

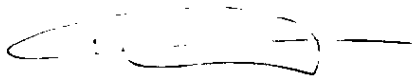
Company Number 02188844

**PUBLIC COMPANY LIMITED BY SHARES  
SPECIAL RESOLUTION OF THE SHAREHOLDERS  
of  
WATERMAN GROUP PLC**

The following resolution was duly passed on 12 September 2017 by way of special resolution of the shareholders of the Company.

**SPECIAL RESOLUTION**

That with effect from the conclusion of the meeting the draft articles of association produced to the meeting and for the purposes of identification signed by the chairman be adopted as the articles of association of the Company in substitution for and to the exclusion of the Company's existing articles of association.



Marie-Anne Culnane, Company Secretary

THURSDAY



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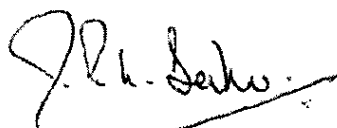
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#452

The Companies Act 2006

## Articles of Association of Waterman Group Plc

Public Company Limited by Shares  
(Incorporated on 4 November 1987)

A handwritten signature in black ink, appearing to read 'J. R. Sahu', with a horizontal line extending from the end of the signature.

Approved at a general meeting held on 12 September 2017

Company Registration No: 02188844

## Contents

<b>PRELIMINARY</b> .....	3
1. <b>Exclusion of Model Articles and Table A</b> .....	3
2. <b>Definitions and Interpretation</b> .....	3
<b>SHARES</b> .....	4
<b>SHARE CERTIFICATES</b> .....	5
<b>VARIATION OF RIGHTS</b> .....	6
<b>TRANSFER OF SHARES</b> .....	6
<b>ALTERATION OF CAPITAL</b> .....	7
<b>GENERAL MEETINGS</b> .....	8
<b>NOTICE OF GENERAL MEETINGS</b> .....	8
<b>PROCEEDINGS AT GENERAL MEETINGS</b> .....	8
<b>VOTES OF MEMBERS</b> .....	10
<b>DIRECTORS</b> .....	12
<b>ALTERNATE DIRECTORS</b> .....	14
<b>POWERS AND DUTIES OF DIRECTORS</b> .....	14
<b>DISQUALIFICATION OF DIRECTORS</b> .....	19
<b>PROCEEDINGS OF DIRECTORS</b> .....	20
<b>MANAGING AND EXECUTIVE DIRECTORS</b> .....	22
<b>SECRETARY</b> .....	22
<b>THE SEAL</b> .....	23
<b>RESERVE</b> .....	23
<b>DIVIDENDS</b> .....	23
<b>CAPITALISATION OF PROFITS AND SCRIP DIVIDENDS</b> .....	25
<b>ACCOUNTING RECORDS</b> .....	26
<b>AUDIT</b> .....	26
<b>NOTICES</b> .....	26
<b>ELECTRONIC COMMUNICATION</b> .....	27
<b>PROVISION FOR EMPLOYEES</b> .....	27
<b>WINDING UP</b> .....	27
<b>INDEMNITY</b> .....	28

(Company No. 02188844)

The Companies Act 2006

# Articles of Association of Waterman Group Plc

(Company)

Public Company Limited by Shares  
(Adopted by special resolution on 12 September 2017)

## PRELIMINARY

### 1. Exclusion of Model Articles and Table A

The regulations contained in Model Articles of Association applicable to the Company under or pursuant to the 2006 Act, or in Table A in the schedule to The Companies (Tables A to F) Regulations 1985 and in any Table A applicable to the Company, under any former enactment relating to companies shall not apply to the Company except in so far as they are repeated or contained in these Articles.

### 2. Definitions and Interpretation

2.1 In these Articles, unless the context otherwise requires

"**the 2006 Act**" means the Companies Act 2006,

"**address**" shall, in any case where electronic form is permitted by or pursuant to these Articles or the 2006 Act, include a number or address used for the purpose of sending or receiving notices, documents or information by electronic means but, in any other case, shall not include any number or address used for such purpose,

"**Articles**" means these articles of association as altered from time to time,

"**Auditors**" means the auditors for the time being of the Company,

"**clear days' notice**" means that the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given or on which it is to take effect,

"**Directors**" means the directors for the time being of the Company, or, as the case may be, the board of directors for the time being of the Company or the persons present at a duly convened meeting of the board of directors or any duly authorised committee thereof at which a quorum is present,

"**dividend**" means a dividend or bonus,

"**electronic form**" and "**electronic means**" shall, where the context so admits, have the same meaning as in the 2006 Act,

"**Member**" means a member of the Company,

"**month**" means calendar month,

**"Office"** means the registered office for the time being of the Company,

**"paid up"** includes credited as paid up,

**"Parent Company"** means the holder of over 50% of the Company's issued share capital which as at the date of adoption of these Articles is CTI Engineering Co. Ltd, a company registered in Japan with its registered office at 2-21-1 Nihombashi, Hama-cho, Chuo-ku, Tokyo, 103-8430, Japan;

**"properly authenticated dematerialised instruction"** shall have the same meaning as in the Regulations,

**"Register"** means the register of members of the Company required to be kept by the Statutes,

**"relevant system"** shall have the same meaning as in the Regulations,

**"Seal"** means the common seal of the Company or any official or securities seal that the Company may have or be permitted to have under the Statutes,

**"Secretary"** includes a Joint, deputy or assistant secretary, and any person appointed by the Directors to perform the duties of the secretary of the Company,

**"Statutes"** means the Companies Acts as defined by section 2 of the 2006 Act and every other statute or subordinate legislation for the time being in force concerning companies and affecting the Company,

**"treasury shares"** means qualifying shares (within the meaning of section 724(2) of the 2006 Act) held by the Company under section 724(3) of the 2006 Act,

**"United Kingdom"** means Great Britain and Northern Ireland, and

**"in writing" and "written"** includes printing, lithography, typewriting, photography and other modes of representing or reproducing words in visible form, whether sent or supplied in electronic form, made available on a website or otherwise.

- 2.2 Words importing the singular number only shall include the plural, and vice versa.
- 2.3 Words importing the masculine gender only shall include the feminine gender.
- 2.4 Words importing individuals and words importing persons shall include bodies corporate and unincorporated associations.
- 2.5 Any reference herein to the provisions of any statute or of any subordinate legislation shall include any amendment or re-enactment (with or without amendment) thereof for the time being in force.
- 2.6 Subject as aforesaid, and unless the context otherwise requires, words and expressions defined in the Statutes shall bear the same meanings in these Articles.
- 2.7 A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.
- 2.8 Headings to these Articles are for convenience only and shall not affect construction.

