating this, the Directors shall determine that no account shall be taken of any part of a day that is not a working day (within the meaning of Section 1173 of the Act).

73 **Joint owners**

If two or more persons are jointly entitled to shares for the time being conferring a right to vote, any one of such persons may vote at any meeting, either personally or by proxy, in respect thereof as if he were solely entitled thereto and, if more than one of such joint holders be present at any meeting, either personally or by proxy, the member whose name stands first on the Register as one of the holders of such shares, and no other, shall be entitled to vote in respect of the same.

74 **When members not to vote**

- 74.1 No member shall, unless the Directors otherwise determine, be entitled to be present or to vote, either in person or by proxy, at any general meeting or at a separate meeting of the holders of any class of shares or upon any poll or to exercise any privilege as a member in relation to meetings of the Company in respect of any shares held by him ("Relevant Shares") if either:

74.1.1 any calls or other moneys due and payable in respect of the Relevant Shares remain unpaid; or

74.1.2 he or any other person appearing to be interested in any Relevant Shares ("Other Person") has been duly served, pursuant to any provision of the legislation concerning the disclosure of interests in voting shares, with a notice (a "Statutory Notice") lawfully requiring the provision to the Company (within such period (not being less than fourteen days) after service of the Statutory Notice as is specified in such notice) of information regarding any of such Relevant Shares and he or such Other Person is in default in complying with the Statutory Notice.

For the purposes of paragraph 74.1.2, a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification pursuant to a Statutory Notice which fails to establish the identity of the person or persons interested in such shares and if (after taking into account such notification and any other relevant notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in such shares.

- 74.2 The prohibitions on transfer referred to in Article 38 and on attendance and voting at any general meeting and on exercising any privilege as described in Article 74.1 shall cease to apply in respect of the circumstances described in paragraph 74.1.2 upon the expiry of seven days after the earlier of:

74.2.1 receipt by the Company of notification that the Relevant Shares have been transferred pursuant to a Permitted Sale; and

74.2.2 due compliance, to the Company's satisfaction, with the Statutory Notice.

For these purposes, "Permitted Sale" means a sale of all the Relevant Shares to a bona fide third party who is not connected with the member concerned or any Other Person, being a sale which is effected through the London Stock Exchange,

through an overseas investment exchange (complying with the requirements of section 292 of the Financial Services and Markets Act 2000) or by acceptance of a takeover offer (as defined in section 974 of the Act).

75 **Votes may be given personally or by proxy**

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

76 **Appointment of proxy**

The appointment of a proxy shall be in the usual form, or such other form as shall be approved by the Directors, under the hand of the appointor or his duly authorised attorney or, if such appointor is a corporation, under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion. If a member appoints more than one proxy, he must specify the number of shares in relation to which each proxy is appointed and each proxy will only be entitled to exercise voting rights in relation to the number of shares for which he is appointed. If a member appoints more than one proxy, he must ensure that no more than one proxy is appointed in relation to any share. Deposit of an appointment of proxy shall not preclude a member from attending and voting in person at the meeting or any adjournment thereof or on a poll.

77 **Deposit of proxy forms**

In the case of an appointment of a proxy in writing, the appointment together with the power of attorney (if any) or other authority under which it is signed, or a notarially certified copy thereof, shall be deposited at the Office, or at such other place as is specified for that purpose in any instrument of proxy sent by the Company in relation to the meeting, not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote and, in default thereof, such instrument shall not be treated as valid.

In the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications in the notice convening the meeting, or in any form of proxy sent out by the Company in relation to the meeting, the appointment shall be received at such address not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote.

78 **Validity of proxy form**

The appointment of a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. No appointment of a proxy shall be valid after the expiry of twelve months from the date of its execution.

79 **When votes by proxy valid though authority revoked**

A vote given in accordance with the terms of an appointment of proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the appointment of proxy or the authority under which it was executed or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, incapacity, revocation or transfer shall have been received at the Office (or such other place as is specified for depositing the appointment of proxy or, where the appointment of the proxy was contained in an electronic communication,

at the address at which the appointment was duly received) before the time for holding the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given.

80 **Corporations acting by representatives**

Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meetings of the Company or of any class of members thereof. Such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder, including power, when personally present, to vote on a show of hands. The Directors may, but shall not be bound to, require evidence of the authority of any person purporting to act as the representative of any such corporation.

81 **Objections to and error in voting**

No objection may be made to the qualification of a voter or to the counting of, or failure to count, a vote, except at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. An objection properly made shall be referred to the chairman of the meeting and only invalidates the result of the voting if, in the opinion of the chairman of the meeting, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman of the meeting is conclusive and binding on all concerned.

82 **Amendments to resolutions**

If an amendment proposed to a resolution under consideration is ruled out of order by the chairman of the meeting in good faith the proceedings on the substantive resolution are not invalidated by an error in his ruling.

**CLASS MEETINGS**

83 **Separate general meetings**

If a separate general meeting of holders of shares of a class is called otherwise than for changing or abrogating the rights of the shares of that class, the provisions of these Articles relating to general meetings will apply to such a meeting with any necessary changes. A general meeting where ordinary shareholders are the only shareholders who can attend and vote in their capacity as shareholders will also constitute a separate general meeting of the holders of the ordinary shares.

**DIRECTORS AND OTHER OFFICERS**

84 **Number of Directors**

Unless and until otherwise determined by the Company in general meeting, the number of Directors shall not be less than three and, unless and until otherwise determined as aforesaid, the maximum number of Directors shall be eight (disregarding alternative directors). The continuing Directors may act notwithstanding any vacancy in their body, provided that if the number of the Directors be less than the prescribed minimum the remaining Directors shall forthwith appoint an additional Director or additional Directors to make up such minimum or shall convene a general meeting of the Company for the purpose of making such appointment. If there be no Director or Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors. Any additional Director so appointed shall (subject to the provisions of the legislation and these Articles) hold office only until the dissolution

of the annual general meeting of the Company next following such appointment unless he is reselected during such meeting and he shall not retire by rotation at such meeting or be taken into account in determining the rotation of retirement of Directors at such meeting.

85 **Fees of Directors**

There shall be paid out of the funds of the Company by way of remuneration of directors who are not managing or executive directors appointed under Article 92 fees at such rates as the Directors may from time to time determine provided that such fees do not in aggregate exceed a sum determined from time to time by the remuneration committee of the Board or such other figure as the Company may in general meeting from time to time determine. Such fees shall be divided among such Directors in such proportion or manner as may be determined by the Directors and, in default of determination, equally. A fee payable to a Director pursuant to this Article is distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of these Articles and accrues from day to day.

86 **Travelling and hotel expenses and special remuneration**

The Directors (including any alternate Directors) shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in respect of or about the performance of their duties as Directors including any expenses incurred in attending meetings of the Board or of committees of the Board or general meetings **PROVIDED THAT** if a Director or alternate Director is required to undertake any travel by aeroplane in the performance of his duties or in attending such meetings then the costs of any such aeroplane travel shall not be considered reasonable to the extent that they exceed the cost of "Business Class" tickets. If, in the opinion of the Directors, it is desirable that any of their number should go or reside abroad, make any special journeys or otherwise perform any special services on behalf of the Company or its business, such Director or Directors may be paid such reasonable additional remuneration (whether by way of fees, salary, percentage of profits or otherwise) and expenses therefor as the Directors may from time to time determine.

87 **Qualification of Directors and attendance at general meetings and separate general meetings**

A Director shall not be required to hold any shares in the Company by way of qualification. A Director who is not a member of the Company shall be entitled to receive notice of and attend and speak at all general meetings of the Company and at all separate general meetings of the holders of any class of shares in the capital of the Company.

