

DATED

10 AUGUST 2020

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**ARTICLES OF ASSOCIATION**

of **GB GROUP PLC** (Adopted by Special Resolution on 24th May 1993 and amended by special resolutions passed on 3 August 1995, 19 July 2007, 30 July 2009, 29 July 2010, 26 July 2018 and 10 August 2020)

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## CONTENTS

1	EXCLUSION OF OTHER REGULATIONS .....	4
2	INTERPRETATION .....	4
3	LIABILITY .....	7
4	SHARE ISSUES .....	7
5	AUTHORITIES AND POWERS TO ALLOT .....	7
6	TRUSTS NOT RECOGNISED.....	8
7	FINANCIAL ASSISTANCE .....	9
8	VARIATION OF CLASS RIGHTS .....	9
9	SHARE CERTIFICATES .....	9
10	LIEN ON SHARES .....	11
11	CALLS ON SHARES .....	11
12	FORFEITURE OF SHARES .....	12
13	TRANSFER OF SHARES.....	14
14	TRANSMISSION OF SHARES.....	15
15	ALTERATION OF SHARE CAPITAL .....	15
16	CHANGE OF NAME .....	16
17	GENERAL MEETINGS.....	16
18	PROCEEDINGS AT GENERAL MEETINGS .....	19
19	VOTES OF MEMBERS .....	21
20	POWERS OF THE BOARD.....	28
21	BORROWING POWERS.....	29
22	NUMBER AND QUALIFICATION OF DIRECTORS.....	32
23	ELECTION APPOINTMENT AND RETIREMENT-BY ROTATION .....	32
24	RESIGNATION AND REMOVAL OF DIRECTORS .....	34
25	DISQUALIFICATION OF DIRECTORS .....	34
26	REMUNERATION OF DIRECTORS.....	35

27	EXECUTIVE CHAIRMAN, CHIEF EXECUTIVE, MANAGING AND EXECUTIVE DIRECTORS .....	35
28	EMPLOYEES' GRATUITIES AND PENSIONS.....	36
29	ALTERNATE DIRECTORS .....	37
30	PROCEEDINGS OF THE BOARD .....	37
31	DIRECTORS' INTERESTS.....	39
32	SECRETARY .....	43
33	MINUTES .....	43
34	THE SEAL.....	43
35	ACCOUNTING RECORDS. BOOKS AND REGISTERS .....	44
36	AUDIT .....	45
37	AUTHENTICATION OF DOCUMENTS .....	45
38	RECORD DATES.....	45
39	DIVIDENDS AND RESERVES .....	45
40	RESERVES.....	48
41	CAPITALISATION OF PROFITS.....	49
42	COMMUNICATIONS WITH MEMBERS .....	50
43	UNTRACED MEMBERS.....	52
44	FORFEITURE OF UNCLAIMED DIVIDENDS.....	53
45	DESTRUCTION OF DOCUMENTS.....	53
46	WINDING UP .....	54
47	INDEMNITY.....	54
48	INSURANCE .....	55

Company Number: 02415211

**THE COMPANIES ACT 2006**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**of**  
**GB GROUP PLC<sup>1</sup>**

(Adopted by Special Resolution on 24th May 1993 and amended by special resolutions passed on 3 August 1995, 19 July 2007, 30 July 2009, 29 July 2010, 26 July 2018 and 10 August 2020)

**1 EXCLUSION OF OTHER REGULATIONS**

This document comprises the Articles of Association of the Company and no regulations set out in any statute or statutory instrument concerning companies shall apply as Articles of Association of the Company.

**2 INTERPRETATION**

2.1 In these Articles the following expressions have the following meanings unless the context otherwise requires:

**"Act"** has the meaning given by section 2 of the Companies Act 2006 including any enactment passed after the Companies Act 2006 which may by virtue of that or any other enactment, be cited together with the Companies Act 2006 as the **"Companies Act"**.

**"Articles"** these Articles of Association as amended from time to time.

**"Auditors"** the Auditors for the time being of the Company.

**"Board"** the Board of Directors of the Company for the time being or the Directors present at a duly convened meeting of the Directors at which a quorum is present.

**"CA 2006"** means the Companies Act 2006.

**"Clear Days"** excludes day notice given, day notice received and bank holidays.

**"Company"** GB Group plc (company number: 02415211).

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<sup>1</sup> The Company was incorporated on 21 August 1989 with the name Flexibyte Limited, the Company has since made the following name changes:

- 13 September 1989 the Company changed its name to Phonelink Data Limited
- 14 May 1993 the Company changed its name to Phonelink plc
- 31 March 2000 the Company changed its name to Telme.com plc
- 28 September 2001 the Company changed its name to Telme Group plc
- 21 February 2002 the Company changed its name to GB Group plc

**"Directors"** the Directors of the Company for the time being.

**"Elected"** elected or re-elected.

**"Electronic Facility"** includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a general meeting determined by the Board pursuant to Article 17.3.

**"Electronic Form"** has the meaning given by section 1168 of the CA 2006 (including without limitation by email, fax, sending a disk by post).

**"Electronic Means"** has the meaning given by section 1168 of the CA 2006.

**"Group"** means the Company and its subsidiary undertaking for the time being.

**"hard copy and hard copy form"** have the meanings given to them in section 1168 of the CA 2006.

**"Holder"** means in relation to Shares, the Member whose name is entered in the Register as the Holder of the Shares.

**"London Stock Exchange"** means the international stock exchange of the United Kingdom and the Republic of Ireland.

**"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"** means paid Up or credited as paid up.

**"Prescribed Rate"** means an annual rate of interest equal to five per cent above the base lending rate (or any equivalent thereof or successor thereto) published from time to time by National Westminster Bank Plc in London (or such other bank in London as may be Elected from time to time by the Board for the purpose of determining such rate) being the base lending rate in effect at the close of business in London on the day immediately preceding the day on which such rate falls to be determined.

**"Register"** means the Register of Members of the Company.

**"Regulations"** means the Uncertified Securities Regulations 2001 (as amended).

**"Seal"** means the common seal of the Company.

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

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

**"Statutes"** the Act, and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning companies and affecting the Company.

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

**"Website"** means [www.gb.co.uk](http://www.gb.co.uk) or such other domain names as are notified to the Members from time to time.

**"Year"** means calendar year.

- 2.2 References to writing include references to printing, typewriting, lithography, photography, information submitted in Electronic Form or posted on the Website and any other mode or modes of presenting or reproducing words in a visible and non-transitory form.
- 2.3 Words importing one gender shall (where appropriate) include any other gender and words importing the singular shall (where appropriate) include the plural and vice versa.
- 2.4 Any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context and unless otherwise expressly defined in these Articles, bear the same meaning in these Articles save that the word company shall include any body corporate.
- 2.5 References to:
- (a) **"mental disorder"** mean mental disorder as defined in section 1 of the Mental Health Act 1983 or the Mental Health (Care and Treatment) Scotland Act 2003 (as the case may be) and **"mentally disordered"** shall be construed accordingly;
  - (b) any section or provision of any statute, if consistent with the subject or context, include any corresponding or substituted section or provision of any amending, consolidating or replacement statute;
  - (c) **"executed"** include any mode of execution;
  - (d) an Article by number are to the particular Article of these Articles;
  - (e) references to a **"meeting"** (a) shall mean a meeting convened and held in any manner permitted by these Articles, including a general meeting at which some (but not all) those entitled to be present attend and participate by means of electronic facility or facilities, and such persons shall be deemed to be present at that meeting for all purposes of the Act and these Articles, and "attend", "participate", "attending", "participating", "attendance" and "participation" shall be construed accordingly; and (b) shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person;
  - (f) a person include references to a body corporate and to an unincorporated body of person;

- (g) **"writing"** include references to the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods (whether in hard copy form or electronic form) and **"written"** shall be construed accordingly; and
- (h) **"giving"**, **"sending"** or **"supplying"** of any document or information to a person (which expressions shall be deemed to include such document or information being made available to, delivered to, deposited with or served upon a person) shall mean the giving, sending or supplying of any document or information by any means permitted by these Articles and **"giving"**, **"sending"** or **"supplying"** shall be construed accordingly.

2.6 The headings to these Articles are inserted for convenience only and shall not affect the construction of these Articles.

2.7 Where for any purpose any ordinary resolution of the Company is required, a special resolution shall also be effective.

### **3 LIABILITY**

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

### **4 SHARE ISSUES**

4.1 Subject to the Statutes and without prejudice to the rights attaching to any existing Shares, any Share may be issued with such preferred, deferred or other special rights or such restrictions as the Company may from time to time by ordinary resolution determine or, if the Company has not so determined, as the Board may determine.

4.2 Subject to the provisions of these Articles and to the Statutes and to any directions which may be given by the Company in general meeting, the unissued Shares in the capital of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, issue or grant options over such Shares to such persons, at such time and for such consideration and upon such terms and conditions as the Board may determine.

4.3 Subject to the provisions of the Statutes and to any rights conferred on the Holders of any other Shares, Shares may be issued on terms that they are, or at the option of the Company, liable, to be redeemed. The Board may determine the terms, conditions and manner of redemption of Shares provided that they do so before the Shares are allotted.

4.4 Subject to the Statutes the Company may pay any person a commission which may be satisfied wholly or partly in cash and/or in fully or partly paid Shares. The Company may also on any issue of Shares pay such brokerage as may be lawful.

### **5 AUTHORITIES AND POWERS TO ALLOT**

5.1 Subject to the Statutes, the Directors are hereby generally and unconditionally authorised for the purpose of section 551 of the CA 2006 to exercise for each

prescribed period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the section 551 Amount.

5.2 Pursuant to and within the terms of the said authority the Directors are hereby empowered during each prescribed period to allot equity securities wholly for cash:

- (a) in connection with a rights issue; and
- (b) otherwise than in connection with a rights issue up to an aggregate nominal amount equal to the section 561 Amount,

as if section 561 of the CA 2006 did not apply to any such allotment.

5.3 During each prescribed period the Company and its Directors by such authority and power may make offers or agreements which would or might require equity securities or other relevant securities to be allotted after the expiry of such period.

5.4 For the purposes of this Article 5:

- (a) **"rights issue"** means an offer of equity securities open for acceptance for a period fixed by the Directors to Holders of equity securities on the Register on a fixed record date in proportion to their respective holdings of such securities or in accordance with the rights attached thereto (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory;
- (b) **"prescribed period"** means any period (not exceeding fifteen months on any occasion) for which the authority conferred in the case of sub-paragraph 5.1 is renewed by ordinary or special resolution stating the section 551 Amount, and the power conferred in the case of sub-paragraph 5.2 is renewed by special resolution stating the section 561 Amount;
- (c) **"the section 551 Amount"** shall for any prescribed period be that stated in the relevant ordinary or special resolution;
- (d) **"the section 561 Amount"** shall for any prescribed period be that stated in the relevant special resolution;
- (e) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into Shares of the Company, the nominal amount of such Shares which may be allotted pursuant to such rights; and
- (f) words and expressions defined in or for the purposes of Part 17 of the CA 2006 shall bear the same meanings herein.