## **SHARES**

### **3. Rights attaching to shares**

Subject to the Articles, but without prejudice to any rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such

rights (including preferred, deferred or other special rights) or such restrictions, whether with regard to dividends, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.

**4. Redemption of shares**

Subject to the provisions of the Statutes, any shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder. The terms and conditions and manner of redemption may be determined by the Directors provided that this is done before the shares are allotted.

**5. Purchase of shares**

Subject to the provisions of the Statutes, the Company may purchase any of its own shares (including any redeemable shares).

**6. Financial assistance**

The Company shall not give any financial assistance for the acquisition of shares in the Company except and in so far as permitted by the Statutes.

**7. Allotment at a discount**

The shares of the Company shall not be allotted at a discount and save as permitted by the Statutes shall not be allotted except as paid up at least as to one-quarter of their nominal value and the whole of any premium thereon.

**8. Payment of commission and brokerage**

The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. Such commission may be satisfied by the payment of cash or 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.

**9. Allotment of shares**

The Directors must not without the prior written consent of the Parent Company exercise any power of the Company to allot shares or to grant rights to subscribe for, or convert any security into, any shares.

**SHARE CERTIFICATES**

**10. Share certificates and right to share certificates**

10.1 Every share certificate shall specify the number and class and the distinguishing number (if any) of the shares to which it relates and the amount paid up thereon. No certificate shall be issued relating to shares of more than one class.

10.2 Every person upon becoming the holder of a share and whose name is entered as a Member on the Register shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all shares registered in his name or, in the case of shares of more than one class being registered in his name, a separate certificate for each class of share so registered, and where a Member transfers part of the shares of any class registered in his name he shall be entitled without payment to one certificate for the balance of shares of that class retained by him. If a Member shall require additional certificates he shall pay for each additional certificate such reasonable sum (if any) as the Directors may determine.

**11. Share certificate of joint holders**

In respect of shares of one class held jointly by more than one person the Company shall not

be bound to issue more than one certificate, and delivery of a certificate for such shares to one of the joint holders of such shares shall be sufficient delivery to all such holders.

## **12. Replacement of share certificates**

If any certificate be 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, and if any certificate be worn out, lost or destroyed, then upon proof thereof to the satisfaction of the Directors and on 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 worn out, lost or destroyed certificate.

## **13. Payment for share certificates**

Every certificate issued under the last preceding Article shall be issued without payment, but there shall be paid to the Company such exceptional out-of-pocket expenses of the Company in connection with the request (including, without limiting the generality of the foregoing, the investigation of such request and the preparation and execution of any such indemnity or security) as the Directors think fit.

## **VARIATION OF RIGHTS**

### **14. Variation of class rights**

The rights attached to any class or any of such rights may, subject to the provisions of the Statutes, whether or not the Company is being wound up, be abrogated or varied with the consent in writing of the Parent Company or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

### **15. Issues of further shares**

The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by the terms upon which such shares are for the time being held, be deemed not to be abrogated or varied by the creation or issue of further shares ranking *pari passu* therewith.

## **TRANSFER OF SHARES**

### **16. Form of transfer**

16.1 All transfers of shares shall be effected by instrument in writing in any usual or common form or any other form which the Directors may approve.

16.2 The instrument of transfer of any share in the Company shall be signed by or on behalf of the transferor (and, in the case of a share which is not fully paid, shall also be signed by or on behalf of the transferee). The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

### **17. Right to decline registration**

17.1 Subject to Article 75, the Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share which is not a fully-paid share.

17.2 The Directors may likewise refuse to register any transfer of a share, whether fully-paid or not, in favour of more than four persons jointly.

### **18. Further rights to decline registration**

The Directors may decline to recognise any instrument of transfer unless the instrument of

transfer is left at the Office, or at such other place as the Directors may from time to time determine, accompanied by the certificate(s) of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do), and the instrument of transfer is in respect of only one class of share.

#### **19. Notice of refusal to register**

If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal and (except in the case of fraud) return to him the instrument of transfer.

#### **20. Retention of Instruments of transfer**

All instruments of transfer which are registered may be retained by the Company.

### **ALTERATION OF CAPITAL**

#### **21. Consolidation and sub-division**

The Company may subject to the passing of a resolution authorising it to do so in accordance with the 2006 Act:

- 21.1 consolidate and divide all or any of its share capital into shares of a larger nominal amount than its existing shares;
- 21.2 sub-divide its shares or any of them into shares of smaller nominal amount provided that:
  - 21.2.1. in the sub-division, consolidation or division, the proportion between the amount paid and the amount, if any, unpaid on each resulting share shall be the same as it was in the case of the share from which that share is derived; and
  - 21.2.2. the resolution pursuant to which any share is sub-divided may determine that as between the resulting shares one or more of such shares may be given any preference or advantage or be subject to any restriction as regards dividend, capital, voting or otherwise over the others or any other of such shares.

#### **22. Fractions of shares**

Subject to any direction by the Company in general meeting, whenever as the result of any consolidation or 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 sell the shares to which Members are so entitled in fractions to any person (including, subject to the provisions of the Statutes, the Company) and pay and distribute to and amongst the Members entitled to such shares in due proportions the net proceeds of the sales thereof save for individual entitlements (net of expenses) not exceeding £3 which may be retained for the benefit of the Company. For the purpose of giving effect to any such sale the Directors may nominate some person to execute a transfer of the shares sold on behalf of the Members so entitled to in accordance with the directions of the buyer thereof and may cause the name of the transferee(s) to be entered in the Register as the holder(s) of the shares comprised in any such transfer, and such transferee(s) shall not be bound to see to the application of the purchase money nor shall such transferee's(s') title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

#### **23. Reduction of share capital**

Subject to the provisions of the Statutes, the Company may by special resolution reduce its



share capital, any capital redemption reserve, any share premium account and any redemption reserve in any way.

## **GENERAL MEETINGS**

### **24. Annual general meeting**

The Company shall in accordance with the Statutes, hold a general meeting as its annual general meeting. The annual general meeting shall be held at such time and place as the Directors shall appoint.

### **25. Convening of general meetings**

The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by the Statutes.