88 **Directors' power to fill casual vacancies**

Without prejudice to the power of the Company pursuant to these Articles, the Directors shall have power at any time to appoint any person either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles. Subject to the provisions of the legislation and of these Articles, any Director so appointed shall hold office only until the dissolution of the annual general meeting of the Company next following such appointment unless he is reselected during such meeting, and he shall not retire by rotation at such meeting or be taken into account in determining the rotation of retirement of Directors at such meeting.

**ALTERNATE DIRECTORS**

89 **Appointment and revocation**

Any Director (other than an alternate Director) may by writing under his hand appoint (i) any other Director or (ii) any other person who is approved by the Board as hereinafter provided to be his alternate. Every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the Directors and all committees of the Board of which his appointor is a member and, in the absence from the Board of the Director appointing him, to attend and vote at meetings of the Directors, and to exercise all the powers, rights, duties and authorities of the Director appointing him. No appointment of a person other than a Director shall be operative unless and until the approval of the Board by a majority consisting of not less than two-thirds of the whole Board (which shall, for these purposes, exclude the Director proposing to make the appointment) shall have been given. A Director may at any time revoke the appointment of an alternate appointed by him and, subject to such approval as aforesaid where requisite, appoint another person in his place. If a Director shall die or cease to hold the office of Director, the appointment of his alternate shall thereupon cease and determine, provided always that if, any Director retires but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. The appointment of an alternate Director shall cease and determine on the happening (in relation to him) of any of those events described in Article 105.1-105.4. An alternate Director need not hold a share qualification and shall not be counted in reckoning any maximum number of Directors allowed by these Articles for the time being. A Director acting as alternate shall have an additional vote at meetings of Directors for each Director for whom he acts as alternate but he shall count as only one for the purpose of determining whether a quorum be present.

90 **Alternate to be responsible for his own acts**

Every person acting as an alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults. He shall not be deemed to be the agent of or for the Director appointing him.

91 **Remuneration of alternate**

An alternate Director is not entitled to a fee from the Company for his services as an alternate Director. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion (if any) of the last mentioned remuneration as shall be agreed between the alternate and the Director appointing him.

**MANAGING AND EXECUTIVE DIRECTORS**

92 **Appointment**

Subject to the provisions of the legislation, the Directors may from time to time appoint one or more of their body to any executive position or to hold such other executive office in relation to the management of the business of the Company as they may decide either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office, and may, from time to time (subject to the provisions of any service contract between him and the Company and without prejudice to any claim he may have for compensation or damages for breach of any such service contract) remove or dismiss him or them from such office and appoint another or others in his or their place or places.

93 **Remuneration of Directors**

The salary or remuneration of any executive Director of the Company shall, subject as provided in any contract, be such as the Directors may from time to time

determine, and may either be a fixed sum of money, or may altogether or in part be governed by the business done or profits made, or may include the making of provision for the payment to him, his widow or other dependants, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension, health insurance and life assurance benefits, or may be upon such other terms as the Directors determine.

94

#### **Powers**

The Directors may from time to time entrust to and confer upon any executive Director for the time being such of the powers exercisable under these Articles by the Directors (other than power to make calls or forfeit shares) as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they may think expedient. The Directors may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time increase, revoke, withdraw, alter or vary all or any of such powers.

### **POWERS AND DUTIES OF DIRECTORS**

95

#### **Directors to manage and control the business of the Company**

95.1

The business of the Company shall be managed by the Directors who, in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may

be exercised or done by the Company and as are not by the legislation or by these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to such directions (being not inconsistent with any provisions of these Articles or of the legislation) as may be given by the Company in general meeting. No direction given by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such direction had not been given. The provisions contained in these Articles as to any specific power of the Directors shall not be deemed to abridge, limit or restrict the general powers hereby given.

95.2

The Company may change its name by resolution of the Board.

96

#### **Directors power to award pensions**

96.1

The Directors may establish or concur or join with other companies (being subsidiary undertakings of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, annuities, sickness or compassionate allowances, life assurance benefits, donations, gratuities or other benefits for employees (which expression as used in this Article 96 shall include any Director who may hold or have held any office or place of profit) and ex-employees of the Company and of any such other companies and their wives, widows, relatives, families or dependants, or any class or classes of such persons.

96.2

The Directors may pay, enter into agreements to pay or make grants revocable or irrevocable (and either subject or not subject to any terms or conditions) of pensions or other retirement, superannuation, death or disability benefits to

Directors, employees and ex-employees and their wives, widows, relatives, families or dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such Directors, employees or ex-employees or any such persons are or may become entitled under any such scheme or fund as aforementioned. Any such pension or benefit may, as the Directors consider desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

- 96.3 The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid, or its members, and payments for or towards the insurance of any such person as aforesaid, and subscriptions or guarantees of money for charities, educational or benevolent objects or for any exhibition or for any public, general or useful object.
- 96.4 The Directors may also sanction the exercise of any power conferred upon the Company by section 247 of the Act.

## 97 **DIRECTORS INTERESTS**

### Conflicts of interest requiring authorisation by Directors

- 97.1 The Directors may, subject to the quorum and voting requirements set out in this Article, authorise any matter which would otherwise involve a Director breaching his duty under the legislation to avoid conflicts of interest ('Conflict').
- 97.2 A Director seeking authorisation in respect of a Conflict must tell the Directors of the nature and extent of his interest in a Conflict as soon as possible. The Director must give the Directors sufficient details of the relevant matter to enable them to decide how to address the Conflict together with any additional information which they may request.
- 97.3 Any Director (including the relevant Director) may propose that the relevant Director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the Directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the Directors under the provisions of these Articles except that:
- 97.3.1 the relevant Director and any other Director with a similar interest will not count in the quorum and will not vote on a resolution giving such authority; and
- 97.3.2 the relevant Director and any other Director with a similar interest may, if the other Directors so decide, be excluded from any meeting of the Directors while the Conflict is under consideration.
- 97.4 Where the Directors give authority in relation to a Conflict:
- 97.4.1 they may (whether at the time of giving the authority or subsequently) (a) require that the relevant Director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at Directors' meetings or otherwise) related to the Conflict; and (b) impose upon the relevant Director such other terms for the purpose of dealing with the Conflict as they think fit;

- 97.4.2 the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict;
- 97.4.3 the Directors may also provide that where the relevant Director obtains (otherwise than through his position as a Director of the Company) information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;
- 97.4.4 the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- 97.4.5 the Directors may revoke or vary such authority at any time but this will not affect anything done by the relevant Director prior to such revocation in accordance with the terms of such authority.

#### Other conflicts of interest

- 97.5 If a Director knows that he is in any way directly or indirectly interested in a proposed contract with the Company or a contract that has been entered into by the Company, he must tell the other Directors of the nature and extent of that interest in accordance with the legislation.
- 97.6 If he has disclosed the nature and extent of his interest in accordance with paragraph 97.5 a Director can do any one or more of the following:-
  - 97.6.1 have any kind of interest in a contract with or involving the Company or another company in which the Company has an interest;
  - 97.6.2 hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms, including as to remuneration, as the Directors may decide;
  - 97.6.3 alone or through a firm with which he is associated, do paid professional work for the Company or another company in which the Company has an interest (other than as auditor);
  - 97.6.4 be or become a Director or other officer of, or employed by or otherwise be interested in any holding company or subsidiary company of the Company or any other company in which the Company has an interest; and
  - 97.6.5 be or become a Director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of his appointment as a Director of that other company.