## 6 TRUSTS NOT RECOGNISED

Except as required by law, no person shall be recognised by the Company as holding any Share upon trust, and (except as otherwise provided by these Articles or by law)



the Company shall not be bound by or recognise any interest in any Share, except an absolute right to the entirety thereof in the Holder.

## **7 FINANCIAL ASSISTANCE**

The Company may give financial assistance for the acquisition of Shares in the Company to the extent that it is not restricted or otherwise prohibited by the Statutes.

## **8 VARIATION OF CLASS RIGHTS**

8.1 Subject to the provisions of the Statutes, all or any of the privileges or rights attached to any class of Share may (unless otherwise provided by the terms of issue of the Shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the Holders of not less than three quarters in nominal amount of the issued Shares of the affected class, or with the sanction of a special resolution passed at a separate general meeting of the Holders of Shares of that class (but not otherwise).

8.2 All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every such separate general meeting, except that:

- (a) the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one third in nominal amount of the issued Shares of the class in question and at an adjourned meeting one person holding Shares of the class in question or his proxy;
- (b) any Holder of Shares of the class in question present in person or by proxy may demand a poll; and
- (c) each Holder of Shares of the class in question shall, on a poll, have one vote in respect of every Share of such class held by him.

8.3 Subject to the terms on which any Shares may be issued, the rights or privileges attached to any class of Shares in the capital of the Company shall be deemed not to be varied or abrogated by the creation or issue of any new Shares ranking *pari passu* in all respects (save as to the date from which such new Shares shall rank for dividend) with or subsequent to those already issued or by anything done by the Company pursuant to Article 16 (purchase of own Shares).

8.4 The foregoing provisions of this Article 8 shall apply to the variation or abrogation of the special rights attached to some only of the Shares of any class as if such group of Shares of the class differently treated formed a separate class.

## **9 SHARE CERTIFICATES**

9.1 Subject to Article 9.2 below, every person whose name is entered as a Holder of any Share in the Register shall be entitled, without payment, to receive within two months after allotment or lodgement or transfer (unless the conditions of issue provide for a longer interval) one certificate for all the Shares of each class of Shares Registered in his name or, with the consent of the Board and upon payment of such reasonable out of pocket expenses for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his Shares.

- 9.2 The Holder shall not be entitled to a certificate in 9.1 above in respect of:
- (a) uncertified shares;
  - (b) Shares in respect of which a share warrant has been issued; or
  - (c) Shares in respect of which the Statutes permit the Company not to issue a certificate.
- 9.3 Shares of different classes may not be included in the same certificate.
- 9.4 Where a Holder of any Share has transferred a part of the Shares comprised in his holding he shall be entitled to a certificate for the balance without charge.
- 9.5 Any two or more certificates representing Shares of any one class held by any Member may at his request be cancelled and a single new certificate for such Shares issued in lieu without charge. In such a case, Members must return to the Company for cancellation any other certificates which they hold in respect of any shares in respect of which the new certificate is issued.
- 9.6 The Company shall not be bound to issue more than one certificate for Shares held jointly by several persons and delivery of a certificate to the joint Holder who is first named in the Register shall be a sufficient delivery to all of them.
- 9.7 In the case of Shares held jointly by several persons any such request mentioned in this Article may be made by the first named joint Holder.
- 9.8 Every certificate shall be executed by the Company in such manner as the Board, having regard to the Statutes and any applicable listing requirements, may authorise.
- 9.9 Every certificate shall specify.
- (a) in respect of how many Shares, of what class, it is issued;
  - (b) the nominal value of those Shares;
  - (c) the amount Paid Up on them; and
  - (d) any distinguishing numbers assigned to them.
- 9.10 The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any certificates for Shares or any other form of security at any time issued by the Company need not be autographic but may be applied to the certificate by some mechanical means or may be printed on them or that the certificates need not be signed by any person.
- 9.11 If a Share certificate is worn out, defaced, lost, stolen or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity (with or without security) as the Board may require. In the case of loss, theft or destruction the person to whom the new certificate is issued shall pay to the Company any exceptional out of pocket expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity. In the case where the

certificate is worn out or defaced, it may be renewed only upon delivery of the old certificate to the Company.

## **10 LIEN ON SHARES**

- 10.1 The Company shall have a first and paramount lien on every Share which is partly paid for all money (whether presently due or not) payable in respect of that Share. The Board may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.
- 10.2 The Company's lien on a share, takes priority over any third party's interest in that Share; extends to any dividend or other money payable by the company in respect of, and the proceeds of sale of, that Share; and is discharged if the Company registers a transfer of that share without notifying the transferee of the lien.
- 10.3 Subject to this Article if a lien enforcement notice has been given in respect of a Share; and the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the Directors decide.
- 10.4 A lien enforcement notice may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed; must specify a Share in respect of which a sum is payable by the Holder at the date of notice; must require payment of the sum payable within fourteen Clear Days of the notice; must be addressed either to the Holder of the share or to a person entitled to it by reason of the Holder's death or bankruptcy; and must state the Company's intention to sell the Share if the notice is not complied with.
- 10.5 To give effect to any such sale the Board may authorise any person to execute any instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the Shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale, and he shall not be bound to see to the application of the purchase money.
- 10.6 The net proceeds of any sale, after payment of the costs, shall be applied in or towards satisfaction of the liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable or any liability or engagement not likely to be presently fulfilled or discharged as existed upon the Shares before the sale) be paid to the Holder of (or person entitled by transmission to) the Shares immediately before the sale.

## **11 CALLS ON SHARES**

- 11.1 Subject to the terms of allotment the Board may make calls upon the Members in respect of any moneys unpaid on their Shares (whether in respect of the nominal value of the Shares or by way of premium); provided that (subject as aforesaid) no call on any Share shall be payable within one Month from the date fixed for the payment of the last preceding call and that at least fourteen Clear Days' notice shall be given of every call specifying the time or times, place of payment, method of payment and the amount called on the Members' Shares. A call may be revoked in

whole or in part or the time fixed for its payment postponed in whole or in part by the Board at any time before receipt by the Company of the sum due thereunder.

- 11.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable by instalments.
- 11.3 The joint Holders of a Share shall be jointly and severally liable to pay all calls in respect of the Share.
- 11.4 Each Member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his Shares. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the Shares in respect of which the call was made.
- 11.5 If a sum called in respect of a Share shall not be paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day fixed for payment to the time of actual payment at the Prescribed Rate together with all expenses that may have been incurred by the Company by reason of such non-payment, but the Board may waive payment of interest and such expenses wholly or in part. No dividend or other payment or distribution in respect of any such Share shall be paid or distributed and no other rights which would otherwise normally be exercisable in accordance with these Articles may be exercised by a Holder of any such Share so long as any such sum or any interest or expenses payable in accordance with this Article in relation thereto remains due.
- 11.6 Any sum which becomes payable by the terms of allotment of a Share whether on allotment or on any other fixed date, or as an instalment of a call and whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of allotment or in the notice of the call, it becomes payable. In the case of non-payment all the provisions of these Articles relating to payment of interest and expenses, forfeiture and otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 11.7 The Board may, if it thinks fit, receive from any Member willing to advance all or any part of the money (whether on account of the nominal value of the Shares or by way of premium) uncalled and unpaid upon any Shares held by him and may pay or allow on all or any of the money so advanced (until it would but for the advance become presently payable) interest at such rate (if any) not exceeding the Prescribed Rate as the Board may decide. No sum paid in advance of calls shall entitle the Holder of a Share in respect thereof to any portion of a dividend or other payment or distribution subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.
- 11.8 The Board may on the allotment of Shares differentiate between the allottees or Holders as to the amount of calls to be paid and the times of payment.

## **12 FORFEITURE OF SHARES**

- 12.1 If a Member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued

interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.

- 12.2 The notice shall fix a further day (not being less than ninety Clear Days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made, and the payment method and shall state that, in the event of non-payment at or before the time and the date specified, the Shares on which the call was made be liable to be forfeited. The Board may accept the surrender of any Share liable to be forfeited upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered Share shall be treated as if it had been forfeited.
- 12.3 If the requirements of the notice are not complied with, any Share in respect of which the notice has been given may, at any time before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited Shares and not paid or distributed before forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Board.
- 12.4 Subject to the provisions of the Statutes, a forfeited Share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board decides, either to the person who was before the forfeiture the Holder or to any other person, and at any time before sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the Board decides. The Company shall not exercise any voting rights in respect of such a Share. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the Share.
- 12.5 When any Share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the Holder, or the person entitled to the Share by transmission, and an entry of the forfeiture, with the date of the forfeiture, shall be entered in the Register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry.
- 12.6 A person, any of whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares and shall surrender to the Company for cancellation the certificate for the Shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all money which at the date of forfeiture was then payable by him to the Company in respect of the Shares, with interest on such money at such rate, not exceeding 15 per cent per annum, as the Board may decide from the date of forfeiture until payment. The Board may, if it thinks fit, waive the payment of all or part of such money and or the interest payable thereon.
- 12.7 A statutory declaration by a Director or the Secretary that a Share has been duly forfeited or surrendered on a specific date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share. The statutory declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is disposed of shall not be bound to see to the application of the consideration (if any) nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the Share.

- 12.8 The forfeiture or surrender of a Share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the Share and all other rights and liabilities incidental to the Share as between the Shareholder whose Share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past Members.

### **13 TRANSFER OF SHARES**

- 13.1 The instrument of transfer of a Share may be in any usual form or in any other form which the Board may approve.
- 13.2 The instrument of transfer of a Share shall be executed by or on behalf of the transferor and (in the case of a partly paid Share) by or on behalf of the transferee. The transferor shall be deemed to remain the Holder until the name of the transferee is entered in the Register.
- 13.3 Subject to the Statutes, the Board may, in its absolute discretion, refuse to Register any transfer of Shares all or any of which are not fully paid, provided that the Board shall not exercise its discretion such as to prevent dealings in such Shares from taking place on an open and proper basis. The Board may also decline to Register any transfer of a Share over which the Company has a lien.
- 13.4 The Board may also refuse to Register any transfer of Shares, unless:
- (a) the instrument of transfer is lodged (duly stamped if the Statutes so require) at the Office or at such other place as the Board may appoint, accompanied by the certificate for the Shares to which it relates and such other evidence (if any) as the Board 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 to do so) provided that in the case of a transfer by a recognised person where a certificate has not been issued in respect of the Share, the lodgement of Share certificates shall not be necessary; and
  - (b) the instrument of transfer is in respect of only one class of Share; and
  - (c) in the case of a transfer to joint Holders, they do not exceed four in number.
- 13.5 The Company shall be entitled to retain any instrument of transfer which is Registered, but any instrument of transfer which the Board refuses to Register (except in the case of fraud) shall be returned to the person lodging it when notice of the refusal is given.
- 13.6 If the Board refuses to register a transfer, it shall give notice to the transferee of the refusal (together with the reasons for the same) as soon as practicable and in any event within two months after the date on which the instrument of transfer was lodged with the Company or the Operator Instruction (as defined in the Regulations) was received as the case may be.

- 13.7 No fee shall be payable to the Company for the registration of any transfer or any other document relating to or affecting the title to any Share or for making any entry in the Register affecting the title to any Share.
- 13.8 Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any Share by the allottee in favour of some other person.
- 13.9 Provided that the Statutes so permit, nothing in these Articles shall require title to any securities of the Company to be evidenced or transferred by a written instrument. The Board shall have the power to implement any arrangements it may think fit for such evidencing and transfer which accord with those regulations.