## **NOTICE OF GENERAL MEETINGS**

### **26. Length and form of notice**

26.1 Subject to the provisions of section 307A of the 2006 Act, an annual general meeting shall be called by not less than 21 clear days' notice, and a meeting of the Company other than an annual general meeting shall be called by not less than 14 clear days' notice. The notice shall state the place, the date and the time of meeting and the general nature of the business to be transacted at the meeting and may be given in electronic form.

26.2 A notice calling an annual general meeting shall state that the meeting is an annual general meeting and a notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as such and shall include the text of the resolution.

### **27. Short notice**

A separate general meeting of the holders of a class of shares of the Company shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right (excluding any shares in the Company held as treasury shares).

### **28. Omission or non-receipt of notice of resolution or meeting or proxy**

The accidental failure to give notice of a meeting, or of a resolution intended to be moved at a meeting, or to issue an invitation to appoint a proxy with a notice where required by these Articles, to any one or more persons entitled to receive notice, or the non-receipt of notice of a meeting or of such a resolution or of an invitation to appoint a proxy by any such persons, shall be disregarded for the purpose of determining whether notice of the meeting or of any resolution to be moved at the meeting is duly given.

### **29. Postponement of general meetings**

If the Directors, in their absolute discretion, consider that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting they may, subject to obtaining Parent Company consent, postpone the general meeting to another date, time and/or place.

## **PROCEEDINGS AT GENERAL MEETINGS**

### **30. Quorum**

- 30.1 No business shall be transacted at any general meeting unless a quorum is present. A duly appointed representative of the Parent Company present in person shall be a quorum. The person or persons so authorised will be entitled to exercise the same powers on behalf of the Parent Company as could be exercised if it were an individual *Member of the Company and the Parent Company will*, for the purposes of these Articles, be deemed to be present in person at any such meeting if any person so authorised is present.
- 30.2 The appointment of a chairman of the meeting in accordance with the provisions of these Articles shall not be treated as part of the business of the meeting.

### **31. Procedure if quorum not present**

Subject to the provisions of section 307A of the 2006 Act, if within 30 minutes (or such longer time as the chairman of the meeting may decide) from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to such day, time and place as the chairman of the meeting shall appoint. If at such adjourned meeting a quorum is not present within 30 minutes from the time appointed therefor, the meeting shall be dissolved.

### **32. Arrangements for simultaneous attendance, security and orderly conduct**

- 32.1 In the case of any general meeting, the Directors may, notwithstanding the specification in the notice convening the general meeting of the place at which the chairman of the meeting shall preside (the "**Principal Place**"), make arrangements for simultaneous attendance and participation at other places by Members and proxies and others entitled to attend the general meeting.
- 32.2 Any general meeting of the Company may be held and conducted in any number of locations in such a way that any person eligible to attend, vote and speak who is not present at the Principal Place may participate in the meeting by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other and to address each other. A person so participating shall be deemed to be present in person.

### **33. Chairman of general meetings**

The chairman of the board of Directors shall preside as the chairman of every general meeting, but if he is unable to act as chairman at a meeting or any part of a meeting he may appoint another Director to act as chairman in his place. Any appointment or removal under this Article 33 will be made by notice to the Company signed by the Chairman and will take effect when the notice is received or at any later time specified for the purpose in the notice.

### **34. Adjournments**

- 34.1 The chairman of the meeting may, at any time without the consent of the meeting, adjourn any meeting (whether or not it has commenced or has already been adjourned or a quorum is present) either sine die or to another time or place where it appears to him that (i) the Members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting, (ii) the conduct of any persons prevents or is likely to prevent the orderly continuation of business or (iii) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- 34.2 The chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### **35. Directors ' right to attend and speak**

Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares in the Company. The chairman of the meeting may invite any person to attend and speak at any general meeting of the Company whom the chairman of the meeting considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

### **36. Amendments to resolutions**

If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution no amendment thereto (other than an amendment to correct a patent error) may in any event be considered or voted upon.

### **37. Method of voting and demand for a poll**

37.1 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:

37.1.1. by the chairman of the meeting; or

37.1.2. by any Member present in person or by proxy and having the right to vote on the resolution.

37.2 Unless a poll is so demanded (and the demand is not subsequently withdrawn), a declaration by the chairman of the meeting that a resolution has on a show of hands been passed or passed unanimously, or with a particular majority, or lost, or an entry to that effect in the minutes of the meeting of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

37.3 If a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting directs and he may appoint scrutineers and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

### **38. Timing and procedure for a poll**

A poll demanded on the election of a chairman of the meeting or on the question of an adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 clear days after the date of the meeting or adjourned meeting at which the poll is demanded) and place as the chairman of the meeting may direct. No notice need be given of a poll not taken immediately. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll. The demand for a poll may be withdrawn with the consent of the chairman of the meeting at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and in that event shall not invalidate the result of a show of hands declared before the demand was made.

## **VOTES OF MEMBERS**

### **39. Votes of Members and of joint holders**

39.1 Subject to any rights or restrictions for the time being attached to any class or classes of shares and to any other provisions of these Articles or the Statutes on a show of hands every Member present in person shall have one vote, on a show of hands every proxy present who has been duly appointed by one or more Members shall

have one vote.

- 39.2 In the case of joint holders of a share, the vote of the senior holder who votes, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the share.

#### **40. Objections to and errors in voting**

No objection shall be raised to the qualification of any 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 given or tendered (or at which the error occurs), and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive. Whether a proxy or corporate representative has voted in accordance with any instructions given by the Member who has appointed such proxy or corporate representative need not be verified by the Company or any other person and any vote (whether on a show of hands or a poll) given by such proxy or corporate representative will be valid for all purposes notwithstanding any failure to follow such instructions.

#### **41. Voting on a poll**

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 in the same way.

#### **42. Execution of proxies**

- 42.1 The appointment of a proxy shall be in any usual or common form, or in any other form which the Directors may approve and shall be signed under the hand of the appointor or of his attorney duly authorised in writing. If the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorised, or if permitted by the Directors, in electronic form in the manner and form *and subject to such terms and conditions as the Directors may decide.*

- 42.2 The signature, if any, on such appointment need not be witnessed.

#### **43. Appointment of proxies**

A proxy need not be a Member of the Company. A Member may appoint more than one proxy to attend and to speak and to vote on the same occasion, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the Member. The appointment of a proxy shall not preclude a Member from attending and voting in person at the meeting or any adjournment thereof.