#### Benefits

- 97.7 A Director does not have to hand over to the Company any benefit he receives or profit he makes as a result of anything authorised under paragraph 97.1 or allowed under paragraph 97.6 nor is any type of contract authorised under paragraph 97.1 or allowed under paragraph 97.6 liable to be avoided.

#### Quorum and voting requirements

- 97.8 A Director cannot vote or be counted in the quorum on a resolution of the Directors

relating to appointing that Director to a position with the Company or a company in which the Company has an interest or the terms or the termination of the appointment.

- 97.9 This paragraph applies if the Directors are considering proposals about appointing two or more Directors to positions with the Company or any company in which the Company has an interest. It also applies if the Directors are considering setting or changing the terms of their appointment. These proposals can be split up to deal with each Director separately. If this is done, each Director can vote and be included in the quorum for each resolution, except any resolution concerning him or concerning the appointment of another Director to a position with a company in which the Company is interested where the Director has a Relevant Interest in it.
- 97.10 A Director cannot vote or be counted in the quorum on a resolution of the Directors about a contract in which he has an interest and, if he does vote, his vote will not be counted, but this prohibition will not apply to any resolution where that interest cannot reasonably be regarded as likely to give rise to a conflict of interest or where that interest is included in the following list:-
- 97.10.1 a resolution about giving him any guarantee, indemnity or security for money which he or any other person has lent, or obligations he or any other person has undertaken at the request of, or for the benefit of the Company or any of its subsidiary undertakings;
  - 97.10.2 a resolution about giving any guarantee, indemnity or security to another person for a debt or obligation which is owed by the Company or any of its subsidiary undertakings to that other person, if the Director has taken responsibility for some or all of that debt or obligation. The Director can take this responsibility by giving a guarantee, indemnity or security;
  - 97.10.3 a resolution about giving him any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;
  - 97.10.4 a resolution about the Company funding his expenditure on defending proceedings or the Company doing something to enable him to avoid incurring such expenditure where all other Directors are being offered substantially the same arrangements;
  - 97.10.5 a resolution relating to an offer by the Company or any of its subsidiary undertakings of any shares or debentures or other securities for subscription or purchase, if the Director takes part because he is a holder of shares, debentures or other securities, or if he takes part in the underwriting or sub-underwriting of the offer;
  - 97.10.6 a resolution about a contract in which he has an interest because of his interest in shares or debentures or other securities of the Company or because of any other interest in or through the Company;
  - 97.10.7 a resolution about a contract involving any other company if the Director has an interest of any kind in that company (including an interest by holding any position in that company, or by being a shareholder in that company). This does not apply if he knows that he has a Relevant Interest in that company;
  - 97.10.8 a resolution about a contract relating to a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which gives the Director benefits which are also generally given to the employees to

whom the fund or scheme relates;

- 97.10.9 a resolution about a contract relating to an arrangement for the benefit of employees of the Company or of any of its subsidiary undertakings which only gives him benefits which are also generally given to the employees to whom the arrangement relates; and
- 97.10.10 a resolution about a contract relating to any insurance which the Company can buy or renew for the benefit of Directors or of a group of people which includes Directors.
- 97.11 A Director will be treated as having a "Relevant Interest" in a company if he holds an interest in shares representing one per cent or more of a class of equity share capital (calculated exclusive of any shares of that class in that company held as treasury shares) or of the voting rights of that company. In relation to an alternate Director, an interest of his appointer shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise. Interests which are unknown to the Director and which it is unreasonable to expect him to know about are ignored.
- 97.12 Where a company in which a Director has a Relevant Interest is interested in a contract the Director will also be treated as being interested in that contract.
- 97.13 Subject to these Articles, the Directors can exercise or arrange for the exercise of the voting rights attached to any shares in another company held by the Company and the voting rights which they have as Directors of that company in any way that they decide. This includes voting in favour of a resolution appointing any of them as directors or officers of that company and deciding their remuneration. Subject to these Articles, they can also vote and be counted in the quorum as Directors of the Company in connection with any of these things.
- 97.14 If a question comes up at a meeting of the Directors about whether a Director (other than the chairman of the meeting) has an interest in a contract and whether it is likely to give rise to a conflict of interest or whether he can vote or be counted in the quorum, and the Director does not agree to abstain from voting on the issue or not to be counted in the quorum, the question must be referred to the chairman of the meeting. The chairman of the meeting's ruling about any other Director is final and conclusive unless the nature or extent of the Director's interest (so far as it is known to him) has not been fairly disclosed to the Directors. If the question comes up about the chairman of the meeting, the question shall be decided by a resolution of the Directors. The chairman of the meeting cannot vote on the question but can be counted in the quorum. The Directors' resolution about the chairman of the meeting is conclusive, unless the nature or extent of the chairman's interest (so far as it is known to him) has not been fairly disclosed to the Directors.

#### General

- 97.15 References in this Article to:-
- 97.15.1 a contract includes references to an existing or proposed contract, and to an existing or proposed transaction or arrangement, whether or not it is a contract; and
- 97.15.2 a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 97.16 The Company can by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any contract which has not been properly authorised in accordance with this Article.

98 General powers of company vested in directors

98.1 The Directors will manage the Company's business. They can use all the Company's powers except where the memorandum, these Articles or the legislation say that powers can only be used by the shareholders voting to do so at a general meeting. The general management powers under this Article are not limited in any way by specific powers given to the Directors by other Articles.

98.2 The Directors are, however, subject to:-

98.2.1 the provisions of the legislation;

98.2.2 the requirements of the memorandum and these Articles;

98.2.3 any regulations laid down by the shareholders by passing a special resolution at a general meeting.

98.3 If a change is made to the memorandum or these Articles or if the shareholders lay down any regulation relating to something which the Directors have already done which was within their powers, that change or regulation cannot invalidate the Directors' previous action.

99 BORROWING POWERS

99.1 The Directors can exercise all the Company's powers:-

99.1.1 to borrow money;

99.1.2 to mortgage or charge all or any of the Company's undertaking, property and assets (present and future) and uncalled capital;

99.1.3 to issue debentures and other securities; and

99.1.4 to give security, either outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

99.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (as regards subsidiary undertakings so far as by such exercise they can secure) that the aggregate amount at any one time owing by the Group in respect of moneys borrowed, exclusive of moneys borrowed by the Company or any of its subsidiary undertakings from any other of such companies, shall not at any time, without the previous sanction of the Company in general meeting, exceed a sum equal to two and a half times the aggregate of:

99.2.1 the nominal capital of the Company for the time being issued and paid-up or credited as paid up; and

99.2.2 the amounts standing to the credit of the consolidated reserves of the Company and its subsidiary undertakings whether distributable or undistributable and including (without limitation) share premium account, capital redemption reserve and profit and loss account;

all as shown in a consolidation of the then latest audited balance sheets of the Company and each of its subsidiary undertakings but after:

99.2.3 making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital, share premium

account and capital redemption reserve of the Company since the date of its latest audited balance sheet;

99.2.4 excluding therefrom (so far as not already excluded) (i) any sums set aside for future taxation; (ii) amounts attributable to outside shareholders in subsidiary undertakings;

99.2.5 deducting therefrom (i) an amount equal to any distribution by the Company out of profits earned prior to the date of its latest audited balance sheet and which have been declared, recommended or made since that date except so far as provided for in such balance sheet; and (ii) any debit balances on profit and loss account.