## **14 TRANSMISSION OF SHARES**

- 14.1 If a Member dies the survivor or survivors where he was a joint Holder and his personal representatives where he was a sole Holder shall be the only person(s) recognised by the Company as having any title to his Shares but nothing contained in these Articles shall release the estate of a deceased Member from any liability in respect of any Share held by him solely or jointly with other persons.
- 14.2 Any person becoming entitled to a Share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be reasonably required by the Board and subject to these Articles, elect either to be Registered as the Holder of the Share or to have some person nominated by him Registered as the Holder. If the person elects to become the Holder he shall give notice in writing to that effect. If the person shall elect to have another person Registered, he shall execute an instrument of transfer of the Share to that person. All the provisions of these Articles relating to the transfer of Shares shall apply to the notice or instrument of transfer as if the death or bankruptcy of the Member had not occurred and the notice or instrument of transfer were an instrument of transfer executed by the Member.
- 14.3 A person becoming entitled to a Share in consequence of the death or bankruptcy of a Member shall, upon such evidence as to his title being produced as may be reasonably required by the Board, subject to the requirements of these Articles and to the provisions of this Article, be entitled to receive, and may give a good discharge for, all dividends and other money payable in respect of the Share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or at any separate meetings of the Holders of any class of Shares or to any of the rights or privileges of a Member until he shall have become a Holder in respect of the Share in question. The Board may at any time give notice requiring any such person to elect either to be Registered or to transfer the Share and if the notice is not complied with within sixty days the Board may withhold payment of all dividends and other distributions and payments declared in respect of the Share until the requirements of the notice have been complied with.

## **15 ALTERATION OF SHARE CAPITAL**

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

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

15.2 Whenever as a result of a consolidation of Shares any Member would become entitled to fractions of a Share the Board may deal with the fractions as it thinks fit and in particular may, on behalf of those Members, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including; subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale (subject to retention by the Company of the cost of distribution which would be disproportionate to the amounts involved, and in any case amounts not exceeding £3) in due proportion among those Members, and the Board may authorise some person to execute an instrument of transfer of the Shares to, or in accordance with, the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.

15.3 Subject to the provisions of the Statutes, the Company may by special resolution reduce its Share capital, any capital redemption reserve and any Share premium account in any way.

## **16 CHANGE OF NAME**

The directors of the Company may change the name of the Company in accordance with the Statutes.

## **17 GENERAL MEETINGS**

17.1 The Company shall hold annual general meetings which shall be convened by the Board in accordance with the Statutes.

17.2 The Board may call other general meetings whenever it thinks fit, and, on the requisition of Members in accordance with the Statutes, it shall forthwith proceed to convene a general meeting for a date not more than twenty-eight days after the date of the notice convening the meeting. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or, if there is not a Director within the United Kingdom, any Member of the Company may call a general meeting.

17.3 The Board shall determine in relation to each general meeting, the place (including whether it can be partly (but not wholly) be held by means of electronic facility or facilities, the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be enabled to do so (subject to Article 17.5) by means of electronic facility (or electronic means) (and for the avoidance of doubt, the Board shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances);



17.4 If, at any general meeting at which members are entitled to participate by means of electronic facility or facilities determined by the Board pursuant to Articles 17.5 any document that is required to be on display or to be available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of the time, and this will be deemed to satisfy any such requirement.

17.5 Without prejudice to Article 17.7, the Board may resolve to enable persons entitled to attend and participate in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities and may determine the means, or all different means, of attendance and participating used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Board) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. The meeting shall be treated as having commenced if it has commenced at the physical place specified in the notice of the meeting and shall be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:

- (a) participate in the business for which the meeting has been convened;
- (b) hear all persons who speak at the meeting; and
- (c) be heard by all other persons attending and participating in the meeting;

but under no circumstances shall the inability of one or more members or proxies to access, or continue to access the facilities for participation in the meeting despite adequate facilities being made available by the Company, affect the validity of the meeting or any business conducted at the meeting. If it appears to the chairman of the meeting that the electronic facilities have become inadequate for the purpose of holding the meeting the chairman of the meeting may, with or without the consent of the meeting, adjourn the meeting (before or after it has started) and the provisions in Article 18 shall apply to any such adjournment and all business conducted at the meeting up to the point of the adjournment shall be valid.

17.6 An annual general meeting shall be called by at least twenty-one Clear Days' notice in writing. Subject to the Statutes, all other general meetings shall be called by at least fourteen Clear Days' notice in writing. The notice shall include:

- (a) whether the meeting is an annual general meeting or general meeting;
- (b) the date, time and place of the meeting and general nature of the business to be dealt with;
- (c) in the case of a special business, the text of the resolution and a statement of the intention to propose the resolution as such;
- (d) the statements required by section 311(3) of the CA 2006;
- (e) with reasonable prominence, that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend provided that each such

proxy is appointed to exercise their rights attached to a different share or shares held by that Member and, and on a poll, vote instead of him and that a proxy need not also be a Member;

17.7 If pursuant to Article 17.3 the Board determines that a general meeting shall be held partly by means of electronic facility or facilities, the notice shall include:

- (a) a statement to that effect;
- (b) specify the means, or all different means, of attendance and participation thereat and any access, identification and security arrangements determined pursuant to Article 18.13; and
- (c) state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.

Subject to the provisions of these Articles and to any restriction imposed on any Holder, notice shall be given to all Members, the Director and the Auditors.

17.8 If, after the sending of the notice of a general meeting but before the meeting is held (or after the adjournment of a general meeting but before the adjourned meeting is held), the Board, in its absolute discretion, considers that it is impracticable or unreasonable to hold a general meeting at the time or place specified in the notice calling the general meeting and/or by means of electronic facility or facilities as stated in the notice of meeting or made available prior to the meeting, it may postpone the general meeting to another date, time and/or place (or in the case of a general meeting held solely in a physical meeting place, change the meeting to another place) and/or change the electronic facility or facilities. If such a decision is made, the Board may then change the place and/or the electronic facility or facilities and/or postpone the date and/or time again if it considers that it is reasonable to do so. No new notice of the general meeting need be sent but the board shall take reasonable steps to ensure that notice of the change of date, time, place of and/or electronic facility or facilities for the postponed meeting appear at the original time and at the original place and/or on the original electronic facility or facilities. When a general meeting is so postponed, notice of the date, time and place, including any electronic facility if applicable, of the postponed meeting shall be given in such manner as the board may, in its absolute discretion, determine. No business shall be transacted at any postponed meeting other than business which might properly have been transacted at the meeting had it not been postponed. Notice of the business to be transacted at such postponed meeting shall not be required. If a general meeting is postponed in accordance with this Article 17.8, the appointment of a proxy will be valid if it is delivered and received as required by these articles not less than 48 hours before the time appointed for holding the postponed meeting. When calculating the 48 hour period mentioned in this article, the directors can decide not to take account of any part of a day that is not a working day.

17.9 The accidental omission to send a notice of any meeting, or (where forms of proxy are sent out with notices) to send a form of proxy with a notice to any person entitled to receive the same, or the non- receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

## **18 PROCEEDINGS AT GENERAL MEETINGS**

- 18.1 All business that is transacted at an annual general meeting shall be deemed special with the exception of sanctioning or declaring dividends; the consideration of the accounts and balance sheet, the reports of the Directors and Auditors and any other documents required to be annexed to the balance sheet; the appointment of Directors in the place of those retiring by rotation or otherwise; the appointment or reappointment of Auditors where special notice of such appointment or reappointment is not required by the Statutes; and the fixing of, or the determining of the method of fixing, the remuneration of the Auditors; and the giving, variation or renewal of any authority of the Board for the purposes of section 551 of the CA 2006 or any power pursuant to section 570, section 571 and section 573 of the CA 2006.
- 18.2 No business shall be transacted at any general meeting unless a quorum is present but the absence of a quorum shall not preclude the choice or appointment of a chairman in accordance with these Articles (which shall not be treated as part of the business of the meeting). Two Members present in person or by representative (in the case of a corporate Member) or by proxy and entitled to vote shall be a quorum for all purposes. For the purposes of this Article, where a person is present by proxy or proxies, he is treated as holding only the shares in respect of which those proxies are authorised to exercise voting rights.
- 18.3 If within fifteen minutes from the time fixed for the meeting a quorum is not present or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of Members, shall be dissolved and in any other case it shall stand adjourned to such day and to such time and place (or places, with such means of attendance and participation (including partly, but not wholly by means of electronic facility)) (being not less than fourteen nor more than twenty eight days thereafter) as may be fixed by the chairman of the meeting in accordance with the terms of the Statutes. At such adjourned meeting a quorum shall be two Members present in person or by representative (in the case of a corporate Member) or by proxy and entitled to vote. If at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for the holding of the meeting the Members or Members present in person or by proxy or (in the case of a corporation) through a duly authorised representative (whatever their number) shall be a quorum.
- 18.4 The chairman of the Board or in his absence the deputy chairman shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or if neither is willing to act as chairman of the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the Members present and entitled to vote shall choose one of themselves to be chairman of the meeting. Section 328 of the CA 2006 shall not apply to the Company.
- 18.5 All persons seeking to attend and participate in a general meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the requirement for the chairman to adjourn a general meeting in accordance with the provisions in Article 18.6, any inability of a person or person to attend or participate in a general meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting.

- 18.6 Without prejudice to any other power of adjournment which he may have under these Articles or at common law, the chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or indefinitely) and from place to place. No business shall be transacted at any adjourned meeting except business left undealt with at all or unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for an indefinite period the time and place for the adjourned meeting shall be fixed by the Board. Whenever a meeting is adjourned for fourteen days or more or for an indefinite period, seven Clear Days' notice at the least, specifying the place, the day and the time of the adjourned meeting and the general nature of the business to be transacted shall be given in the same manner as in the case of an original meeting. Save as provided in these Articles it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 18.7 If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all Members entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that any Member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere, and to be heard and seen by all other persons so present in the same manner.
- 18.8 A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates. Subject thereto, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands or on the withdrawal of any other due demand for a poll a poll is duly demanded. Subject to the provisions of the Statutes, a poll may be demanded:
- (a) by the chairman of the meeting; or
  - (b) by at least two Members present in person or by proxy and entitled to vote on the resolution; or
  - (c) by any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote on the resolution; or
  - (d) by a Member or Members in person or by proxy holding Shares in the Company conferring a right to vote on the resolution, being Shares on which an aggregate sum has been Paid Up equal to not less than one-tenth of the total sum Paid Up on all the Shares conferring that right.

Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, 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.