#### **44. Delivery of proxies**

- 44.1 The appointment of a proxy shall:
- 44.1.1. *(in the case of an appointment not sent in electronic form) be deposited at the Office or at such other place or one of such places (if any) within the United Kingdom as is or are specified for that purpose in or by way of note to the notice convening the meeting or any document accompanying such notice; or*
  - 44.1.2. *(in the case of an appointment sent in electronic form) where an address has been specified for the purpose by the Company (generally or specifically), be received at such address;*
  - 44.1.3. *not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not less than 24 hours before the time*

appointed for the taking of the poll at which it is to be used, and in default the appointment of a proxy shall not be treated as valid. Failing previous registration with the Company, the power of attorney or other authority, if any, under which the appointment of a proxy is executed, or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of that power or authority, or a copy in some other way approved by the Directors, shall (whether (a) or (b) above shall apply) also be deposited or received at the Office or at such other place specified in accordance with (a) above, or (if the Directors so agree) at the address or by the means provided in accordance with (b) above, not later than the time by which the appointment of a proxy is required to be deposited or (as the case may be) received in accordance with this Article. When calculating any periods mentioned in this Article, the Directors may specify that no account shall be taken of any part of a day that is not a working day.

**45. Validity of proxies**

An 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 expiration of 12 months from the date of its deposit or receipt except at an adjourned meeting or on a poll demanded at a meeting or adjourned meeting in cases where the meeting was originally held within 12 months from that date.

**46. Authority of proxies to call for a poll**

The appointment of a proxy to vote on a matter at a meeting of the Company shall be deemed to confer authority on the proxy to demand or join in demanding a poll on that matter.

**47. Cancellation of proxy's authority**

A vote given or poll demanded in accordance with the terms of an appointment of a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or determination of the authority of the person voting or demanding a poll, provided that no intimation in writing of such death, insanity, revocation or determination shall have been received by the Company at the Office or such other place (if any) as is specified for depositing the appointment of proxy or, where the appointment of the proxy was in electronic form, at the address at which such appointment was duly received, in each case in accordance with Article 80 1, before the time for holding the meeting or adjourned meeting or the time appointed for taking a poll subsequently thereto at which such vote is given.

**48. Corporate representatives**

Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise a person or persons to act as its representative or representatives at any meeting of the Company or of any class of Members of the Company.

**49. Powers of corporate representatives**

Any person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers as that corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat. Where the corporation authorises more than one person, the provisions of section 323(3) and (4) of the 2006 Act apply.

**DIRECTORS**

**50. Appointment and removal of directors**

50.1 Any person who is willing to act as a Director, and is permitted by law to do

so, may be appointed to be a Director by ordinary resolution.

50.2 The Parent Company may at any time and from time to time by notice in writing to the Company appoint any person to be a Director of the Company or remove from office any director, whether or not appointed by the Parent Company. Any such removal from office shall be deemed an act of the Company and has effect without prejudice to any claim for damages for breach of any contract of service between the Director and the Company.

50.3 Any appointment or removal of a Director under Article 50.2 must be made by notice in writing given to the Company by the Parent Company. Any such appointment or removal will take effect when the notice is received or at any later time specified for the purpose in the notice.

## **51. Number of Directors**

Unless and until the Company in general meeting shall otherwise determine, the number of Directors shall not be less than four. The Company may by ordinary resolution from time to time vary the minimum number and/or maximum number of Directors.

## **52. Directors' shareholding qualification**

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

## **53. Age of Directors**

There shall not be an age limit for Directors.

## **54. Other interests of Directors**

Subject to the provisions of the Statutes, a Director of the Company may be or continue as or become a director or other officer, employee or member of, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate in which the Company may be (directly or indirectly) interested as shareholder or otherwise or any parent undertaking or subsidiary undertaking of any parent undertaking of the Company, and no such Director shall, by reason of his office, be accountable to the Company for any remuneration or other benefits which derive from any such office or employment or from any contract, transaction or arrangement with, or from his membership or interest in, such other body corporate or undertaking. No such office, employment, contract, transaction or arrangement or interest shall be liable to be avoided on the ground of any such interest or benefit.

## **55. Directors' fees**

The Directors shall be paid out of the funds of the Company by way of fees for their services as Directors such sums (if any) as the Directors may from time to time determine (not exceeding in the aggregate an annual sum (excluding amounts payable under any other provision of these Articles) of £200,000 or such larger amount as the Company may by ordinary resolution determine) and such remuneration shall be divided between the Directors as they shall agree or, failing agreement, equally. Such remuneration shall be deemed to accrue from day to day.

## **56. Directors expenses**

The Directors may also be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or of the holders of any class of shares or debentures of the Company or otherwise in connection with the business of the Company.

## **57. Additional remuneration**

Any Director who is appointed to any executive office or who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.

## **ALTERNATE DIRECTORS**

### **58. Alternate Directors**

- 58.1 Each Director shall have the power at any time to appoint as an alternate Director either (i) another Director or (ii) any other person approved for that purpose by a resolution of the Directors, and, at any time, to terminate such appointment.
- 58.2 Every appointment and removal of an alternate Director shall be in writing signed by the appointor and shall (subject to any approval required) take effect upon receipt of such written appointment or removal at the Office or at a meeting of the Directors or in the case of an appointment or removal in electronic form, at such address (if any) specified by the Company for that purpose. An alternate Director shall not be required to hold any shares in the capital of the Company and shall not be counted in reckoning the maximum and minimum numbers of Directors allowed under these Articles.
- 58.3 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be an agent of his appointor.
- 58.4 An alternate Director shall be entitled (subject to his giving to the Company either an address within the United Kingdom or an address for the purpose of sending or receiving documents or information by electronic means at which notices may be served upon him) to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a member, and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as Director of his appointor.
- 58.5 The appointment of an alternate Director shall automatically determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.
- 58.6 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

## **POWERS AND DUTIES OF DIRECTORS**

### **59. Powers of Company vested In the Directors**

The business of the Company shall be managed by the Directors, who may exercise all the powers of the Company subject, nevertheless, to the provisions of these Articles and of the Statutes, and to such directions as may be given by the Company in general meeting by special resolution,

provided that no alteration of these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid. If such alteration had not been made or such direction had not been given. The general powers conferred upon the Directors by this Article shall not be deemed to be abridged or restricted by any specific power conferred upon the Directors by any other Article.