99.3 For the purposes of this Article, "moneys borrowed" shall be deemed to include the following except insofar as otherwise taken into account:

99.3.1 the nominal amount of any issued share capital and the principal amount of any debentures or borrowed moneys, the beneficial interest whereof is not for the time being owned by the Company or any of its subsidiary undertakings, or any body whether corporate or unincorporate and the payment or repayment whereof is the subject of a guarantee or indemnity by the Company or any of its subsidiaries;

99.3.2 the outstanding amount raised by acceptance by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any of the Company and its subsidiaries;

99.3.3 the principal amount of any debenture (whether secured or unsecured) of any of the Company and its subsidiaries owned otherwise than by any of the Company and its subsidiaries;

99.3.4 the principal amount of any preference share capital of a subsidiary owned otherwise than by any of the Company and its subsidiaries;

99.3.5 any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowings;

99.3.6 any fixed amount in respect of a hire purchase agreement or of a finance lease payable in either case by the Company or any of its subsidiary undertakings which would be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant balance sheet(s) (and for the purpose of this sub-paragraph 99.3.6 "finance lease" means a contract between a lessor and the Company (or any of its subsidiary undertakings) as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the asset leased or sub-leased are to be borne by that company and "hire purchase agreement" means a contract of hire purchase between a hire purchase lender and the Company or any of its subsidiary undertakings as hirer);

99.3.7 such proportion of monies borrowed by the Company or any of its subsidiary undertakings (which are borrowed from any part owned subsidiary undertaking) as that part of such part owned subsidiary undertakings issued and paid up equity share capital which is not beneficially owned by the Company (or any of its subsidiary undertakings) bears to the whole of its issued and paid up equity share capital, but shall be deemed not to include:

99.3.7.1 borrowings for the purposes of repaying the whole or any part of borrowings by the Company or any of its subsidiary

undertakings for the time being outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period; and

99.3.7.2 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by the Company or its subsidiary undertakings is guaranteed or insured up to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured.

99.4 A report by the Auditors as to the aggregate amount which may at any one time in accordance with the provisions of paragraph 99.2 be owing by the Company and its subsidiaries without such sanction as aforesaid shall be conclusive in favour of the Company and all persons dealing with the Company. In addition and for the purposes of this Article 99, the Board may act in reliance on a bona fide estimate as to the aggregate amount which may at any one time in accordance with the provisions of paragraph 99.2 be owing by the Company and its subsidiaries without such sanction as aforesaid and, if in consequence the borrowing limit imposed by this Article 99 is inadvertently exceeded, the amount of moneys borrowed equal to the excess may be disregarded until the expiration of 28 days after the day on which (by reason of the determination of the Auditors or otherwise) the Board became aware that such a situation has or may have arisen.

99.5 When the aggregate amount of borrowings required to be taken into account for the purposes of this Article 99 on any particular day is being ascertained, any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:-

99.5.1 at the rate of exchange prevailing on that day in London provided that all but not some only of such moneys shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business); or

99.5.2 where the repayment of such moneys is expressly covered by a forward purchase contract currency option, back to back loan, swap or other arrangements taken out or entered into to reduce the risk associated with fluctuations in exchange rates, at the rate of exchange specified therein.

99.6 No debt incurred or security given in respect of moneys borrowed or to be taken into account as moneys borrowed in excess of the limit hereby imposed shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or would thereby be exceeded. No lender or person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

#### 100 Mode of borrowing

Subject as provided in Article 99, the Directors may exercise all the powers of the Company to borrow or raise money upon or by the issue or sale of any bonds, debentures or securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption, or repayment or otherwise as they may think proper, including a right for the holders of bonds, debentures or securities to exchange the same for shares in the Company of any class authorised to be issued.

#### 101 Security for payment of moneys borrowed or raised

Subject as provided in Article 99, the Directors may secure or provide for the payment of any moneys to be borrowed or raised by a mortgage of or charge upon

all or any part of the undertaking, property or assets of the Company, both present and future, and upon any capital remaining unpaid upon the shares of the Company whether called up or not, or by any other security, and the Directors may confer upon any mortgagee, chargee or person in whom any debenture or security is vested such rights and powers as they think necessary or expedient. The Directors may vest any property or assets of the Company in trustees for the purpose of securing any moneys so borrowed or raised and confer upon the trustees or any receiver to be appointed by them or by any debenture-holder such rights and powers as the Directors may think necessary or expedient in relation to the undertaking, property or assets of the Company so vested or the management or the realisation thereof or the making, receiving, or enforcing of calls upon the members in respect of unpaid capital, and otherwise. The Directors may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated.

102 Security for payment of moneys

The Directors may give security for the payment of moneys payable by the Company in like manner as for the payment of moneys borrowed or raised, but in such case the amount shall for the purposes of the limit in Article 99 be reckoned as part of the moneys borrowed.

103 Inspection of register of charges

The Directors shall keep a register of charges in accordance with the Act and the fee to be paid by any person other than a creditor or member of the Company for each inspection of the register of charges to be kept under the Act shall be such fee as is laid down by the Act or, failing which, decided by the Board.

**LOCAL MANAGEMENT**

104 The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether at home or abroad, in such manner as they think fit, and the provisions contained in the remainder of this Article 104 shall be without prejudice to the general powers conferred by this Article 104:

104.1 Local board and delegation of powers

The Directors from time to time, and at any time, may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any specified locality, and may appoint any persons to be members of such local or divisional board or agency, or any managers or agents, and may fix their remuneration. The Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities, and discretions for the time being vested in the Directors, other than the power of making calls or forfeiting shares, and may authorise the members for the time being of any such local or divisional board or agency, or any of them, to fill up the vacancies therein, and to act notwithstanding vacancies. Any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation provided that no person dealing in good faith and without notice of the variation or annulment shall be affected by it. Any person so appointed to any local or divisional board or agency shall not by reason only of such appointment be entitled to attend or vote at meetings of the Directors.

104.2 Power to appoint attorney

The Directors may at any time and from time to time by power of attorney appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and on such terms and subject to such conditions as the Directors may from time to time think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney or attorneys as the Directors may think fit. The Directors may at any time revoke or alter the terms and conditions of the appointment.

#### 104.3 Sub-delegation of powers

Any such delegates or attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

### **DISQUALIFICATION OF DIRECTORS**

#### 105 Office of Director to be vacated

The office of a Director shall be vacated:

- 105.1 if (not being a person holding for a fixed term an executive office) that person resigns by writing under his hand left at the Office or if (being such a person) he tenders his resignation and the Directors resolve to accept the same; or
- 105.2 if that person ceases to be a Director by virtue of any provision of the Act or becomes prohibited by law or by order of a court of competent jurisdiction from being a Director; or
- 105.3 if a bankruptcy order is made against that person or a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- 105.4 if a registered medical practitioner who is treating that person gives a written opinion to the Company stating that the person has become physically or mentally incapable of acting as a Director and may remain so for more than three months; or
- 105.5 if, by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- 105.6 if (not having leave of absence from the Directors) that person or his alternate (if any) fail to attend the meetings of the Directors for six successive months unless prevented by illness, unavoidable accident or other cause which may seem to the Directors to be sufficient and the Directors resolve that his office be vacated; or
- 105.7 if that person is requested to resign by notice in writing addressed to that person at his address as shown in the register of Directors and signed by all the other Directors (without prejudice to any claims for damages which he may have for breach of any contract between him and the Company or any of its subsidiary undertakings) and, for this purpose, a set of like notices each signed by one or more of the Directors shall be as effective as a single notice signed by the requisite number of Directors; or
- 105.8 if that person is removed from office in accordance with the provisions of these Articles.

Any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the Company or an entry shall have been made in the Directors' minute book stating that such Director has ceased to be a Director.