- 18.9 If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The chairman may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 18.10 A poll demanded as respects the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than thirty days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the poll is taken. If a poll is demanded before the declaration of the result of a show of hands and the demand is subsequently duly withdrawn, the meeting shall continue as if the demand had not been made. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.
- 18.11 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a further or casting vote in addition to the votes to which he may be entitled as a Member or as a representative or proxy of a Member.
- 18.12 A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting and at any separate meeting of the Holders of any class of Shares in the Company.
- 18.13 If a general meeting is held partly by means of an electronic facility or facilities pursuant to Article 17.3 the Board and the chairman may make any arrangement and impose any requirement or restriction that is:
- (a) necessary to ensure the identification of those taking part by means of such electronic facility or facilities and the security of the electronic communication; and
  - (b) It's or his or her view, proportionate to those objectives, and in this respect the Board may authorise any voting application, system or facility for attendance and participation as it sees fit.
- 18.14 The Board shall be entitled to refuse physical or electronic entry to or to eject (physically or electronically), from the meeting to, any such member, representative or proxy who fails to comply with any such security arrangements.

## **19 VOTES OF MEMBERS**

- 19.1 Subject to these Articles and to any rights or restrictions as to voting attached to any shares in the Company:

- (a) on a show of hands:
  - (i) every Member who is present in person shall have one vote;
  - (ii) every proxy Member who has been duly appointed by one or more Members entitled to vote on the resolution shall have one vote provided always that a proxy shall have one vote for and one vote against the resolution if:
    - (A) the proxy has been duly appointed by more than one Member entitled to vote on the resolution; and
    - (B) the proxy has been instructed by one or more of those Members to vote for the resolution and by one or more of those Members to vote against it;
  - (iii) each duly authorised representative present in person of a member that is a corporation has one vote;
- (b) on a poll every Member present in person or by a proxy (being a corporation) by a duly authorised representative shall have one vote for every share held by the Member.

19.2 In the case of joint Holders of a Share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.

19.3 A Member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court, and any such guardian, receiver, curator bonis or other person, may on a poll, vote by proxy provided that evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not later than forty eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable. The Board shall specify in any case that in calculating the period of 48 hours, no account shall be taken of any part of a day that is not a working day, being a day that is not a Saturday, Sunday, Christmas Day or any bank holiday in England.

19.4 No Member shall, unless the Board otherwise determines, be entitled to vote at any general meeting or at any separate general meeting of the Holders of any class of Shares in the Company unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid.

19.5 Where, in respect of any Shares of the Company, any Holder or any other person appearing to be interested in such Shares held by a Member has been issued with a notice pursuant to section 793 of the CA 2006 (or under any other statutory provision or provision of these Articles for the time being in force enabling the Company by

notice in writing to require any person to give any information regarding those Shares) which requires him or such other person to give information to the Company in accordance with such section or provision (in this Article called a "**statutory notice**") and has failed in relation to any Shares ("**default Shares**") within the prescribed period to comply with the statutory notice and to give the Company the information required by such notice, then the Board may serve on the Holder of such default Shares a notice (in this Article called a "**disenfranchisement notice**") whereupon the following sanctions shall apply:

- (a) with effect from the service of the disenfranchisement notice such Holder shall not be entitled in respect of the default Shares to be present or to vote (either in person or by representative or by proxy) either at any general meeting or at any separate general meeting of the Holders of any class of Shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and
- (b) where such Shares represent not less than 0.25 per cent in nominal value of the issued Shares of their class:
  - (i) any dividend or other moneys payable in respect of the default Shares shall be withheld by the Company which shall not be under any obligation to pay interest on it and the Holder shall not be entitled under Article 39.12 to elect to receive Shares instead of that dividend; and
  - (ii) no transfer, other than an excepted transfer, or any Shares held by the Holder shall be Registered unless:
    - (A) the Holder is not himself in default as regards supplying the information required; and
    - (B) the Holder proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the Shares the subject of the transfer.

19.6 Any new Shares in the Company issued in relation to default Shares shall be subject to the same sanctions as apply to the default Shares provided that any sanctions applying to, or to a right to, new Shares by virtue of this paragraph shall cease to have effect when the sanctions applying to the related default Shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default Shares are suspended or cancelled) and provided whether that Article 19.5 shall apply to the exclusion of this paragraph if the Company gives a separate notice under section 793 of the CA 2006 in relation to the new Shares.

19.7 The Company may at any time withdraw a disenfranchisement notice by serving on the Holder of the default Shares a notice in writing to that effect (in this Article called a "**withdrawal notice**"), and a disenfranchisement notice shall be deemed to have been withdrawn at the end of the period of 7 days (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the statutory notice in respect of all the Shares to which the disenfranchisement notice related.

- 19.8 Unless and until a withdrawal notice is duly served in relation thereto or a disenfranchisement notice in relation thereto is deemed to have been withdrawn or the Shares to which a disenfranchisement notice relates are transferred by means of an excepted transfer, the sanctions referred to in Articles 19.5 and 19.6 shall continue to apply.
- 19.9 Where, on the basis of information obtained from a Holder in respect of any Share held by him, the Company issues a notice pursuant to section 793 of the CA 2006 to any other person and such person fails to give the Company the information thereby required within the prescribed period and the Board serves a disenfranchisement notice upon such person, it shall at the same time send a copy of the Disenfranchisement Notice to the Holder of such Share, but the accidental omission to do so, or the non- receipt by the Holder of the copy, shall not invalidate or otherwise affect the application of Articles 19.5 and 19.6.
- 19.10 For the purpose of this Article 19.10:
- (a) a person other than the Holder of a Share shall be treated as appearing to be interested in that Share if the Holder has informed the Company that the person is, or may be, so interested or if (after taking into account the said notification and any other relevant notification pursuant to section 793 of the CA 2006) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the Share;
  - (b) **"interested"** shall be construed as it is for the purpose of section 820 of the CA 2006;
  - (c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes:-
    - (i) reference to his having failed or refused to give all or any part of it; and
    - (ii) reference to his having given information which in the opinion of the Board is false in a material particular;
  - (d) the **"prescribed period"** means:
    - (i) in a case where the default Shares represent at least 0.25 per cent of their class, fourteen days; and
    - (ii) in any other case, twenty-eight days;
  - (e) an **"excepted transfer"** means, in relation to any Share held by a Holder:
    - (i) a transfer pursuant to acceptance of a take-over offer for the Company within the meaning of the Criminal Justice Act 1993; or
    - (ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company's Shares are normally traded; or



- (iii) a transfer which is shown to the satisfaction of the Board to be made in consequence of a bona fide sale of the whole of the beneficial interest in the Share to a person who is unconnected with the Holder and with any other person appearing to be interested in the Share.

19.11 Nothing contained in these Articles shall prejudice or affect the right of the Company to apply to the court for an order under section 794 of the CA 2006 and in connection with such an application or intended application or otherwise to require information on shorter notice than the minimum of twenty-eight days prescribed by Article 19.10.

19.12 If any objection shall be raised as to the qualification of any voter or if any votes have been counted which should not have been counted or it shall be alleged that any votes have not been counted which ought to have been counted the objection or allegation shall not vitiate the decision on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the alleged error occurs. Any objection or allegation made in due time shall be referred to the chairman of the meeting, and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the objection or allegation is justified and that the decision of the meeting may have been affected. The decision of the chairman shall be final and conclusive.

19.13 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 proposed as a special resolution no amendment to it (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

19.14 The instrument appointing a proxy:

- (a) shall be made in writing and shall be in any usual or common form, or such other form as may be approved by the Board;
- (b) may be in hard copy form, or if the Company agrees, in Electronic Form; and
- (c) (whether in hard copy form or in Electronic Form) shall be executed in such manner as may be approved on behalf of the Company from time to time provided always that the appointment of proxy shall be executed by the appointor, or by his agent duly authorised in writing, or, if the appointor is a corporation, shall be either under its common seal or under the hand of an officer or agent so authorised. The Board may require evidence of the authority of any such officer or agent.

19.15 Forms of instrument of proxy shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and shall provide for voting both for and against all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting. The accidental omission to send an instrument of proxy or the non- receipt thereof by any Member entitled to attend and vote at a meeting shall not invalidate the proceedings at the meeting. The instrument of proxy shall be executed by or on behalf of the appointor and shall be deemed to confer authority:

- (a) to demand, or join in demanding a poll which counts:

- (i) for the purposes of Article 18.8(b) above, as a demand by a Member;
  - (ii) for the purposes of Article 18.8(c) above, as a demand by a Member representing the voting rights that the proxy is authorised to exercise;
  - (iii) for the purposes of Article 18.8(d) above, as a demand by a Member holding the shares although which those rights are authorised; and
- (b) to vote on a poll on the election of a chairman and on a motion to adjourn a meeting.

19.16 Any person (whether a Member or not) may be appointed to act as a proxy. A Member may appoint more than one proxy to attend on the same occasion provided that each such proxy is appointed to exercise their rights attached to a different share or shares held by that Member. The deposit of an instrument of proxy shall not preclude a Member from attending in person at the meeting or any adjournment of the same.

19.17 A corporation may appoint a corporate representative in accordance with Article 19.18 or execute an instrument of proxy either under seal or under the hand of two directors or a director and the secretary or a duly authorised officer.

19.18

- (a) any corporation which is a Member of the Company (in this Article 19.18 called the "**Appointor**") may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or any separate meeting of the holders of any class of share.
- (b) Any Director or the Secretary or some person authorised for the purpose by the Secretary may require evidence of the authority of any such representative before permitting him to exercise his powers.
- (c) For the purposes of these Articles, the Appointor shall be deemed to be present personally at any meeting at which a person so authorised is present.

19.19 The instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 or the Enduring Powers of Attorney Act 1986 (or any statutory modification or re-enactment thereof for the time being in force) of any such power or written authority, shall:

- (a) if in hard copy form, be deposited at the Office, or at such other place in the United Kingdom as is specified for that purpose in the notice calling the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- (b) if in Electronic Form, be received at any address to which on appointment of proxy may be sent by electronic means as specified for one purpose:

- (i) in the notice convening the meeting; or
- (ii) in any form of proxy sent out by the Company in relation to the meeting; or
- (iii) in any invitation to appoint a proxy issued by the Company to the meeting,

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote.

In calculating the periods referred to in this Article, the Directors may specify in any case, that no account shall be taken of any part of a day that is not a working day.

19.20 In the case of:

- (a) a poll taken more than 48 hours after it is demanded, be deposited or received as specified in Articles 19.19 above after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (b) a poll not taken immediately but taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any Director.

19.21 When two or more valid but differing instruments of proxy are deposited or delivered in respect of the same Share for use at the same meeting, the one which is deposited or delivered with the Company (in accordance with the provisions of this Article) last in time (regardless of its date or of the date of its execution) shall be treated as replacing and revoking any others as regards that Share and if the Company is unable to determine which of any such two or more valid but differing instruments of proxy was so deposited or delivered last in time, none of them shall be treated as valid in respect of that Share.

19.22 No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution. The instrument of proxy shall, unless the contrary is stated, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

19.23 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid, notwithstanding the previous death or incapacity of an appointor or revocation of an appointment or determination of the authority of the person voting or demanding a poll, unless notice in writing of the death, incapacity, revocation or transfer shall have been received by the Company or the transfer of an intent in respect of which the vote was given or a poll demanded at the Office (or other place at which the instrument of proxy was duly deposited) before commencement of the meeting or adjourned meeting at which the instrument of proxy is used or, in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting, the time appointed for taking the poll. Such notice of revocation shall be by means of a document in either hard copy form or in Electronic Form (delivered at such address as required by Article 19.19(a) and 19.19(b) as

appropriate) irrespective of whether the appointment of proxy to which the notice of revocation relates was made in hard copy or Electronic Form.