## **60. Pensions, insurance and gratuities for Directors and others**

60.1 The Directors may exercise all the powers of the Company to give or award pensions, annuities, gratuities or other retirement, superannuation, death or disability allowances or benefits (whether or not similar to the foregoing) to (or to any person in respect of) any persons who are or have at any time been Directors of the Company or of any body *corporate which is or was a subsidiary undertaking or a parent undertaking of the Company* or another subsidiary undertaking of a parent undertaking of the Company or otherwise associated with the Company or any such body corporate, or a predecessor in business of the Company or any such body corporate, and to the spouses, civil partners, former spouses, former civil partners, children and other relatives and dependents of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director or former Director shall be entitled to receive and retain *for his own benefit any such pension, annuity, gratuity, allowance or other benefit* (whether under any such trust, fund or scheme or otherwise).

60.2 Without prejudice to any other provisions of these Articles, the Directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of the Company, or of any other body (whether or not incorporated) which is or was its parent undertaking or subsidiary undertaking or another subsidiary undertaking of any such parent undertaking (together "Group Companies") or otherwise associated with the Company or any Group Company or in which the Company or any such Group Company has or had any interest, whether direct or indirect, or of any predecessor in business of any of the foregoing, or who are or were at any time trustees of (or directors of trustees of) any pension, superannuation or similar fund, trust or scheme or any employees' share scheme or other scheme or arrangement in which any employees of the Company or of any such other body are interested, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses or liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the actual or purported exercise of their powers and discretions and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such other body, fund, trust, scheme or arrangement.

60.3 Without prejudice to any other provisions of these Articles, the Directors may exercise all the powers of the Company to establish, maintain, and contribute to any scheme for encouraging or facilitating the holding of shares in the Company or in any connected company by or for the benefit of current or former directors of the Company or any connected company or any company otherwise allied or associated with the Company or connected company or the spouses, civil partners, former spouses, former civil partners, families, connections or dependents of any such persons and, in connection with any such scheme, to establish, maintain and contribute to a trust for the purpose of acquiring and holding shares in the Company or any connected company and to lend money to the trustees of any such trust or to any individual referred to above.

## **61. Local boards**

The Directors may make such arrangements as they think fit for the management and transaction of the Company's affairs in the United Kingdom and elsewhere and may from time to time and at any time establish any local 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 board, 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 powers of borrowing and of making calls), with power to sub-delegate, and may authorise the members for the time being of any such local board, or any of them, to fill up any vacancies therein, and to act notwithstanding vacancies, and 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.

## **62. Attorneys and agents**

The Directors may from time to time and at any time by power of attorney or otherwise appoint any body corporate, firm or person or body of persons, to be the attorney or attorneys or agent or agents of the Company for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointments may contain such provisions for the protection and convenience of persons dealing with any such attorney or agent as the Directors may think fit and may also authorise any such attorney or agent to sub-delegate all or any of the powers, authorities and discretions vested in him.

## **63. Official seal**

The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and the powers conferred by the Statutes with regard to having an official seal for sealing securities and for sealing documents creating or evidencing securities, and such powers shall be vested in the Directors.

## **64. Overseas branch register**

The Company may exercise the powers conferred upon the Company by the Statutes with regard to the keeping of an overseas branch register, and the Directors may (subject to the provisions of the Statutes) make and vary such regulations as they may think fit concerning the keeping of any such register.

## **65. Directors' permitted interests and entitlement to vote**

- 65.1 Subject to the provisions of the Statutes, a Director may hold any other office or place of profit with the Company, except that of Auditor, in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company (otherwise than as Auditor), and in any such case on such terms as to remuneration and otherwise as the Directors may decide.
- 65.2 A Director shall be entitled to attend and vote at any meeting of the Directors notwithstanding any office, employment or other arrangement that exists between the Director and the Parent Company.
- 65.3 Any such remuneration shall be in addition to any remuneration provided for by any other Article. No Director or intending Director shall be disqualified by his office from entering into, or being otherwise interested in, any of the foregoing, or any other contract, transaction or arrangement with the Company or in which the Company has a (direct or indirect) interest.
- 65.4 Subject to the provisions of the statutes and save as therein provided no such contract, transaction or arrangement shall be liable to be avoided on the grounds of the Director's interest, nor shall any Director be liable to account to the Company for any remuneration or other benefit which derives from any such contract, transaction or arrangement or interest by reason of such Director holding that office or of the fiduciary relationship thereby established, but he shall declare the nature of his interest in accordance with the requirements of the Statutes.

- 65.5 Save as herein provided, a Director shall not vote in respect of any contract, arrangement or transaction whatsoever in which he has an interest which is to his knowledge a material interest otherwise than by virtue of interests in shares or debentures or other securities of or otherwise in or through the Company.
- 65.6 A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- 65.7 A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
- 65.7.1. the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
  - 65.7.2. the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - 65.7.3. any proposal concerning an offer of securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to *participate as a holder of securities or in the underwriting or sub-underwriting* of which he is to participate;
  - 65.7.4. any contract, arrangement or transaction concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he does not to his knowledge hold an interest (within the meaning of sections 820 to 825 of the 2006 Act) in one per cent or more of any class of the equity share capital of such body corporate or of the voting rights available to members of the relevant body corporate;
  - 65.7.5. any contract, arrangement or transaction for the benefit of employees of the Company or any of its subsidiary undertakings which does not accord to him any privilege or advantage not generally accorded to the employees to whom the scheme relates;
  - 65.7.6. any contract, arrangement or transaction concerning any insurance which the Company is to purchase and/or maintain for, or for the benefit of, any Directors or persons including Directors;
  - 65.7.7. the giving of an indemnity pursuant to Article 154; and
  - 65.7.8. and the provision of funds to any Director to meet, or the doing of anything to enable a Director to avoid incurring, expenditure of the nature described in section 205(1) or 206 of the 2006 Act.
- 65.8 A Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.
- 65.9 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under paragraph 101 3(d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own

appointment.

- 65.10 If any question shall arise at any meeting as to an interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.
- 65.11 Subject to the provisions of the Statutes the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any contract, arrangement or transaction not duly authorised by reason of a contravention of this Article.
- 65.12 For the purposes of Section 175 of the 2006 Act, the Directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, constitute or give rise to an infringement of duty by a Director under that Section.
- 65.13 Authorisation of a matter under 65.12 shall be effective only if:
- 65.13.1. the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve;
  - 65.13.2. any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and
  - 65.13.3. the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- 65.14 Any authorisation of a matter pursuant to this Article 65.12 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 65.15 Any authorisation of a matter under Article 65.12 shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time a Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.
- 65.16 A Director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the Directors under sub-paragraph of this paragraph of this Article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration or other benefit or on the ground of the Director having any interest as referred to in the said section 175.
- 65.17 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this Article applies only if the existence of that connection has been authorised by the Directors under Article 65.12. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he fails to disclose any such information to the Directors or to any Director or other officer or

employee of the Company, and/or to use any such information in performing his duties as a Director or officer or employee of the Company.