## **RETIREMENT, ELECTION AND APPOINTMENT OF DIRECTORS**

### **106 Retirement of Directors by rotation**

At each annual general meeting, one-third of the current Directors must retire as Directors by rotation. Where the number of Directors is not three or a number divisible by three, the minimum number of Directors to retire will be the number which is nearest to and less than one-third. If there are fewer than three Directors then each Director will retire. A Director retiring at a meeting shall retain office until the dissolution of such meeting.

### **107 Which Director to retire**

The Directors to retire at each annual general meeting shall include such of the Directors referred to in Article 106 who wish to retire and not offer themselves for re-election (if any) together with, to the extent that the number of such Directors is insufficient to meet the number required to retire under Article 106, such of the Directors who have been longest in office as are necessary to meet such number. As between two or more who have been in office an equal length of time, the Director(s) to retire shall (in default of agreement between them) be determined by lot. The length of time a Director has been in office shall be computed from when last appointed or re-appointed to the Board. A retiring Director shall be eligible for re-appointment.

### **108 Meeting to fill vacancies**

The Company at any general meeting at which any Directors retire in the manner aforesaid may, subject to any resolution reducing the number of Directors, pass an ordinary resolution to re-appoint the Director or to appoint some other person in his place.

### **109 Retiring Director to remain in office until successor appointed**

If at any general meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled up, then, subject to any resolution reducing the number of Directors, the retiring Directors, or such of them as have not had their places filled up, shall, if willing, continue in office until the dissolution of the annual general meeting in the next year, unless, as regards any particular Director, a resolution for his re-appointment shall have been put to the meeting and lost.

### **110 Appointment of Directors to be voted upon individually**

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

### **111 Notice for proposing appointment**

No person except a retiring Director shall be appointed a Director (unless recommended by the Directors for appointment) unless notice in writing shall be sent to the secretary not more than forty two days and not less than seven days before the day of the meeting at which the appointment is to take place, signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting stating the name and address of the person who offers himself or is proposed as a candidate, together with a notice in writing signed by such person of his willingness to be appointed.

112 Power to increase or reduce the number of Directors

The Company in general meeting may from time to time as special business increase or reduce the number of Directors and, without prejudice to the other provisions of these Articles, may in general meeting appoint some other eligible person to be a Director either to fill a casual vacancy or as an additional Director.

113 Power to remove and appoint Director

In addition to any power to remove Directors conferred by the legislation, the Company may by ordinary resolution remove any Director before the expiration of his term of office (without prejudice to a claim for compensation or damages for breach of any service contract) and can (subject to these Articles) appoint a person to replace a Director who has been removed in this way by passing an ordinary resolution.

**PROCEEDINGS OF DIRECTORS AND COMMITTEES**

114 Meetings of Directors

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit and determine the quorum necessary for the transaction of business. Until otherwise determined, two Directors present in person or by his alternate shall constitute a quorum. In the case of a meeting of Directors, in addition to the Directors and alternates present at such meeting, any Director or his alternate in telephonic communication with the meeting shall (providing that all persons participating in the meeting are able to hear and speak to each other throughout the meeting) be counted in the quorum. Questions arising at any meeting shall be determined by a majority of votes in case of an equality of votes, the chairman shall have a second or casting vote. One Director may, and the secretary shall at the request of any Director, at any time summon a meeting of the Directors. Any Director may waive notice of any meeting and any such waiver may be retroactive.

115 Notice of meeting of Directors

115.1 A notice of a meeting of directors convened in accordance with Article 114, or a copy of the text of any written resolution proposed to be passed in accordance with Article 118, (each a "**Communication**") shall be provided to each Director personally, by word of mouth, by notice in writing or by electronic means (in the case of a written notice or a notice sent by electronic means, sent to him at his last known address or such other address as may be notified to the Secretary from time to time), and each Director shall, on appointment, be taken to have agreed to the giving of notices in any such manner. Any such Communication may be delivered by hand or sent by courier, fax, electronic mail or pre-paid first class post. If sent by fax or electronic mail such Communication shall conclusively be deemed to have been given or served at the time of despatch. If sent by post or courier such Communication shall conclusively be deemed to have been received 24 hours from the time of posting or despatch, in the case of inland mail and couriers in the United Kingdom, or 48 hours from the time of posting or despatch in the case of international mail and couriers.

115.2 A Communication shall be deemed duly served under Article 115.1 if sent to the address, fax number or electronic mail address last provided by each Director to the Secretary. The non-receipt by any Director of any Communication served in accordance with the provisions of this Article 115 shall not invalidate any meeting of Directors, or any written resolution signed in accordance with Article 118, to which the Communication relates if such meeting or resolution is otherwise held or signed in accordance with the provisions of these Articles.

116 Chairman of Board

The Directors may elect a chairman and one or more deputy chairmen of their meetings and determine the period for which he is or they are to hold office, but if no such chairman or deputy chairman is elected or if at any meeting neither the chairman nor a deputy chairman is present at the time appointed for holding the same, the Directors present shall choose some one of their number to be chairman of such meeting. If the chairman is not present and two or more deputy chairmen are present, the senior of them shall act as chairman and seniority shall be determined by length of office since their last appointment or reappointment. As between two or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by those Directors and alternate Directors present.

117 Directors may act if quorum present

A duly convened meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Directors generally.

118 Resolution in writing

A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors or by all members of a committee of the Board shall be as valid and effective for all purposes as a resolution of those Directors passed at a meeting duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors. Such a resolution need not be signed by an alternate Director if it is signed by the Director who appointed him and such a resolution need not, if it is signed by an alternate Director, be signed by the Director who appointed him.

119 Directors may appoint committees

The Directors may delegate any of their powers, authorities and discretions for such time and on such terms and conditions as they think fit to committees consisting of such Directors and other persons as they think fit and may from time to time revoke,

withdraw, alter or vary any of such powers, authorities and discretions and discharge any such committee in whole or in part but there must be more Directors on a committee than persons who are not Directors, and a resolution of the committee is only effective if a majority of the members of the committee present at the time of the resolution were Directors.

120 Minutes of proceedings

The Directors shall cause minutes to be made of the following matters, namely:-

- 120.1 all appointments of officers and members of committees made by the Directors and their salary or remuneration;
- 120.2 the names of Directors present at every meeting of the Board or of committees of Directors, and all business transacted at such meetings; and
- 120.3 all orders, resolutions and proceedings of all meetings of the holders of any class of shares in the Company and of the Directors and of committees of Directors.

Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which the proceedings were held, or by the chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes without any further proof.

121 Defective appointment of Directors not to invalidate their acts

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

**SECRETARY**

122.1 Secretary

The secretary shall be appointed by the Directors in accordance with the legislation 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 but without prejudice to any claim for damages for breach of contract or of any contract of service between him and the Company. If thought fit, two or more persons may be appointed as joint secretaries. Any provision of the Act or of these Articles requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by it being done by or to the same person acting both as Director and as, or in the place of, the secretary.

122.2 Assistant secretary

The Directors may at any time and from time to time appoint any person to be an assistant or deputy secretary of the Company and anything authorised or required by these Articles or by law to be done by or to the secretary may be done by or to any such assistant or deputy secretary. Any assistant or deputy secretary so appointed may be removed by the Directors.

**RESERVES**

123 Reserves out of profits

Subject to the legislation, the Directors may before recommending any dividends (whether preferential, interim, final, special or otherwise) carry to reserve out of the profits of the Company, including any premiums received upon the issue of debentures or other securities of the Company, such sums as they think proper as a reserve or reserves. All sums standing to reserve may be applied from time to time in the discretion of the Directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends or for repairing, improving or maintaining any asset of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any of them and, pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. Any sum which the Directors may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Directors may also without placing the same to reserve carry forward any profits which they may think it imprudent to divide.