- (a) For the purposes of this Article 19.23 **"Uncertificated Proxy Instruction"** means a properly authenticated dematerialised instruction (as defined in the Regulations) or other instruction or notification, which is sent by means of the Relevant System and received by such participant in that Relevant System acting on behalf of the Company as the Board may prescribe.
- (b) In relation to any Uncertificated Shares, the Board may from time to time permit appointments of proxies to be made by electronic means in the form of an Uncertificated Proxy Instruction in such form and subject to such terms and conditions as the Board may (subject to the Statutes) prescribe, and may in a similar manner permit supplements to, or amendments or revocations of, any Uncertificated Proxy Instruction to be made in the same way.
- (c) The Board may prescribe the method of determining the time at which any Uncertificated Proxy Instruction is to be treated as received by the Company.
- (d) The Board treats any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a Member as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that Member.

## **20 POWERS OF THE BOARD**

- 20.1 Subject to the provisions of the Statutes, these Articles and any directions given by special resolution, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company. No alteration of these Articles and no directions given by special resolution shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- 20.2 The Board may from time to time make such arrangements as it thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local Boards, managers, inspectors and agents and delegate to them any of the powers, authorities and discretions vested in the Board (other than the power to borrow and make calls) with power to subdelegate and may authorise the Member of any local Board or any of them to fill any vacancies therein and to act notwithstanding such vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board thinks fit. The Board may at any time remove any person so appointed and may vary or annul such delegation but no person dealing in good faith and without notice of such removal, variation or annulment shall be affected by it.
- 20.3 The Board may from time to time by power of attorney appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company and for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such

provisions for the protection or convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to subdelegate all or any of the powers, authorities and discretions vested in him. The Board may revoke or vary any such appointment but no person dealing in good faith and without notice of such revocation or variation shall be affected by it.

- 20.4 The Board may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any chief executive, managing Director or any Director holding any other executive office or any other Director such of their powers as they may consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered but no person dealing in good faith and without notice of such revocation or variation shall be affected by it. Subject to any such conditions, the proceedings of a committee with two or more Member shall be governed by these Articles regulating the proceedings of the Board so far as they are capable of applying. If any such committee determines to co-opt persons other than Directors on to such committee, the number of such Co-opted persons shall be less than one half of the total number of Members of the committee and no resolution of the committee shall be effective unless a majority of the Members of the committee present at the meeting concerned are Directors.

## 21 BORROWING POWERS

- 21.1 Subject as hereinafter provided, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital, and, subject to the Statutes, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
- 21.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards subsidiary undertakings so far as by such exercise the Board can secure) that the aggregate principal amount for the time being outstanding of all borrowings by the Group (excluding money owed by any Member of the Group to any other Members of the Group) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to three times the adjusted capital and reserves. For the purpose of the above restriction the **"adjusted capital and reserves"** means the aggregate from time to time of:
- (a) the amount Paid Up on the issued Share capital of the Company; and
  - (b) the amount standing to the credit of the capital and revenue reserves of the Company (or, if the Company has subsidiary undertakings, the consolidated capital and revenue reserves of the Group) including any Share premium account, capital redemption reserve, revaluation reserve and credit balance on the profit and loss account;
  - (c) as is shown in the latest audited balance sheet of the Company or (as the case may be) the latest audited consolidated balance sheet of the Group but adjusted as may be necessary to take account of:

- (i) any variation in the amount Paid Up or credited as Paid Up on the issued Share capital of the Company and in the Share premium account or capital redemption reserve or revaluation reserve since the date of such balance sheet and so that for the purpose of making such adjustments, if any issued or proposed issue of Shares by the Company for cash has been underwritten, then such Shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall, to the extent so underwritten, be deemed to have been Paid Up on the date when the issue of such Shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);
- (ii) any distribution from such reserves (otherwise than to the Company or to any of its subsidiary undertakings) not provided for therein;
- (iii) the exclusion of any sums set aside for future taxation (including deferred tax) and in amounts attributable to outside Shareholders in subsidiary undertakings;
- (iv) the deduction of any debit balance on profit and loss account as shown in such balance sheet;
- (v) any company which has become or ceased to be a subsidiary undertaking since the date of such balance sheet and any variation in the interests of the Company in its subsidiary undertakings since the date of such balance sheet;
- (vi) the exclusion of any sums attributable to minority interests in any subsidiary undertaking;
- (vii) where the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary undertaking, such adjustments as would be appropriate if such transaction had been carried into effect; and
- (viii) the adding back of any goodwill arising on consolidation to the extent written off or authorised.

21.3 For the purpose of Article 21.2 "borrowings" shall be deemed to include not only borrowings but also the following except insofar as otherwise taken into account:

- (a) the nominal amount of any issued Share capital and the principal amount of any debentures or borrowed money together with any fixed or minimum premium payable on redemption, the beneficial interest in which is not for the time being owned by a Member of the Group, of anybody whether corporate or unincorporate and the redemption or payment of which is the subject of a guarantee or indemnity by a Member of the Group;
- (b) the outstanding money raised by acceptances (not being acceptances for the purchase or sale of goods in the ordinary course of trading) by any bank or

accepting house under any acceptance credit opened on behalf of and in favour of any Member of the Group;

- (c) the principal amount of any debenture (whether secured or unsecured) of a Member of the Group owned otherwise than by a Member of the Group;
- (d) the principal amount of any preference Share capital of any subsidiary undertaking owned otherwise than by a Member of the Group; and
- (e) any fixed or minimum premium payable on final redemption or repayment of any borrowing or deemed borrowing,

but shall be deemed not to include:

- (f) borrowings incurred by any Member of the Group for the purpose of repaying the whole or any part of any borrowings by a Member of the Group for the time being outstanding within six months of being so borrowed, pending their application for that purpose within that period;
- (g) borrowings incurred by any Member of the Group for the purpose of financing any contract in respect of which any part of the price receivable by a Member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other governmental department fulfilling a similar function, up to an amount not exceeding that part of the price receivable under the contract which is so guaranteed or insured; and
- (h) amounts borrowed or raised which are for the time being deposited with H. M. Revenue & Customs or any other body designated by any relevant legislation or order in connection with import deposits or any similar government scheme to the extent that a Member of the Group retains its interest therein.

- 21.4 When the aggregate amount of borrowings required to be taken into account for the purposes of these Articles on any particular day is being ascertained, any money denominated or repayable (or repayable at the option of any person rather than any Member of the Group) in a currency other than sterling shall, if not subject to a contract or arrangement determining the rate of exchange, be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing in London at the close of business on the last business day before that day or, if it would result in a lower sterling equivalent, at the rate of exchange prevailing in London six months before such day (and for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business on the day in question or, if that is not a business day, on the last business day before the day in question).
- 21.5 Subject to the provisions of the Statutes, the Company may from time to time change the accounting conventions on which the audited balance sheet or audited consolidated balance sheet is prepared.
- 21.6 A certificate or report by the Auditors as to the amount of the adjusted capital and reserves or the amount of any borrowings or to the effect that the limit imposed by these Articles has not been or will not be exceeded at any particular time or times shall be conclusive evidence of the amount or of that fact. For the purposes of their computation, the Auditors may at their discretion make such further or other

adjustments (if any) as they think fit. Nevertheless for the purposes of these Articles the Board may act in reliance of a bona fide estimate of the amount of the adjusted capital and reserves at any time and if in consequence such limit is inadvertently exceeded an amount of moneys borrowed equal to the excess may be disregarded until the expiration of sixty days after the day on which (by reason of a determination of the Auditors or otherwise) the Board becomes aware that such a situation has or may have arisen.

- 21.7 Notwithstanding the foregoing no lender or other person dealing with the Company shall be concerned to see or inquire whether the limit imposed by Articles 21.2 to 21.6 is observed and no borrowing incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the borrowing was incurred or security given that the limit had been or was thereby exceeded.

## **22 NUMBER AND QUALIFICATION OF DIRECTORS**

- 22.1 Unless and until otherwise determined by ordinary resolution of the Company, the Directors (other than alternate Directors) shall be not less than two nor more than ten in number.
- 22.2 A director shall not be required to hold any Shares of the Company by way of qualification.
- 22.3 No person shall be or become incapable of being appointed or reappointed a Director by reason of his having attained the age of seventy or any other age, nor shall any special notice be required in connection with the appointment or reappointment or the approval of the appointment or reappointment of such person and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age.
- 22.4 If the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the Directors for the time being may act for the purpose of filling up vacancies in their number or of calling a general meeting of the Company, or doing such things as are necessary to maintain the Company as a going concern but not for any other purpose. If there are no Directors able or willing to act, then any two Members may summon a general meeting for the purpose of appointing Directors.

## **23 ELECTION APPOINTMENT AND RETIREMENT-BY ROTATION**

- 23.1 The provisions of Article 22 and without prejudice to the power of the Board under Article 22.4 the Company may by ordinary resolution elect a person who is willing to act as a Director either to fill a vacancy or as an additional Director, and may also determine the rotation in which any additional Directors are to retire; but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles.
- 23.2 A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void. For the purposes of this Article a motion for approving a person's appointment or for nominating for appointment shall be treated as a motion for his appointment.



- 23.3 The Board shall have power to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for election, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under the provisions in that behalf contained in these Articles, and unless so Elected shall vacate office at the conclusion of such meeting.
- 23.4 At each annual general meeting one-third of the Directors who are subject to rotation or, if their number is not three or a multiple of three, then the number nearest to one-third, so that each Director shall retire from office at least once in every 3 Years, shall retire from office at the annual general meeting. If there is only one Director who is subject to retirement by rotation, he shall retire and if there are only two Directors who are subject to retirement by rotation, one of such Directors shall retire.
- 23.5 Without prejudice to Article 23.1 the Directors to retire by rotation shall be those who have been longest in office since their last election; as between persons who became or were last Elected Directors on the same day, those to retire by rotation shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire (both as to number and as to identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors or the appointment of him or any of them to be an executive Director after the date of such notice but before the close of the meeting.
- 23.6 A retiring Director shall be eligible for re-election. If he is not re-Elected or deemed to be re-Elected he shall hold office until the meeting elects someone in his place, or if it does not do so, until the end of the meeting.
- 23.7 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
- 23.8 No person other than a Director retiring (or, if appointed by the Board, vacating office) at the meeting shall, unless recommended by the Board, be appointed or reappointed a Director at any general meeting unless not less than seven nor more than forty two days before the date appointed for the meeting there shall have been sent to such address (if any) for the time being specified by or on behalf of the Company for that purpose, notice in hard copy form or Electronic Form by a Member duly qualified to vote at the meeting for which such notice is given (other than the person to be proposed) of his intention to propose such person for appointment or re-appointment and also notice in writing signed by that person who is willing to be appointed or re-appointed. The notice shall give the particulars in respect of that person which would if he were so appointed or re-appointed be required to be included in the Register of Directors of the Company.
- 23.9 The Company may by ordinary resolution appoint a person who is willing to act to be a Director in place of a Director removed from office under Article 25 and without prejudice to the powers of the Directors under Article 23.3 the Company in general meeting may appoint a person who is willing to act to be a Director either to fill a

vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director or (if there was no such Director) at the conclusion of the next following annual general meeting, and shall then be eligible for re-appointment.