- 65.18 Where the existence of a Director's connection with another person has been authorised by the Directors under Article 65.12 and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he absents himself from meetings of the Directors or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser, for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.
- 65.19 The provisions of this Article 65 are without prejudice to any equitable principle or rule of law which may excuse the Director from disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise, or attending meetings or discussions or receiving documents and information as referred to in this Article, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.
- 65.20 For the purposes of this Article, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

## **66. Exercise of Company's voting powers**

The Directors may exercise or procure the exercise of the voting rights conferred by the shares in any other body corporate held or owned by the Company or any power of appointment in relation to any other body corporate, and may exercise any voting rights or power of appointment to which they are entitled as directors of such other body corporate, in such manner as they shall in their absolute discretion think fit, including the exercise thereof in favour of appointing themselves or any of them as directors, officers or servants of such other body corporate, and fixing their remuneration as such, and may vote as Directors of the Company in connection with any of the matters aforesaid.

## **67. Signing of cheques etc.**

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time determine.

## **68. Minutes**

- 68.1 The Directors shall cause minutes to be recorded of all appointments of officers made by the Directors, of the names of the Directors present at each meeting of the Directors and of any committee of the Directors, of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors.
- 68.2 It shall not be necessary for Directors present at any meeting of Directors or committee of Directors to sign their names in any minute book or other book kept for recording attendance. Minutes recorded as aforesaid, if purporting to be signed by the chairman of the meeting, or by the chairman of the next succeeding such meeting, shall be receivable as evidence of the matters stated in such minutes.

## **DISQUALIFICATION OF DIRECTORS**

### **69. Vacation of a Director's office**

The office of a Director shall be vacated in any of the following events, namely

- 69.1 if a bankruptcy order is made against him or he makes any arrangement or composition with his creditors generally;
- 69.2 if he becomes prohibited by law from acting as a Director;
- 69.3 if, in England or elsewhere, an order is made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person to exercise powers with respect to his property or affairs;
- 69.4 if he resigns his office by notice to the Company or offers to resign and the Directors resolve to accept such offer;
- 69.5 if, not having leave of absence from the Directors, he and 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;
- 69.6 if, he is removed by a notice in writing received from the Parent Company in accordance with Article 50.2; or
- 69.7 if, by notice in writing delivered to or received at the Office or, in the case of a notice in electronic form, at such address (if any) specified by the Directors for that purpose or tendered at a meeting of the Directors, his resignation is requested by all of the other Directors (but so that this shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company).

## **PROCEEDINGS OF DIRECTORS**

### **70. Board meetings and participation**

- 70.1 The Directors may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit without prejudice to the foregoing, all or any of the Directors or of the members of any committee of the Directors may participate in a meeting of the Directors or of that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other and to address each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is then present. The word "meeting" in these Articles shall be construed accordingly.
- 70.2 The Chairman (or any acting chairman appointed in accordance Article 93.2) will be entitled to invite observers and/or interpreters to attend meetings of the Directors and meetings of any committee of the Directors. Any such persons attending may, at the Chairman's discretion, be entitled to receive copies of board papers and/or speak at the meeting, but will not be entitled to vote on any resolutions proposed.

### **71. Quorum at board meetings**

The Directors may by resolution determine the quorum necessary for the transaction of business. Until otherwise determined three Directors shall constitute a quorum, at least one of whom must have been appointed by the Parent Company.

### **72. Voting at board meetings**

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

Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Any Director may waive notice of any meeting and any such waiver may be retrospective.

### **73. Notice of board meetings**

Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose or sent in electronic form to such address (if any) for the time being specified by him or on his behalf to the Company for that purpose.

### **74. Chairman and Chairman's casting vote**

74.1 The post of Chairman will be held by a Director appointed by the Parent Company. Any person so appointed as Chairman may be removed and replaced by notice in writing given to the Company by the Parent Company and will take effect when the notice is received or at any later time specified for the purpose in the notice.

74.2 The Chairman will preside at every meeting of Directors at which he is present, but if he is unable to act as Chairman at a meeting or any part of a meeting he may appoint another Director to act as chairman of the board meeting. Any appointment or removal under this Article 74.2 will be made by notice to the Company signed by the Chairman and will take effect when the notice is received or at any later time specified for the purpose in the notice.

74.3 If the numbers of votes for and against a proposal are equal, the Chairman or other director chairing the meeting will have a casting vote.

### **75. Delegation of Directors' powers to committees and otherwise**

75.1 The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve any payment to or the conferring of any other benefit on all or any of the Directors) to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Insofar as any such power or discretion is delegated to a committee any reference in these Articles to the exercise by the Directors of such power or discretion shall be read and construed as if it were a reference to the exercise of such power or discretion by such committee. Any committee so formed shall in the exercise of the powers and discretions so delegated conform to any regulations that may from time to time be imposed by the Directors in default of which the meetings and proceedings of a committee consisting of more than one member shall be governed mutatis mutandis by the provisions of these Articles regulating the proceedings and meetings of the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee.

75.2 Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate to one or more Directors (whether or not acting as a committee) or to any employee or agent of the Company all or any of the powers and discretions delegated and may be made subject to such conditions as the Directors may specify, and may be revoked or altered.

### **76. Validity of Directors' acts**

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

continued to be a Director or member of the committee and was entitled to vote.

#### **77. Written resolution of Directors**

A resolution in writing, signed or otherwise agreed to by all those Directors for the time being entitled to receive notice of a meeting of the Directors or by all the members of a committee for the time being entitled to receive notice of a committee meeting, (in each case) who would have been entitled to vote on the resolution at a meeting of the Directors or of such committee shall be as valid and effective for all purposes as a resolution passed at a meeting duly convened and held, and may consist of two or more documents in like form each signed or agreed to by one or more of such Directors or members of such committee, provided that all those signing or agreeing to the resolution would have formed a quorum at such a meeting. Such a resolution in writing need not be signed or agreed to by an alternate Director if it is signed or agreed to by the Director who appointed him.

