

Company Number 03273685

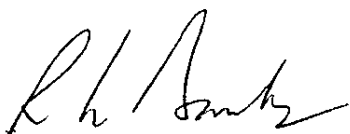
THE COMPANIES ACT 2006  
PUBLIC COMPANY LIMITED BY SHARES  
SPECIAL RESOLUTION

OF

NRAM PLC  
(the "Company")

We, UK Asset Resolution Limited, being the only member of the Company who at the date of this resolution is entitled to attend and vote at general meetings of the Company, **RESOLVE** by our duly authorised representative, as follows

- (A) THAT all of the issued non-cumulative, callable preference shares of £0 25 each in the Company (the "**Preference Shares**"), be and are hereby reclassified as ordinary shares of £0 25 each in the Company such that they shall rank *pari passu* with, and have the same rights and be subject to the same restrictions in all respects as, the existing ordinary shares of £0 25 each in the Company with the effect that, immediately following the passing of this resolution, the number of such ordinary shares held by the holder of the Preference Shares shall be (in addition to its existing holding of ordinary shares) equal to the number of such Preference Shares held by it immediately prior to the passing of this resolution, such ordinary shares being treated as paid up to the same extent as the existing issued Preference Shares, and
- (B) THAT the Articles of Association as amended and in the form attached to this resolution (initialled by us for the purposes of identification) be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Company's existing Articles of Association



For and on behalf of  
**UK ASSET RESOLUTION LIMITED**

Date 4 June 2015

SATURDAY



A29 06/06/2015 #301  
COMPANIES HOUSE

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A PUBLIC COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

NRAM plc

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PRELIMINARY

1 No articles set out in any statute, or in any statutory instrument or other subordinate legislation concerning companies shall apply as articles of the Company

Definitions

2 In these Articles, except where the subject or context otherwise requires

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

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

**auditors** means the auditors of the Company,

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

**board** means the directors or any of them acting as the board of directors of the Company,

**certificated share** means a share in the capital of the Company that is not an uncertificated share and references in these Articles to a share being held in certificated form shall be construed accordingly,

**clear days** in relation to the sending of a notice means the period excluding the day on which a notice is sent or deemed to be sent and the day for which it is sent or on which it is to take effect,

***Companies Acts*** means every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company,

***core business*** means that part of the business of the Company and its subsidiaries which requires authorisation under the FSMA,

***director*** means a director of the Company,

***dividend*** means dividend or bonus,

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

***entitled by transmission*** means, in relation to a share or debenture, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law,

***FSA*** means the Financial Services Authority and any successor body,

***FSMA*** means the Financial Services and Markets Act 2000 including any modification or re-enactment of it for the time being in force,

***Her Majesty's Treasury*** means the Commissioners for Her Majesty's Treasury,

***HMT Nominee*** means the Treasury Solicitor or any other member holding shares as the nominee of Her Majesty's Treasury where the Company is informed that such member hold shares as such nominee,

***holder*** in relation to a share in the capital of the Company means the member whose name is entered in the register as the holder of that share,

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

***office*** means the registered office of the Company,

***paid*** means paid or credited as paid,

***recognised person*** means a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, each of which terms has the meaning given to it by section 778 of the Companies Act 2006,

***register*** means the register of members of the Company,

***Regulations*** means the Uncertificated Securities Regulations 2001,

***Relationship Framework Document*** means the agreement governing, *inter alia*, the relationship between UKAR, UKFI and Her Majesty's Treasury, in place from time to time,

**seal** means any common or official seal that the Company may be permitted to have under the Companies Acts,

**secretary** means the secretary of the Company and includes a joint, assistant, deputy or temporary secretary and any other person appointed to perform the duties of the secretary,

**Transfer Order** means the Northern Rock plc Transfer Order 2008,

**Treasury Solicitor** means the Solicitor for the affairs of Her Majesty's Treasury,

**UKFI** means the UK Financial Investments Limited,

**UKAR** means the UK Asset Resolution Limited,

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

**working day** has the meaning given by section 1173 of the Companies Act 2006

Construction

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

References to an **electronic communication** mean, unless the contrary is stated, an electronic communication (as defined in the Companies Acts) comprising writing

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

References to an **instrument** mean, unless the contrary is stated, a written document having tangible form and not comprised in an electronic communication

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

References to shares being in **uncertified form** are references to that share being an uncertificated unit of a security and references to that share being in certificated form are references to that share being a certificated unit of a security, provided that any reference to a share in uncertificated form applies only to a share of a class, which is, for the time being, a participating security, and only for so long as it remains a participating security

References to **writing** mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether comprised in an electronic communication or otherwise, and **written** shall be construed accordingly

Words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender, and words denoting persons include corporations

Words or expressions contained in these Articles which are not defined in these Articles but are defined in the Companies Acts have the same meaning as in the Companies Acts (but excluding any modification of the Companies Acts not in force at the date of adoption of these Articles) unless inconsistent with the subject or context