## **24 RESIGNATION AND REMOVAL OF DIRECTORS**

- 24.1 A Director may resign his office by notice in writing submitted to the Board provided that (if a Director is a chief executive, managing director or joint managing director or holds any one executive office) the Board resolves to accept the same.
- 24.2 The Company may by ordinary resolution of which special notice has been given in accordance with section 312 of the CA 2006 remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company.

## **25 DISQUALIFICATION OF DIRECTORS**

- 25.1 Without prejudice to the other provisions of these Articles, the office of a Director shall be vacated if the Director:
- (a) becomes bankrupt or is the subject of an interim receiving order or makes any arrangement or composition with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
  - (b) a registered medical practitioner who is treating that Director gives a written opinion to the Company stating that the Director has become physically or mentally incapable of acting as a director and shall remain so for more than three months;
  - (c) is or may be suffering from mental disorder and either:
    - (i) is admitted to hospital pursuant to an application for admission for treatment under the Mental Health Act 1983 or the Mental Health (Care and Treatment) Scotland Act 2003; or
    - (ii) an order is made by the court having jurisdiction (whether in the United Kingdom or elsewhere) on the ground (howsoever formulated) of mental disorder for his detention or for the appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
  - (d) is absent from meetings of the Board for six consecutive months without permission of the Board and the Board resolves that his office be vacated;
  - (e) ceases to be a Director by virtue of any provision of the Statutes or becomes prohibited by law from being a Director;

- (f) receives written notice signed by all the other Directors removing him from office without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company; and
- (g) in the case of a Director who holds any executive office, ceases to hold such office (whether because his appointment is terminated or expires) and the majority of the other Directors resolve that his office be vacated.

25.2 A resolution of the Board declaring a Director to have vacated office under the terms of Article 25.1 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

## **26 REMUNERATION OF DIRECTORS**

26.1 The Directors of the Company (other than alternate Directors) shall be paid such remuneration (by way of fee) for their services as may be determined by the Board up to an aggregate maximum of £100,000 in any one accounting relevant period, such remuneration to be distinct from and additional to any remuneration or other benefits which may be paid or provided to any Director pursuant to any other provision of these Articles. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses in connection with travelling to and from Board meetings, committee meetings, general meetings, or otherwise incurred while engaged in the business of the Company.

26.2 Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, commission, percentage or profits or otherwise as the Board may decide.

## **27 EXECUTIVE CHAIRMAN, CHIEF EXECUTIVE, MANAGING AND EXECUTIVE DIRECTORS**

27.1 The Board may from time to time:

- (a) appoint one or more of its body to the office of executive chairman, chief executive, managing Director or joint managing Director, or to any other office (except that of auditor) or employment in the Company, for such period (subject to the Statutes and these Articles) and on such terms as it thinks fit, and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation); and
- (b) permit any person Elected or appointed to be a Director to continue in any other office or employment held by the person before he was so Elected or appointed.

A Director (other than an executive chairman, chief executive, managing Director or joint managing Director) holding any such other office or employment is referred to in these Articles as "an executive Director".

- 27.2 A Director appointed to the office of chief executive shall not, while holding that office, be exempt from retirement by rotation and shall be taken into account in deciding the number of Directors to retire by rotation on any particular occasion. A Director so appointed shall (subject to the provision of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall cease to be a chief executive, managing Director or joint managing Director (but without prejudice to any rights or claims which he may have against the Company by reason of such cessation).
- 27.3 An executive Director shall not be exempt from retirement by rotation, and shall not cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an executive Director.
- 27.4 The remuneration of any executive chairman, chief executive, managing Director, joint managing Director or executive Director (whether by way of salary, commission, participation in profit or otherwise) shall be decided by the Board and may be either in addition to or in lieu of any remuneration as a Director.
- 27.5 The Board may entrust to and confer upon an executive chairman, chief executive, managing Director, joint managing Director or executive Director any of the powers, authorities and discretions vested in or exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and, in the case of an executive chairman, chief executive, managing Director or joint managing Director, either collaterally with or to the exclusion of its own powers, authorities and discretions and may from time to time revoke or vary all or any of them, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.
- 27.6 The Directors may from time to time, and at any time, pursuant to this Article appoint any other persons to any post with such descriptive title including that of a Director (whether as associate, executive, group, divisional, departmental, deputy, assistant, local or advisory director or otherwise) as the Directors may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties, and subject to any contract between him and the Company may remove from such post any person so appointed. A person so appointed shall not be a Director of the Company for any of the purposes of these Articles or of the Statutes, and accordingly shall not be a Member of the Board or (subject to Article 20.4) of any committee hereof, nor shall he be entitled to be present at any meeting of the Board or of any such committee, except at the request of the Board or of such committee, and if present at such request he shall not be entitled to vote thereat (save in the case of a Committee to which he has been co-opted pursuant to Article 20.4).

## **28 EMPLOYEES' GRATUITIES AND PENSIONS**

The Board may exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director or employee of the Company or any subsidiary who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary undertaking of the Company or a predecessor in business of the Company or of any such subsidiary undertaking, and for any Member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold

such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

## **29 ALTERNATE DIRECTORS**

- 29.1 Any Director (other than an alternate Director) may appoint another Director or any other person approved by the Board and willing to act, to be an alternate Director and may at any time terminate that appointment.
- 29.2 An alternate Director shall (subject to his giving to the Company an address within the United Kingdom) be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a Member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence, but it shall not be necessary to give notice of such a meeting to an alternate Director who is absent from the United Kingdom.
- 29.3 An alternate Director shall automatically cease to be an alternate Director if his appointor ceases to be a Director or dies; but, if a Director retires by rotation or otherwise vacates office but is Elected or deemed to have been Elected at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his election. The appointment of an alternate Director shall also automatically cease on the happening of any event which, if he was a Director, would cause him to vacate office.
- 29.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Board. Such notice shall be in hard copy form or Electronic Form sent to such address (if any) for the time specified by or on behalf of the Company for that purpose.
- 29.5 Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him. An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not (unless the Company by ordinary resolution otherwise determines) in respect of his office of alternate Director be entitled to receive any remuneration or fee from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.
- 29.6 An alternate Director shall not be required to hold any Shares in the Company and shall not be counted in reckoning any maximum number of Directors permitted by these Articles.

## **30 PROCEEDINGS OF THE BOARD**

- 30.1 The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any such meetings shall be determined 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 who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote and an alternate Director who is appointed

by two or more Directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board and notice of such meeting shall be deemed to be duly given to each 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, be it electronic or postal, given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom but where such Director is represented by an alternate Director due notice of such meeting shall be given to such alternate Director in the manner set out above. Neither an accidental failure to give notice of a meeting of the Board to any Director nor the non-receipt in any case of such notice if given shall invalidate such meeting or any resolution passed or business transacted thereat.

- 30.2 The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be two. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say, as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for quorum purposes unless at least one other Director or alternate Director is also present.
- 30.3 Any Director or alternate Director may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Statutes, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. 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 then is.
- 30.4 The Board may appoint from their number, and remove, a chairman and if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting or, if neither of them is willing to act as chairman, the Directors present may choose one of their number to act as chairman of such meeting.
- 30.5 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board for the time being) or by all the Members of a committee shall be as valid and effective as a resolution passed at a meeting of the Board or committee duly convened and held. A resolution signed by an alternate Director need not be signed by his appointor and if it is executed by a Director who has appointed an alternate Director, it need not also be executed by the alternate Director in that capacity. The resolution may consist of one document or several documents in like form each signed by one or more Directors or alternate Directors, whether in hard copy form or electronic form. A Director signifies his agreement to a proposed written resolution when the Company received from him a document (whether in hard copy form or electronic form) indicating his agreement to the

resolution authenticated in the manner specified by the Act for a document in that form.

- 30.6 All acts bona fide done by any meeting of the Board, or of a committee of the Board, or by any person acting as a Director or by an alternate Director, shall as regards all persons dealing in good faith with the Company, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person so acting, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, 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 an alternate Director and had been entitled to vote.

## **31 DIRECTORS' INTERESTS**

- 31.1 A Director, including an alternate director, who to his knowledge is in any way, whether directly or indirectly, interested in a contract with the Company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.
- 31.2 For the purposes of the last preceding Article, a general notice given to the Directors by any Director to the effect that (a) he is a member, director, officer or employee of any specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with such company or firm, or (b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him (within the meaning of Section 252 of the CA 2006) shall be deemed a sufficient declaration of interest in relation to any contract so made, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given. References in this Article 31.2 and in 31.1 to a contract include any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- 31.3 Subject to the provisions of the Statutes, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director notwithstanding his office:
- (a) may be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;
  - (b) may be or become a Member or director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
  - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as an auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director of the Company.

31.4 Save as otherwise provided by these Articles, a Director shall not vote or be counted in the quorum at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has, directly or indirectly, an interest (within the meaning of section 182 of the CA 2006) which is to his knowledge material and if he purports to do so, his vote shall not be counted. The prohibition in this Article 31.4 shall not apply and a director may vote and be counted in the quorum in respect of any resolution concerning one or more of the following matters:

- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiary undertakings;
- (b) the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiary undertakings for which the director has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any Shares, debentures, or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange;
- (d) the resolution relates to any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he (together with persons connected with him within the meaning of section 252 of the CA 2006 is not the holder of or beneficially interested in 1 per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances) and for the purpose of calculating the said percentage there shall be disregarded any shares held by the Director as a bare or custodian trustee and in which he has no beneficial interest and any shares comprised in any authorised unit trust scheme in which the Director is interested only as a unit holder;
- (e) the resolution relates in any way to any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by HM Revenue & Customs for taxation purposes;
- (f) the resolution concerns any scheme or arrangement for the benefit of employees of the Company or any of its subsidiary undertakings under which the Director benefits in a similar manner to such employees and does not accord to any Director any privilege or advantage not generally accorded to the employees to which such scheme or arrangement relates; and



- (g) the resolution relates to any proposal concerning any insurance which the Company is empowered to purchase and maintain for or for the benefit of any of the Directors of the Company or for persons who include Directors of the Company provided that for the purposes of this sub-paragraph, "insurance" means only insurance against liability incurred by a Director in respect of any act or omission by him as is referred to in Article 47 or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including Directors.

31.5 For the purposes of Articles 31.1 and 31.2:

- (a) an interest of a person who is, for any purpose of the CA 2006 (excluding any such modification thereof not in force when these Articles became binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has;
- (b) a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (c) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

31.6 The Board may exercise the voting power conferred by the Shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing the Directors or any of them as Directors of such company, or voting or providing for the payment of remuneration to the Directors of such company).

31.7 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

31.8 Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of one or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not by the proviso to paragraph (d) of Article 31.2 or for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

31.9 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Director to vote, or be counted in the quorum the question may, before the conclusion of the meeting, be referred to the chairman of the meeting (or if the Director concerned is the chairman, to the other Directors at the meeting) and his ruling in relation to any Director (or, as the case may be, the ruling of the majority of the other Directors in relation to the chairman) 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. Any question as to the materiality of the interest of the Director at the meeting or as to his entitlement to vote shall, if not agreed, be determined by the other Directors of the Company present at the meeting. If any question arises at any meeting as to the materiality of an interest of the chairman of the meeting, or as to the entitlement of the chairman to vote or be counted in the quorum, and the question is not resolved by the chairman voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by a resolution of the Directors present at the meeting (excluding the chairman) and the resolution shall be final and conclusive.