### **MANAGING AND EXECUTIVE DIRECTORS**

#### **78. Appointment of executive Directors**

Subject to the provisions of the Statutes, the Directors may from time to time appoint one or more of their body to the office of Managing Director or to hold such other executive office in relation to the management of the business of the Company as they may decide, for such period and on such terms as they think fit, and, subject to the terms of any service contract entered into in any particular case and without prejudice to any claim for damages such Director may have for breach of any such service contract, may revoke such appointment without prejudice to any claim for damages such Director may have for breach of any service contract between him and the Company, his appointment shall be automatically determined if he ceases from any cause to be a Director.

#### **79. Remuneration of executive Directors**

The salary or remuneration of any Managing Director or other 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, and may include the making of provisions for the payment to him, his widow or other dependents, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension and life assurance and other benefits, or may be upon such other terms as the Directors determine.

#### **80. Powers of executive Directors**

The Directors may entrust to and confer upon a Managing Director or other executive Director any of the powers and discretions exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and discretions and may from time to time revoke, withdraw, alter or vary all or any of such powers or discretions. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate to one or more Directors (whether or not acting as a committee) or to any employee or agent of the Company all or any of the powers and discretions delegated and may be made subject to such conditions as the Directors may specify and may be revoked or altered.

### **SECRETARY**

#### **81. Appointment and removal of Secretary**

- 81.1 Any person who is willing to act as Secretary, and is permitted by law to do so, may be appointed to be a director by ordinary resolution.
- 81.2 The Parent Company may at any time and from time to time by notice in writing to the Company appoint any person to be Secretary of the Company or remove from office any Secretary, whether or not appointed by the Parent Company. Any such removal from office shall be deemed an act of the

Company and has effect without prejudice to any claim for damages for breach of any contract of service between the Secretary and the Company.

- 81.3 Any appointment or removal of a Secretary under Article 81.2 must be made by notice in writing given to the Company by the Parent Company. Any such appointment or removal will take effect when the notice is received or at any later time specified for the purpose in the notice.

## **THE SEAL**

### **82. Use of Seal**

- 82.1 The Directors shall provide for the safe custody of the Seal and any official seal kept under section 50 of the 2006 Act, and neither shall be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. Every instrument to which either shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors or as otherwise determined by the Directors, save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some mechanical or electronic method or system.
- 82.2 Where the Statutes so permit, any instrument signed by one Director and the Secretary or by two Directors or by a Director in the presence of a witness who attests the signature, and expressed, in whatever words, to be executed by the Company shall have the same effect as if executed under the Seal. The Directors may by resolution determine that such signatures or either of them shall be affixed by some mechanical or electronic method or system.

## **RESERVE**

### **83. Establishment of reserve**

The Directors may from time to time set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the 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. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

## **DIVIDENDS**

### **84. Declarations of dividends by Company**

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

### **85. Payment of interim and fixed dividends by Directors**

- 85.1 Subject to the provisions of the Statutes, the Directors:
- 85.1.1. may from time to time pay such interim dividends as they think fit; and/or
  - 85.1.2. may also pay the fixed dividends payable on any shares of the Company half-yearly or otherwise on fixed dates.
- 85.2 If the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment



of an interim dividend on any shares having non-preferred or deferred rights.

#### **86. Restrictions on dividends**

No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of the Statutes.

#### **87. Calculation of dividends**

Subject to the Statutes, and to the rights of persons, if any, entitled to shares with any priority, preference or 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 as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as if paid up in full or in part from a particular date, whether past or future, such share shall rank for dividend accordingly.

#### **88. Deductions of amounts due on shares and waiver of dividends**

88.1 The Directors may deduct from any dividend or other monies payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

88.2 The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

#### **89. Dividends other than in cash**

Any general meeting declaring a dividend may, upon the recommendation of the Directors, direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other body corporate, and the Directors shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

#### **90. Payment procedure**

90.1 All dividends and other distributions shall be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at such other time and/or date as the Company by ordinary resolution or the Directors may determine.

90.2 The Company may pay any dividend or other monies payable in cash in respect of shares by direct debit, bank or other funds transfer system, or by cheque, dividend warrant or money order and may remit the same by post directed to the registered address of the holder or person entitled thereto (or, in the case of joint holders or of two or more persons entitled thereto, to the registered address of the person whose name stands first in the Register), or to such person and to such address as the holder or Joint holders or person or persons may in writing direct, and the Company shall not be responsible for any loss of any such cheque, warrant or order nor for any loss in the course of any such transfer or where it has acted on any such directions. Every such cheque, warrant or order shall be made payable to, or to the order of, the person to whom it is sent, or to, or to the order of, such person as the holder or Joint holders or person or persons entitled may in writing direct, and the payment of such cheque,

warrant or order or the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank or other funds transfer or the making of payment by means of the relevant system concerned, shall be a good discharge to the Company. Any one of two or more joint holders of any share, or any one of two or more persons entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, may give effectual receipts for any dividends or other monies payable or property distributable on or in respect of the share.

#### **91. Interest**

Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other monies payable on or in respect of a share shall bear interest against the Company.

#### **92. Forfeiture of dividends**

All dividends or other sums payable on or in respect of any share which remain unclaimed may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years or more after becoming due for payment shall be forfeited and shall revert to the Company. The payment of any unclaimed 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.

### **CAPITALISATION OF PROFITS AND SCRIP DIVIDENDS**

#### **93. Power to capitalise**

Subject to the provisions of Article 138, the Directors may capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including any share premium account and capital redemption reserve) or to the credit of the profit and loss account (in each case, whether or not such amounts are available for distribution), and appropriate the sum resolved to be capitalised either:

- 93.1 to the holders of ordinary shares (on the Register at such time and on such date as may be specified in, or determined as provided in, the resolution of the general meeting granting authority for such capitalisation) who would have been entitled thereto if distributed by way of dividend and in the same proportions (including, for this purpose, any shares in the Company held as treasury shares, as if the restriction on payment of dividends in the Statutes did not apply), and the Directors shall apply such sum on their behalf either in or towards paying up any amounts, if any, for the time being unpaid on any shares held by such holders of ordinary shares respectively or in paying up in full at par unissued shares or debentures of the Company to be allotted credited as fully paid up to such holders of ordinary shares in the proportions aforesaid, or partly in the one way and partly in the other; or
- 93.2 to such holders of ordinary shares who may, in relation to any dividend or dividends, validly accept an offer or offers on such terms and conditions as the Directors may determine (and subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with legal or practical problems in respect of overseas shareholders or in respect of shares represented by depository receipts) to receive new ordinary shares, credited as fully paid up, in lieu of the whole or any part of any such dividend or dividends (any such offer being called a "Scrip Dividend Offer"), and the Directors shall apply such sum on their behalf in paying up in full at par unissued shares (in accordance with the terms, conditions and exclusions or other arrangements of the Scrip Dividend Offer) to be allotted credited as fully paid up to such holders respectively.