**DIVIDENDS**

124 Declaration of dividends

Subject as hereinafter provided and to the Act, the Company by ordinary resolution in general meeting may declare a dividend to be paid to the members according to their

respective rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Directors.

125 Dividends not to bear interest

No dividend or other moneys payable by the Company in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share.

126 Payment of dividends

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purpose of this Article 126 as paid up on the share. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. If any share carries any particular rights as to dividends, such share shall rank for dividend accordingly.

127 Dividends to joint holders

In case several persons are registered as joint holders of any share payment can be made to the shareholder whose name stands first in the register and, any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

128 Interim dividends

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

129 Dividends payable in accordance with the legislation

No dividend or interim dividend shall be payable except in accordance with the provisions of the legislation.

130 Uncashed dividends

All dividends or other sums payable on or in respect of a share uncashed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends uncashed for a period of twelve years from the date they became due for payment shall be forfeited and shall revert to the Company absolutely. The payment of any uncashed dividend or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee thereof.

131 Entitlement to dividends

Every dividend shall belong and be paid (subject to the Company's lien) to those members who shall be on the Register at the date fixed by the Directors for the purpose of determining the persons entitled to such dividend (whether the date of

payment or some other date) notwithstanding any subsequent transfer or transmission of shares.

**132    Deductions and withholding**

132.1 The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to shares of the Company.

132.2 The Directors may withhold any dividend or other moneys payable to any member on or in respect of shares representing at least 0.25 % (one quarter of one per cent) of the issued shares of the relevant class if such member or any person appearing to be interested in any such shares has been duly served with, but is in default in complying with, a statutory notice in respect of such shares as described in Article 74.1.2. Any such dividend or other moneys so withheld shall be paid to the member entitled thereto within seven days after the earlier of the occurrence of the two events described in sub-paragraphs 74.2.1 and 74.2.2 of Article 74.2.

132.3 Any dividends or other moneys withheld pursuant to this Article 132 shall not bear interest as against the Company. Pending payment, the dividends may be invested or otherwise made use of by the Directors for the benefit of the Company and the Company shall not be constituted a trustee in respect of them.

132.4 The Directors may also withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided any evidence of his right that the Directors may reasonably require.

**133    Method of payment of dividends**

The Company may pay any dividend or other sum payable in cash or by cheque, dividend warrant, money order, direct debit, bank transfer or otherwise by or through a bank and may send any cheque, dividend, warrant or money order by post to the members or persons entitled thereto and, in the case of joint holders, to the member whose name stands first in the Register, or to such person and address as the holder or joint holders may direct, and the Company shall not be responsible for any loss of any such cheque, warrant or order. Every such cheque, warrant or order shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders may in writing direct, and the payment of the cheque, warrant or order shall be a good discharge to the Company. If payment is made by direct debit or bank transfer or otherwise by or through a bank, the Company shall not be responsible for amounts lost or delayed in the course of the transfer. A dividend can also be paid through CREST.

**134    Payment of dividends in specie**

With the sanction of an ordinary resolution of the Company in general meeting, any dividend may be paid and satisfied either wholly or in part by the distribution of specific assets (including, without limitation, paid up shares or debentures of any other company) and the Directors shall give effect to any such resolution provided that no such distribution shall be made unless recommended by the Directors. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, fix the value for distribution of such specific assets or any part thereof, determine that cash payments may be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and vest any such assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Directors.

**135    Authority to capitalise and appropriation of capitalised sums**

The Directors may with the sanction of an ordinary resolution of the Company in

general meeting offer the holders of ordinary shares the right to elect to receive new ordinary shares credited as fully paid instead of cash in respect of the whole or part of such dividend or dividends as are specified by such resolution. The following provisions shall apply:

- 135.1 the said resolution may specify a particular dividend or may specify all or any dividends declared within a specified period but such period may not end later than the beginning of the fifth annual general meeting next following the date of the meeting at which such resolution is passed;
- 135.2 the entitlement of each ordinary shareholder to new ordinary shares shall be such that the value thereof shall be as nearly as possible equal to (but not in excess of ) the cash amount (disregarding any associated tax credit) that such shareholder would have received by way of dividend and, for this purpose, the value shall be the average at which bargains were recorded for the Company's ordinary shares on the London Stock Exchange Daily Official List or Alternative Investment Market (as relevant) of the London Stock Exchange on the day when the ordinary shares are first quoted "ex" the relevant dividend and on the four subsequent dealing days or in such other manner as may be determined by or in accordance with the ordinary resolution;
- 135.3 the basis of allotment shall be such that no member may receive a fraction of a share;
- 135.4 the Directors after determining the basis of allotment shall notify the holders of ordinary shares in writing of the right of election offered to them and shall send forms of election with or following such notification and specify the procedure to be followed and the place at which and the latest time by which duly completed forms of election must be lodged in order to be effective;
- 135.5 the Board may make, in relation to CREST shares, such other arrangements as it may in its absolute discretion think fit subject always to the facilities or requirements of CREST;
- 135.6 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect whereof the election has been duly made (the "Elected Ordinary Shares") and instead thereof additional ordinary shares shall be allotted to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid and, for such purpose, the Directors shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Directors may determine a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to and amongst the holders of the Elected Ordinary Shares on such basis. A resolution of the Directors capitalising any part of such reserves or profits shall have the same effect as if such capitalisation had been declared by ordinary resolution of the Company in accordance with Article 136 and, in relation to any such capitalisation, the Directors may exercise all the powers conferred on them by Article 136 without the need of such ordinary resolution;
- 135.7 unless the Board otherwise determines, (and subject always to the uncertificated securities rules and the requirements of CREST) the additional ordinary shares so allotted shall be issued as certificated shares (where the ordinary shares in respect of which they have been allotted were certificated shares at the Scrip Record Time) or as CREST shares (where the ordinary shares in respect of which they have been allotted were CREST shares at the Scrip Record Time) provided that if the Company is unable under the facilities and requirements of CREST to issue ordinary shares in respect of the person entitled thereto as uncertificated shares able to be evidenced

and transferred without a written instrument, such shares shall be issued as certificated shares; for these purposes, the Scrip Record Time means such time on the record date for determining the entitlements of members to make elections as described in this Article 135 or on such other date, as the Board may in its absolute discretion determine;

- 135.8 no fraction of a share shall be allotted. The Board may make such provision as it thinks fit for any fractional entitlements including provision whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any holder and such accruals or retentions are applied to the allotment of fully paid shares to such holder and/or provision whereby cash payments may be made to holders in respect of their fractional entitlements. Shares representing fractional entitlements to which any member would, but for this Article, become entitled may be issued as certificated shares or CREST shares;
- 135.9 the additional ordinary shares so allotted shall rank *pari passu* in all respects with the fully paid ordinary shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date;
- 135.10 the Directors may apply such exclusions or other arrangements as they may deem necessary or expedient to deal with legal or practical problems (including, without limitation, the requirements of any regulatory body or stock exchange) in respect of overseas shareholders;
- 135.11 the Directors may terminate, suspend or amend any offer of the right to elect to receive new ordinary shares in lieu of any cash dividend at any time.