- 31.10 Subject to the Statutes, the Company may by ordinary resolution ratify any contract, transaction or arrangement not duly authorised by reason of a contravention of any such provision of these Articles.
- 31.11 For the purposes of section 175 of the CA 2006, the Directors may authorise any matter proposed to it in accordance with these Articles which would otherwise involve a breach of duty by a Director under that Section, including, without limitation, any matter which relates to a situation in which a director has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company.
- 31.12 Any such authorisation will be effective only if:
- (a) the matter has been proposed in writing for consideration at a meeting of the Directors, in accordance with the Director's normal procedure or in such other manner as the Directors may from time to time require;
  - (b) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director, and
  - (c) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 31.13 The Directors may make any such authorisation subject to any limits or conditions (whether at the time of the giving of the authorisation or afterwards) and may at any time vary or terminate such authorisation.
- 31.14 For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 31.15 A Director shall not, by reason of his office, be liable to account to the Company for any profit, remuneration or other benefit derived as a result of any matter authorised by the Directors in accordance with the terms of this Article and no contract, arrangement, transaction or proposal entered into by the Director in relation to such matter shall be avoided on the grounds of any such interest or benefit.
- 31.16 Where a Director's relationship with another person, firm or body corporate ("**Third Party**") has been approved by the Directors in accordance with the terms of this Article and for so long as such relationship gives rise to a conflict, or possible conflict, of interest, the director shall not be in breach of his duties under sections 171 to 177 of the CA 2006 in the event that he:

- (a) does not disclose to the Board (or to any director, officer or employee of the Company) any information obtained, otherwise than in his capacity as a director of the Company, as a result of his relationship with the Third Party in circumstances where he owes a duty of confidentiality to the Third Party;
- (b) does not use such information in the performance of his duties as a Director of the Company; or
- (c) does not attend meetings of the Director at which any matter relating to the conflict, or possible conflict, of interest is to be discussed (or does not otherwise discuss such matter).

## **32 SECRETARY**

- 32.1 Subject to the Statutes, the Secretary shall be appointed by the Board for such time at such remuneration and upon such conditions as it may think fit, and any Secretary appointed by the Board may be removed by it.
- 32.2 Any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.
- 32.3 Anything by the Statutes or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board.

## **33 MINUTES**

The Board shall cause minutes to be recorded in hard copy form or Electronic Form:

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors present at each meeting of the Board and of any committee of the Board: and
- (c) of all proceedings at meetings of the Company or the Holders of any class of Shares in the Company and of the Board and committees of the Board.

Any such minutes, if purporting to be authenticated by the chairman of the meeting to which they relate or of the meeting to which they are read, shall be sufficient evidence without any further proof of the facts therein stated.

## **34 THE SEAL**

- 34.1 In addition to its powers under section 44 of the CA 2006 the Company may have a Seal and the Board shall provide for the safe custody of such Seal. The Seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board. The Board shall determine who may sign any document to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and shall be counter-signed by the Secretary or by a second Director or by some

other person appointed by the Board for the purpose, or in the presence of a witness who attests his signature.

- 34.2 All forms of certificates for Shares or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued and executed by the Company but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such certificates by some mechanical or other means or may be printed on them or that such certificates need not bear any signature.
- 34.3 The Company may have an official Seal kept by virtue of section 50 of the CA 2006.
- 34.4 Wherever in these Articles reference is made to the Seal, the reference shall, when so far as may be applicable, be deemed to include any of such official Seals as aforesaid.
- 34.5 Subject to Article 9, nothing in these Articles shall require the Company to issue under the Seal any certificate or other instrument which is not required by law or the regulations of any regulatory body applicable to the Company to be so issued.
- 34.6 Subject to the Statutes, the Company may dispense with the need for the Seal and, whether it does or does not dispense with the Seal, a document signed by a Director and the Secretary or by any two Directors or by a Director in the presence of a witness who attests his signature and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under the Seal and a document executed by the Company which makes it clear on its face that it is intended to be a deed shall have effect upon delivery as a deed.

## **35 ACCOUNTING RECORDS. BOOKS AND REGISTERS**

- 35.1 The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provisions of the Statutes.
- 35.2 The accounting records shall be kept at the office or (subject to the provisions of the Statutes) at such other place in Great Britain as the Board thinks fit, and shall always be open to inspection by the Directors. No Member of the Company (other than a Director) shall have any right of inspecting any accounting record or book or document except as conferred by law or authorised by the Board or by the Company in general meeting.
- 35.3 The Board shall in accordance with the Statutes cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes. The Board shall in its report state the amount which it recommends to be paid by way of dividend.
- 35.4 A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall, at least twenty-one Clear Days prior to the meeting, be delivered to every Member and to every debenture Holder of the Company of whose address the Company is aware, or, in the case of joint Holders of any Share or debenture, to the joint Holder who is first named in the Register and to the Auditors provided that if and to the extent that the Statutes so permit and without

prejudice to Article 42 the Company need not send copies of the documents referred to above to Members but may send to such Members summary financial statements or other documents authorised by the Statutes.

### **36 AUDIT**

- 36.1 Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes.
- 36.2 The Auditors' report to the Members made pursuant to the statutory provisions as to audit shall be read before the Company in general meeting and shall be open to inspection by any Member; and in accordance with the Statutes every Member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and the Auditors' report.

### **37 AUTHENTICATION OF DOCUMENTS**

- 37.1 Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Board and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the office the officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.
- 37.2 A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the Board or of any committee of the Board which is certified as such in accordance with Article 37.1 shall be conclusive evidence in favour of all persons dealing with the Company on the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of proceedings at a duly constituted meeting.

### **38 RECORD DATES**

Notwithstanding any other provision of these Articles but without prejudice to the rights attached to any Shares, the Board may fix a date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time within six months before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

### **39 DIVIDENDS AND RESERVES**

- 39.1 Subject to the Statutes, the Company may by ordinary resolution declare that out of profits available for distribution there be paid dividends to Members in accordance with their respective rights and priorities; but no dividend shall exceed the amount recommended by the Board.
- 39.2 Except as otherwise provided by these Articles or the rights attached to any Shares, all dividends shall be declared and paid according to the amounts paid on the Shares in respect of which the dividend is paid; but no amount paid on a Share in advance of the date upon which a call is payable shall be treated for the purposes of this Article 39.2 or Article 39.3 as paid on the Share.

- 39.3 All dividends shall be apportioned and paid proportionately to the amounts Paid Up or credited as Paid Up on the Shares during any portion or portions of the period in respect of which the dividend is paid; but if any Share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such Share shall rank for or be entitled to dividends accordingly.
- 39.4 Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of fully Paid Up Shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates (or ignore fractions) and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Member upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the Members entitled to the dividend, as may seem expedient to the Board.
- 39.5 Subject to the Statutes, the Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company available for distribution and the position of the Company, and the Board may also pay the fixed dividend payable on any Shares of the Company with preferential rights half-Yearly or otherwise on fixed dates whenever such profits in the opinion of the Board justify that course. In particular (but without prejudice to the generality of the foregoing) if at any time the Share capital of the Company is divided into different classes the Board may pay interim dividends on Shares in the capital of the Company which confer deferred or non-preferential rights as well as in respect of Shares which confer preferential rights with regard to dividend but no interim dividend shall be paid on Shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrears. Provided the Board acts in good faith the Board shall not incur any liability to the Holders of Shares conferring any preferential rights for any loss that they may suffer by reason of the lawful payment of an interim dividend on any Shares having deferred or non-preferential rights.
- 39.6 The Board may deduct from any dividend 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 in the Company, the Board may retain any dividend or other moneys payable on or in respect of a Share over which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 39.7 All dividends and interest 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 the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of Shares.
- 39.8 The Board may pay the dividends or interest payable on Shares in respect of which any person is by transmission entitled to be Registered as Holder to such person upon production of such certificate and evidence as would be required if such person desired to be Registered as a Member in respect of such Share.

- 39.9 No dividend or other monies payable in respect of a Share shall bear interest against the Company unless otherwise expressly provided by the rights attached to the Share. All dividends, interest and other sums payable which are unclaimed for one Year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until such time as they are claimed. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any Share into a separate account shall not constitute the Company or a trustee of the same. All dividends unclaimed for a period of twelve Years after having become due for payment shall be forfeited and shall revert to the Company.
- 39.10 Any dividend or other monies payable in respect of a Share may be paid by cheque, money order or warrant sent through the post to the address in the Register of the Members or person entitled thereto, and in the case of joint Holders to the joint Holder who is first named in the Register, or to such person and to such other address as the Holder or joint Holders may in writing direct. Every such cheque, money order, or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the risk of the Member or other person entitled thereto, and payment of the cheque, money order or warrant shall be a good discharge to the Company. Where an authority in that behalf shall have been received by the Company in such form as the Company shall consider sufficient the Company may pay the amount distributable to such Members or person to his bankers or other agents and payment in accordance with such authority shall constitute a good discharge thereof.
- 39.11 If several persons are entered in the Register as joint Holders of any Share, any one of them may give effectual receipts for any monies paid or property distributed in respect of the Share.
- 39.12 The Board may, if authorised by an ordinary resolution of the Company, offer the Holders of ordinary Shares the right to elect to receive additional ordinary Shares, credited as fully paid, instead of cash in respect of any dividend or any part (to be determined by the Board) of any dividend specified by the ordinary resolution. The following provisions shall apply:
- (a) An ordinary resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth annual general meeting following the date of the meeting at which the ordinary resolution is passed.
  - (b) The entitlement of each Holder of ordinary Shares to new ordinary Shares shall be such that the relevant value of such new ordinary Shares shall in aggregate be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) that such Holder would have received by way of dividend. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's ordinary Shares on the London Stock Exchange as derived from the daily official list on the day on which the ordinary Shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution, but shall never be less than the par value of the new ordinary Shares. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount.

- (c) The Board, after determining the basis of allotment, shall notify the Holders of ordinary Shares in writing of the right of election offered to them, shall provide them with appropriate forms of election and shall specify the procedure to be followed and place at which, and the latest time by which, duly completed forms of election must be lodged in order to be effective. The basis of allotment shall be such that no Shareholder may receive a fraction of a Share.
- (d) The Board may exclude from any offer any Holders of ordinary Shares where the Board believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them.
- (e) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary Shares in respect of which an election has been made ("**Elected ordinary Shares**") and instead additional ordinary Shares shall be allotted to the Holders of the Elected ordinary Shares on the basis of allotment calculated as stated. For such purpose the Board shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including Share premium account, any capital reserve and the profit and loss account) or otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the additional ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary Shares for allotment and distribution to the Holders of the Elected ordinary Shares on that basis.
- (f) The additional ordinary Shares when allotted shall rank pari passu in all respects with fully paid ordinary Shares then in issue except that they will not be entitled to participate in the relevant dividend (including the Share election in lieu of such dividend).
- (g) The Board may do such acts and things which it considers necessary or expedient to give effect to any such capitalisation and may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for such capitalisation and any incidental matters and any agreement so made shall be binding on all concerned.
- (h) The provisions of this Article 39 shall be subject to any right of the Directors under these Articles to retain any dividend or other moneys payable on or in respect of the Shares of a particular Member.
- (i) Any person becoming entitled to an ordinary Share in consequence of the death or bankruptcy of a Member shall only be entitled to exercise the right of election upon production of such evidence as to title as may from time to time be required by the Board.