#### **94. Authority required**

- 94.1 The authority of the Company in general meeting shall be required before the Directors implement any Scrip Dividend Offer (which authority may extend to one or more offers).

94.2 The authority of the Company in general meeting shall be required for any capitalisation pursuant to Article 137 1 above.

94.3 A share premium account and a capital redemption reserve and any other amounts which are not available for distribution may only be applied in the paying up of unissued shares to be allotted to holders of ordinary shares of the Company credited as fully paid up.

**95. Provision for fractions etc.**

Whenever a capitalisation requires to be effected, the Directors may do all acts and things which they may consider necessary or expedient to give effect thereto, with full power to the Directors to make such provision as they think fit for the case of shares or debentures becoming distributable in fractions (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned) and also to authorise any person to enter on behalf of all Members concerned into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

**ACCOUNTING RECORDS**

**96. Accounting records to be kept**

The Directors shall cause accounting records to be kept in accordance with the provisions of the Statutes.

**97. Location of accounting records**

The accounting records shall be kept at the Office or, subject to the provisions of the Statutes, at such other place or places as the Directors think fit.

**98. Inspection of accounting records**

The accounting records shall always be open to the inspection of the officers of the Company.

**AUDIT**

**99. Appointment of Auditors**

Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes.

**NOTICES**

**100. Service of notice**

100.1 A notice or other document (including a share certificate) or information may be given, sent, supplied, delivered or provided by the Company to any Member in accordance with the 2006 Act, subject to these Articles. The Company may at any time and in its sole discretion choose to give, send, supply, deliver or provide any notice, document or information in hard copy or electronic form alone to some or all members.

**101. Notice deemed served**

101.1 Where a notice or other document or information is given, sent, supplied, delivered or provided by the Company by post, service of the notice or other document or information shall be deemed to be effected by properly addressing, prepaying, and posting it, or a letter containing the notice or other document or information, and to have been effected at the latest at the expiration of 24 hours after posting if first-class post was used and at the latest at the expiration of 48 hours after posting if first-class post was not used. In proving such service it shall be sufficient to prove that the notice, document or information, or the letter containing the same, was properly addressed and put in the post with postage paid.

- 101.2 Where a notice or other document or information is given, sent, supplied, delivered or provided by the Company by electronic means, service of the notice or other document or information shall be deemed to be effected by sending it by electronic means to an address for the time being notified to the person giving the notice or other document or information or as otherwise permitted by the Statutes for that purpose, and to have been effected at the latest at the expiration of 24 hours from when it was sent (even if the Company subsequently sends a hard copy of such notice, document or information by post). In proving such service by electronic means, it shall be sufficient to prove that the notice or other document or information was properly addressed subject to the provisions of section 1147(4) of the 2006 Act as to deemed delivery of documents or information by means of a website.

## **ELECTRONIC COMMUNICATION**

### **102. Electronic Communication**

Notwithstanding anything in these Articles to the contrary:

- 102.1 any document or information to be given, sent, supplied, delivered or provided to any person by the Company, whether pursuant to these Articles, the Statutes or otherwise, is also to be treated as given, sent, supplied, delivered or provided where it is made available on a website, or is sent in electronic form, in the manner provided by the 2006 Act for the purposes of the 2006 Act (subject to the provisions of these Articles);
- 102.2 for the purposes of paragraph 10(2)(b) of schedule 5 to the 2006 Act, the Company may give, send, supply, deliver or provide documents or information to Members by making them available on a website;
- 102.3 for the purposes of paragraph 6 1 8R(1) of the Disclosure and Transparency Rules, the Company may use electronic means (as defined therein) to convey information or documents to Members or holders of debt securities (as defined therein); and
- 102.4 the Directors may from time to time make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the giving of notices or other documents or information by electronic means by or to the Company and otherwise for the purpose of implementing and/or supplementing the provisions of these Articles and the Statutes in relation to electronic means, and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article 102.

## **PROVISION FOR EMPLOYEES**

### **103. Provision for employees**

The power conferred by section 247 of the 2006 Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries, in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any subsidiary shall only be exercised by the Company with the prior sanction of a special resolution. If at any time the capital of the Company is divided into different classes of shares, the exercise of such power as aforesaid shall be deemed to be a variation of the rights attached to each class of shares in issue and shall accordingly require either (i) the prior consent in writing of the holders of at least three-quarters of the nominal value of the issued shares or (ii) the prior sanction of a special resolution passed at a separate general meeting of the holders of the shares of each class.

## **WINDING UP**

### **104. Distribution of assets**

It the Company shall be wound up the liquidator may, subject to the Statutes, with the sanction of a special resolution of the Company and any other sanction required by the

Statutes, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be earned out as between the Members or different classes of Members The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other securities or other assets whereon there is any liability.

## **INDEMNITY**

### **105. Indemnity of officers**

Subject to the provisions of the Statutes (but so that this Article does not extend to any matter insofar as it would cause this Article or any part of it to be void under the Statutes) but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every person who is or was at any time a director or other officer of the Company or any Group Company (as defined in Article 96 2) excluding the Auditors may be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities (together "**Liabilities**") which he may sustain or incur in or about the actual or purported execution and/or discharge of his duties (including those duties powers and discretions in relation to any Group Company (as defined in Article 96 2) or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act)) and/or the actual or purported exercise of his powers or discretions and/or otherwise in relation thereto or in connection therewith, including (without prejudice to the generality of the foregoing) any liability suffered or incurred by him in disputing, defending, investigating or providing evidence in connection with any actual or threatened or alleged claims, demands, investigations, or proceedings, whether civil, criminal, or regulatory or in connection with any application under section 661(3) or (4) or section 1157 of the 2006 Act.

### **106. Funding of expenditure in defending proceedings**

The Company may also provide funds to any director or other officer of the Company or of any Group Company (as defined in Article 96 2) (excluding the Auditors) to meet, or do anything to enable a director or other officer of the Company or any Group Company (as defined in Article 96 2) to avoid incurring expenditure to the extent permitted by the Statutes.

### **107. Limited liability**

The liability of the members is limited to the amount, if any, unpaid on the shares in the Company respectively held by them.