### **CAPITALISATION OF PROFITS AND RESERVES**

#### **136 Capitalisation of profits**

The Directors may with the authority of an ordinary resolution of the Company in general meeting:-

- 136.2 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company (whether or not the same are available for distribution and including profits standing to any reserve) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
- 136.3 appropriate the profits or 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 proportion and apply such profits or 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 such profits or sum, and allot and distribute such shares or debentures credited as fully paid-up, to and amongst such members or as they may direct, in those proportions, or partly in one way and partly in the other provided that:
- 136.3.1 the share premium account and the capital redemption reserve and any such profits which are not available for distribution may, for the purposes of this Article 136, only be applied in the paying up of unissued shares to be issued to members credited as fully paid; and
- 136.3.2 in the case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up in full debentures of the Company, the amount of the net assets of the

Company at that time is not less than the aggregate of the called up share capital of the Company and its undistributable reserves as shown in the latest audited accounts of the Company or such other accounts as may be relevant and would not be reduced below that aggregate by the payment thereof;

- 136.4 resolve that any shares allotted under this Article 136 to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid rank for dividends only to the extent that such partly paid shares rank for dividend;
- 136.5 make such provision by the issue of fractional certificates or by payment in cash or otherwise as the Directors think fit for the case of shares or debentures becoming distributable under this Article 136 in fractions (including the sale of fractional entitlements for the benefit of the Company);
- 136.6 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any shares or debentures to which they may be entitled upon such capitalisation (any agreement made under such authority being thereupon effective and binding on all such members);
- 136.7 generally do all acts and things required to give effect to such resolution as aforesaid.

#### **RECORD DATES**

##### **137 Record dates**

Notwithstanding any other provision of these Articles but subject to the legislation and rights attached to shares, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before any date on which such dividend, distribution, allotment or issue last paid or made and on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared.

#### **RECORDS**

##### **138 Inspection of records**

- 138.2 The accounting records shall be kept at the Office or, subject to the provisions of the Act, at such other place as the Directors think fit, and shall be available during normal business hours for inspection by the Directors and other officers of the Company.
- 138.3 The Directors shall from time to time determine whether and to what extent and at what times and places, and under what conditions or regulations the accounting records of the Company, or any of them, shall be open to the inspection of the members, and no member shall have any right of inspecting any accounting record or other document of the Company except as conferred by the legislation or authorised by the Directors or by the Company in general meeting. The Register shall be open for inspection by any member or other person entitled to inspect the same, and any person other than a member inspecting the same shall pay such fee as is laid down by the legislation.

##### **139 Copy of reports and accounts to be sent to members**

Subject as hereinafter provided, a printed copy of every profit and loss account and balance sheet, including all documents required by law to be annexed to the balance sheet which is to be laid before the Company in general meeting, together with copies of the Directors' and of the Auditors' reports shall (in accordance with and subject as provided by the legislation) not less than twenty one clear days before the date of the meeting be sent (which includes using electronic communications to send copies of the documents to such an address given by the member to the Company)

to every member (whether he is or is not entitled to receive notices of general meetings of the Company) and every holder of debentures of the Company (whether he is or is not so entitled) and the Auditors and all other persons, being persons so entitled. The requisite number of copies of these documents shall (if necessary) at the same time be forwarded to the appropriate department of the London Stock Exchange. The requirements of this Article 139 shall be deemed to be satisfied in relation to members and holders of debentures by sending to each member and holder of debentures, where permitted by and in accordance with the legislation and instead of the said copies, a summary financial statement derived from the Company's annual accounts and the Directors' report and prepared in the form and containing the information prescribed by the legislation and any regulations made thereunder. This Article shall not require copies of such documents to be sent to any person of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures.

For the purposes of this Article, copies of those documents shall be treated as being sent to a member where the Company and the member have agreed to the member having access to those documents on a web site and the member has been notified not less than twenty one clear days before the date of the meeting that the documents have been published on a website, the address of the website and the location on the website of those documents and how they may be accessed.

### **OFFICIAL SEALS**

- 140.1 The Directors can use all the powers given by the legislation relating to official seals.
- 140.2 The Directors must arrange for every seal of the Company to be kept safely.
- 140.3 A seal can only be used with the authority of the directors or of a committee authorised by the Directors.
- 140.4 Subject as otherwise provided in these Articles every document which is sealed using the common seal must be signed by one Director and the Secretary, or by two Directors or by any other person or persons authorised by the Directors.
- 140.5 Any document to which the official seal is applied need not be signed, unless the Directors decide otherwise or the legislation requires otherwise.
- 140.6 The Directors can resolve that the requirement for any counter-signature in this Article can be dispensed with on any occasion.

**141     Authentication of documents**

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

**COMMUNICATIONS WITH MEMBERS**

**142     Service of notices etc**

- 142.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing, except that notice calling a meeting of the Directors may be given as provided for in Article 115.
- 142.2 The Company may, subject to and in accordance with the Act and these Articles, send or supply all types of notices, documents or information to members by electronic means, including by making such notices, documents or information available on a website.
- 142.3 The Company Communications Provisions have effect for the purposes of any provision of the Act or these Articles that authorises or requires notices, documents or information to be sent or supplied by or to the Company.
- 142.4 Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form or in electronic form but to be delivered other than by electronic means and/or by means of a website and which is sent by prepaid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 hours (or, where second class mail is employed, 48 hours) after the time it was posted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, prepaid and posted.
- 142.5 Any notice, document or information which is sent or supplied by the Company by electronic means and/or by means of a website shall be deemed to have been received by the intended recipient at 9.00am on the day following that on which it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.
- 142.6 Any notice, document or information which is sent or supplied by the Company by means of a website shall be deemed to have been received when the material was first made available on the website, or later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 142.7 The accidental failure to send, or the non-receipt by any person entitled to, any notice of, or other document or information relating to, any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.

### **Deemed delivery of notice**

- 143 The provisions of Article 142 shall have effect in place of the Company Communications Provisions relating to deemed delivery of notice, documents or information.

### **144 Joint holders**

- 144.1 Anything which needs to be agreed or specified by the joint holders of a share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the Register in respect of the share.
- 144.2 Any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the Register in respect of the share, to the exclusion of the other joint holders.
- 144.3 The provisions of this Article shall have effect in place of the Company Communications Provisions regarding joint holders of shares.

### **145 Deceased and bankrupt members**

- 145.1 A person who claims to be entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall supply to the Company:

145.1.1 such evidence as the Directors may reasonably require to show his title to the share; and

145.1.2 an address to which notices may be sent or supplied to such person,

whereupon he shall be entitled to have sent or supplied to him at such address any notice, document or information to which the said member would have been entitled, and in so sending or supplying the relevant notice, document or information such notice, document or information shall for all purposes be deemed as sufficiently sent or supplied to all persons interested (whether jointly or as claiming through or under him) in the share.

- 145.2 Save as provided by Article 144, any notice, document or information sent or supplied to the address of any member pursuant to these Articles shall, notwithstanding that such member then be dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly sent or supplied in respect of any share registered in the name of such member as sole or first-named joint holder.
- 145.3 The provisions of this Article shall have effect in place of the Company Communications Provisions regarding the death or bankruptcy or a holder of shares in the Company.

### **146 Overseas members**

Subject to the legislation, the Company shall not be required to send notices, documents or information to a member who (having no registered office within the United Kingdom) has not supplied to the Company an address or his address for the service of notices. If on three consecutive occasions notices have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Transfer Office a new registered address

within the United Kingdom for the service of notices.

**147     Suspension of postal notices**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable to give notice by post in hard copy form of a shareholders' meeting, such notice shall be deemed to have been given to all members entitled to receive such notice in hard copy form if such notice is advertised on the same date in at least two national daily newspapers with appropriate circulation and such notice shall be deemed to have been given on the day when the advertisement appears (or first appears). In any such case, the Company shall (i) make such notice available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof and (ii) send confirmatory copies of the notice by post to such members if at least seven days prior to the meeting the posting of notices again becomes practicable.