#### 40 RESERVES

The Board may, before recommending any dividend (whether preferential or otherwise) set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, also at such discretion, either be employed in the business of



the Company or be invested in such investments as the Board may think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

#### **41 CAPITALISATION OF PROFITS**

41.1 The Company may, upon the recommendation of the Board, resolve by ordinary resolution that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the Members on the date specified in the relevant resolution or determined as therein provided who would have been entitled thereto if distributed by way of dividend and in the same proportions.

41.2 Subject to any direction given by the Company, the Board shall appropriate the profits resolved to be capitalised by any such resolution, and apply such profits on behalf of the Members entitled thereto either:

- (a) in or towards paying up the amounts, if any, for the time being unpaid on any Shares held by such Members respectively; or
- (b) in paying up in full unissued Shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution, credited as fully paid, to and amongst such Members in the proportions referred to above or as they may direct,

or partly in one way and partly in the other; provided that no unrealised profit shall be applied in paying up amounts unpaid on any issued Shares and the only purpose to which sums standing to capital redemption reserve or Share premium account shall be applied pursuant to this Article shall be the payment in full of unissued Shares to be allotted and distributed to Members credited as fully paid.

41.3 The Board shall have power after the passing of any such resolution:

- (a) to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of Shares, debentures or obligations becoming distributable in fractions, such power to include the right for the Company to retain small amounts the cost of distribution of which would be disproportionate to the amounts involved: and
- (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing (as the case may require) either:
  - (i) for the payment up by the Company on behalf of such Members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing Shares; or

- (ii) for the allotment to such Members respectively, credited as fully Paid Up, of any further Shares, debentures or obligations to which they may be entitled upon such capitalisation,

and any agreements made under such authority shall be effective and binding on all such Members.

- 41.4 The Company in general meeting may resolve that any Shares allotted pursuant to this Article to Holders of any partly paid ordinary Shares shall, so long as such ordinary Shares remain partly paid, rank for dividends only to the extent that such partly paid Shares rank for dividends.
- 41.5 The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying the fixed dividends on any preference Shares or other Shares issued on special conditions and shall also be deemed to include:
  - (a) any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
  - (b) any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve or to Share premium or other special account.

## **42 COMMUNICATIONS WITH MEMBERS**

- 42.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice convening a meeting of the Board or of a committee of the Board need not be in writing.
- 42.2 Before sending anything to a Member in Electronic Form or supplying information on the Website, the Company shall first obtain approval from that Member and obtain an email address. Such approval will be deemed to cover all future instances of sending information to that Member in Electronic Form or supplying information on the Website. However, in the case of website communication (as distinct from communication in Electronic Form), where the Member has not responded within 28 days to the Company's notice inviting approval of website communication, it shall be deemed that the Member has agreed to website communication.
- 42.3 Where information is to be supplied on the Website, the Company shall notify the Member of the Website address and how to access such information.
- 42.4 Nothing in these Articles prejudices each Member's right to request a hard copy version of any information sent in Electronic Form. The Company shall send such hard copy to the Members at no cost to the Members within 21 days of the Company receiving a request.
- 42.5 Information sent by post shall be in the form of a prepaid letter addressed to such Member at his address as appearing in the Register. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- 42.6 Any Member whose address in the Register is not within the United Kingdom, who gives to the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address;

but, otherwise no Member other than a Member whose address in the Register is within the United Kingdom shall be entitled to receive any notice from the Company by post.

42.7 Information shall be deemed delivered:

- (a) if sent in Electronic Form, 48 hours after being sent;
- (b) if supplied on the Website, when the Member is first notified that the information is available on the Website;
- (c) if delivered by hand, at the time of actual delivery to the address referred to in the Register; and
- (d) if sent by first class post at the expiration of twenty-four hours (excluding Sundays) after the envelope containing it was posted and if sent by second class post 72 hours after posting.

42.8 In the case of joint Holders of a Share all notices shall be given to the joint Holder who is first named in the Register, and a notice so given shall be sufficient notice to all the joint Holders. Any notice to be given to a Member may be given by reference to the Register as it stands at any time within the period of fifteen days before the notice is given and no change in the Register after that time shall invalidate the giving of the notice.

42.9 Every person who becomes entitled to a Share:

- (a) except as mentioned in sub-paragraph (b) below, shall be bound by any notice in respect of that Share which, before his name is entered in the Register, has been duly given to a person from whom he derives his title; but
- (b) shall not be bound by any such notice given by the Company under section 793 of the CA 2006 or under Article 19.5.

42.10 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same date on the Website and such notice shall be deemed to have been duly served on all the Members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post (if possible and if requested) at least seven Clear Days prior to the meeting if the posting of notices to addresses throughout the United Kingdom becomes practicable.

42.11 A person entitled to a Share in consequence of the death, mental disorder or bankruptcy of a Member on supply to the Company of such evidence as the Board may reasonably require to show his title to that Share and upon supplying also an address, be that postal or electronic, within the United Kingdom for the service of notices, shall be entitled to have served on or delivered to him at such address any notice or document to which the Member but for his death, mental disorder or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the Share.

Save as aforesaid any notice or document delivered or sent by post to or left at the last Registered address of any Member pursuant to these Articles, or sent in Electronic Form shall (notwithstanding that such Member be then dead or bankrupt or in liquidation or that a receiver has been appointed for him under the Mental Health Act 1983 or the Mental Health (Care and Treatment) Scotland Act 2003 be deemed to have been duly served or delivered in respect of any Share Registered in the name of such Member as sole or first named joint Holder.

- 42.12 Any Member present, either personally or by proxy or (in the case of a corporate Member) by representative, at any general meeting of the Company or of the Holders of any class of Shares in the Company shall for all purposes be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was called.

### **43 UNTRACED MEMBERS**

- 43.1 The Company shall be entitled to sell (at any time after becoming entitled to do so) any share held by a member, or any share to which a person is entitled by transmission (including in consequence of the death or bankruptcy of the member or otherwise by operation of law), if:

- (a) for a period of 12 years no cheque or warrant or other method of payment for amounts payable in respect of the share sent and payable in a manner authorised by these articles has been cashed or effected and no communication has been received by the Company from the member or person concerned;
- (b) during that period at least three dividends have become payable on the share (whether interim or final) and no such dividend has been claimed by the member or person concerned;
- (c) the Company has, at any time after the expiration of that period, sent a notice to the registered address or last known address of the member or person concerned of its intention to sell such share and, before sending such a notice, the Company has taken such steps as it considers reasonable in the circumstances to trace the member or other person entitled, including engaging, if considered appropriate in relation to such share, a professional asset reunification company or other tracing agent; and the Company
- (d) has not during the further period of three months following the sending of the notice referred to in subparagraph (c) above and prior to the sale of the share received any communication from the member or person concerned.

- 43.2 If the Company sells the share under Article 43.1, any proceeds of the sale shall be forfeited and the Company shall not be obliged to account to, or be liable in any respect to, the recipient or person whom would have been entitled to the amount.

- 43.3 The Company shall be entitled to use or invest any proceeds of such sale for the Company's benefit in any manner that the Board may from time to time think fit.

#### **44 FORFEITURE OF UNCLAIMED DIVIDENDS**

- 44.1 Any dividend or other money payable in respect of a share which has remained unclaimed for 12 years from the date when it became due for payment shall be forfeited (unless the directors decide otherwise) and shall cease to remain owing by the Company and the company shall not be obliged to account to, or be liable in any respect to, the recipient or person who would have been entitled to the amount.
- 44.2 If the Company sells the share under Article 43.1, any dividend or other money payable in respect of the share outstanding at the time of sale shall be forfeited and the Company shall not be obliged to account to, or be liable in any respect to, the recipient or person whom would have been entitled to the amount.

#### **45 DESTRUCTION OF DOCUMENTS**

- 45.1 The Company shall be entitled to destroy:
- (a) at any time after the expiration of six Years from the date of registration thereof or on which an entry in respect thereof shall have been made (as the case may be), all instruments of transfer of Shares of the Company which shall have been Registered and supporting documents and all letters of request, renounced allotment letters, renounceable Share certificates, forms of acceptance and transfer and applications for allotment in respect of which an entry in the Register shall have been made;
  - (b) at any time after the expiration of one Year from the date of cancellation thereof, all Registered certificates for Shares of the Company (being certificates for Shares in the name of a transferor and in respect whereof the Company has Registered a transfer) and all mandates and other written directions as to the payment of dividends (being mandates or directions which have been cancelled); and
  - (c) at any time after the expiration of one Year from the date of the recording thereof, all notifications of change of name or address.
- 45.2 It shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly Registered and every Share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document herein before mentioned was in accordance with the recorded particulars thereof in the books or records of the Company Provided always that:
- (a) the foregoing provisions shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the documents might be relevant;
  - (b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;

- (c) references herein to the destruction of any document include references to its disposal in any manner; and
- (d) any document referred to in sub-paragraphs (a), (b) and (c) above may be destroyed at a date earlier than that authorised by this Article provided that a permanent copy of such document shall have been made which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Board shall take adequate precautions for guarding against falsification and shall provide adequate means for its reproduction.

## **46 WINDING UP**

- 46.1 The power of sale of a liquidator shall include a power to sell wholly or partially for Shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.
- 46.2 On any voluntary winding-up of the Company, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Insolvency Act 1986, divide among the Members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Members or different classes of Members. Any such division shall be in accordance with the existing rights of the Members. The liquidator may, with the like sanction, vest the whole or any part of the assets of the Company in trustees on such trusts for the benefit of the Members as he with the like sanction, shall determine but no Member shall be compelled to accept any assets on which there is a liability.

## **47 INDEMNITY**

Subject to the provisions of the Statutes but without prejudice to any indemnity to which he may otherwise be entitled, the Company may, at the discretion of the Board and on such terms and the Board may decide from time to time, indemnify:

- (a) Any Director, Secretary or other officer of the Company or any director, secretary or other officer of an Associated Company of the Company out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred or to be incurred by him in the execution and discharge of his duties or in relation to them; and
- (b) Any director of an Associated Company of the Company if that Associated Company is a trustee of an occupational pension scheme against liability incurred in connection with the company's activities as a trustee of the scheme.

### **Interpretation for the purposes of Articles 47 and 48**

For the purposes of Article 47 and 48

- (a) **"Officer"** does not include an auditor; and
- (b) **"Associated Company"** is to be interpreted in accordance with Section 256 of the CA 2006.

## **48 INSURANCE**

Subject to the provisions of the Statutes, the Board shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees of the Company, or of any company which is an Associated Company of the Company or in any way allied to or associated with the Company or any such company who were at any time trustees of any pension fund in which any employees of the Company or of any other such company or body are interested including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and/or any such other company, body or pension fund.