**148     Statutory provisions as to notices**

Nothing in any of Articles 142 to 149 inclusive shall affect any provision of the legislation that requires or permits any particular notice, document or information be sent or supplied in any particular manner.

**149     Signature or authentication of documents sent by electronic means**

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

**UNTRACED SHAREHOLDERS**

**150     Untraced shareholders**

150.1 The Company shall be entitled to sell at the best price reasonably obtainable any shares of a member or any shares to which a person is entitled by transmission (including, without limitation and in any such case, any shares issued during the twelve year period referred to below by reference to any such shares) if and provided only that:

150.1.1     for a period of twelve years no cheque, warrant or money order sent by the Company through the post in a pre-paid letter addressed to the member or to any person entitled by transmission to the shares at his address on the Register or other last known address given by the member or any person entitled by transmission to the Company to which cheques, warrants and money orders are to be sent has been cashed and no communication has been received by the Company from the member or the person entitled by transmission, provided that, in any such period of twelve years, the Company has paid at least three dividends (whether interim, final, special or otherwise) in respect of the shares in question and no such dividend has been claimed;

150.1.2     the Company has at the expiration of the said period of twelve years by advertisement in one national UK daily newspaper and in a newspaper circulating in the area in which the address referred to in paragraph 150.1.1 is located given notice of its intention to sell such shares;

150.1.3 the Company has not, during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale, received any communication from the member or person entitled by transmission; and

150.1.4 the Company has first given notice in writing to the London Stock Exchange of its intention to sell such shares.

To give effect to any such sale, the Company may, in the case of certificated shares, nominate any person to execute as transferor an instrument of transfer of such shares, or, in the case of CREST shares, nominate any person to transfer such shares and in either case such transfer shall be as effective as if it had been effected by the registered holder of or person entitled by transmission to such shares. The Company shall account to the member or other person entitled to such shares for the net proceeds of such sale by placing all moneys in respect thereof in a separate account which shall be a permanent debt of the Company (provided always that the Company shall not be liable to earn any interest thereon nor to account for any interest thereon) and the Company shall be deemed to be a debtor (and not a trustee) in respect thereof for such member or other person. Moneys placed in such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company (if any)) as the Directors may from time to time think fit.

150.2 The Company shall be entitled to cease sending dividend warrants, cheques or money orders by post or transfers through a bank to any member if such warrants, cheques or money orders have been returned undelivered or left uncashed or the transfer is not accepted on two consecutive occasions.

## **AUDITORS**

### **151 Appointment of Auditors**

The provisions of the legislation as to the appointment, powers, rights, remuneration and duties of the Auditors shall be complied with.

### **152 Acts of Auditors valid**

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

### **153 Notices to Auditors**

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

## **MISCELLANEOUS**

### **154 Division of assets in specie**

The liquidator on any winding-up of the Company (whether voluntary or under supervision or compulsory) may, with the authority of an extraordinary resolution and after deduction of any provision made under section 187 of the Insolvency Act 1986 and section 247 of the Act, divide among the members in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and for such purpose may set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between members or

classes of members. If any such division shall be otherwise than in accordance with the existing rights of the members every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution passed in accordance with section 110 of the Insolvency Act 1986.

**155 Indemnity against claims in respect of shares**

Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment, or empowers any government or taxing authority or government official to require the Company to make any payment, in respect of any shares held either jointly or solely by any member or in respect of any dividends or other monies due or payable or accruing due or which may become due or payable to such member by the Company or in respect of any such shares or for or on account or in respect of any member in consequence of:

- 155.1 the death of such member;
- 155.2 the non-payment of any income tax or other tax by such member in respect of any shares in the Company or dividend or other payment in respect of such shares; or
- 155.3 the non-payment of any estate, probate, succession, death, stamp or other tax or duty by the executor or administrator of such member or by or out of his estate;
- 155.4 the Company in every such case:
- 155.5 shall be fully indemnified by such member or his executor or administrator from all liability arising by virtue of such law; and
- 155.6 may recover as a debt due from such member or his executor or administrator (wherever constituted or residing) any monies paid by the Company under or in consequence of any such law, together with interest thereon at such rate not exceeding 5% above the Bank of England base rate from the date of payment to the date of repayment.

Nothing contained in this Article shall prejudice or affect any right or remedy which any law may confer or purport to confer on the Company and, as between the Company and every such member as aforesaid, his executor, administrator, and estate wherever constituted or situated, any right or remedy which such law shall confer or purport to confer on the Company shall be enforceable by the Company.

**156 Indemnity**

- 156.1 Subject to the provisions of, and so far as may be permitted by and consistent with, the legislation and rules made by the UK Listing Authority, every Director and officer of the Company and each of the Associated Companies of the Company shall be indemnified by the Company out of its own funds against:
  - 156.1.1 any liability incurred by or attaching to him in connection with any negligence, default, breach of trust by him in relation to the Company or any Associated Companies of the Company in the actual or purported exercise of his powers other than:
    - (i) any liability to the Company or any Associated Company; and
    - (ii) any liability of the kind referred to in Section 234(3) of the Act; and
  - 156.1.2 any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.

Such indemnity shall extend to liabilities arising after a person ceases to be a Director or an officer of the Company in respect of acts or omissions while he was a Director or an officer if such acts or omissions would have been indemnified had the relevant person remained a Director or officer, as the case may be.

- 156.2 Subject to the Act and rules made by the UK Listing Authority the Company may indemnify a Director of the Company and any Associated Company of the Company if it is the trustee of an occupational pension scheme (within the meaning of Section 235(6) of the Act.
- 156.3 Where a Director or officer is indemnified against any liability in accordance with this Article 156 such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.
- 156.4 In this Article 156 "**Associated Company**" shall have the meaning given thereto by Section 256 of the Act.

## 157 **Insurance**

- 157.1 Without prejudice to Article 156 above, the Directors shall have power to purchase and maintain insurance for or for the benefit of:

157.1.1 any person who is or was at any time a Director or officer of any Relevant Company (as defined in Article 157.2 below);

157.1.2 any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without any prejudice to the generality of the foregoing) insurance against any liability incurred by or attaching to him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto).

- 157.2 For the purposes of Article 157.1 above, "**Relevant Company**" shall mean:

157.2.1 the Company;

157.2.2 any holding company of the Company;

157.2.3 any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company;

157.2.4 any subsidiary undertaking of the Company or of such other body.

## 158. **Defence expenditure**

- 158.1 Subject to the provisions of and so far as may be permitted by the legislation and rules made by the UK Listing Authority, the Company:

158.1.1 may provide any current or former Director or officer of the Company or an Associated Company of the Company with funds to meet expenditure incurred or to be incurred by him in:

- (i) defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company; or
- (ii) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Act; and

158.1.2 may do anything to enable any such Director or officer to avoid incurring such expenditure.

158.2 The terms set out in Section 205(2) of the Act shall apply to any provision of funds or other things done under Article 158.1 provided that, for the purpose of this Article 158.2 references to "director" in Section 205(2) of the Act shall be deemed to include references to a former Director or a current or former officer of the Company or an Associated Company of the Company.

158.3 Subject to the provisions of and so far as may be permitted by the legislation and rules made by the UK Listing Authority, the Company:

158.3.1 may provide a Director or officer of the Company or any Associated Company of the Company with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company of the Company; and

158.3.2 may do anything to enable such Director or officer to avoid incurring such expenditure.

158.4 In this Article 158 "**Associated Company**" shall have the meaning given thereto by Section 256 of the Act.