Words or expressions contained in these Articles which are not defined in these Articles but are defined in the Regulations have the same meaning as in the Regulations (but excluding any modification of the Regulations not in force at the date of adoption of these Articles) unless inconsistent with the subject or context

Subject to the preceding two paragraphs, references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force

Headings and marginal notes are inserted for convenience only and do not affect the construction of these Articles

In these Articles, (a) powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them, (b) the word **board** in the context of the exercise of any power contained in these Articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated, (c) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation, and (d) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Articles or under another delegation of the power

Where, in relation to a share, these Articles refer to a relevant system, the reference is to the relevant system in which that share is a participating security at the relevant time

## PROTECTIVE PROVISIONS

Special quorum  
and special  
resolution

4 Notwithstanding any provision in these Articles to the contrary (including, without limitation, the provision relating to the quorum at general meetings), a resolution relating to any of the following matters shall only be effective if it is approved as a special resolution passed at a general meeting of the Company at which the quorum shall be 5 per cent of the total number of members eligible to vote at a general meeting of the Company present in person or by proxy

(a) a proposal for the voluntary winding up or dissolution of the Company, or

- (b) the amendment, removal or alteration of the effect of this Article; or
- (c) a proposal (howsoever described) for the disposal, either in a single transaction or a series of transactions (whether related or not and whether by way of sale, transfer, lease or otherwise), of all or any substantial part of the core business of the Company except for a disposal to a holding company of the Company (as defined in section 1159 of the Companies Act 2006) the articles of association of which contain the same restrictions as are contained in this Article and Article 5

This Article shall remain in force in any period where Her Majesty's Treasury or an HMT Nominee is the ultimate beneficial owner (whether direct or indirect) of the Company notwithstanding anything to the contrary in these Articles, after which this Article shall be deemed to be of no effect. The validity of anything done under this Article before that date shall not be affected and any action taken under this Article before that date shall not be open to challenge on any grounds whatsoever.

**Limitations on  
shareholders**

5.1 In carrying on its business, for so long as Her Majesty's Treasury or an HMT Nominee is the ultimate beneficial owner (whether direct or indirect) of the issued share capital of the Company, the Company must have regard to the objectives agreed from time to time with Her Majesty's Treasury and UKFI including but not limited to those set out in the Relationship Framework Document between UKAR and UKFI from time to time in force.

5.2 Without prejudice to any further restrictions which may be imposed by any addition to or amendment of these Articles, the Company shall not, at any time whilst Her Majesty's Treasury or an HMT Nominee is the ultimate beneficial owner (whether direct or indirect) of the Company

- (a) offer for sale or invite subscription for any shares in the Company, or allot or agree to allot any such shares with a view to their being offered for sale, or
- (b) allot or agree to allot any share in the Company or issue or agree to issue any share warrant or option in respect of any shares, or
- (c) register a transfer of shares in the Company,

other than to or to the order of an HMT Nominee, in each case without the prior written approval of Her Majesty's Treasury.

5.3 Any provision (including any altered provision) of these Articles which is to any extent inconsistent with this Article shall, to that extent, be void and any allotment or registration of a transfer of shares in contravention of this Article shall be void.

## **LIMITED LIABILITY**

6.1 The liability of members of the Company is limited

## CHANGE OF NAME

7 1 The Company may change its name by resolution of the board

## SHARE CAPITAL

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**Share capital** The share capital of the Company is divided into Ordinary Shares of £0.25 each (as consolidated or sub-divided from time to time, *Ordinary Shares*)

## SHARE RIGHTS

**Shares with special rights** 10 1 Subject to the provisions of the Companies Acts and Articles 4 and 5 and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, subject to and in default of such determination, as the board shall determine

**Share warrants to bearer** 10 2 The board may, subject to Article 5, issue share warrants to bearer in respect of any fully paid up shares under a seal of the Company, or in any other manner authorised by the board. Any share while represented by such a warrant shall be transferable by delivery of the warrant relating to it. In any case in which a warrant is so issued, the board may provide for the payment of dividends or other moneys on the shares represented by the warrant by coupons or otherwise. The board may decide, either generally or in any particular case or cases, that any signature on any such warrant may be applied by mechanical means or printed on it or that the warrant need not be signed by any person.

**Conditions of issue of share warrants** 10 3 The board may determine, and from time to time vary, the conditions on which share warrants to bearer shall be issued and, in particular, the conditions on which

- (a) a new warrant or coupon shall be issued in place of one worn-out, defaced, lost or destroyed (but no new warrant shall be issued unless the Company is satisfied beyond reasonable doubt that the original has been destroyed), or
- (b) the bearer shall be entitled to attend and vote at general meetings, or
- (c) a warrant may be surrendered and the name of the bearer entered in the register in respect of the shares specified in the warrant

The bearer of such a warrant shall be subject to the conditions for the time being in force in relation to the warrant, whether made before or after the issue of the warrant. Subject to those conditions and to the provisions of the Companies Acts, the bearer shall be deemed to be a member of the Company and shall have the same rights and privileges as he would have if his name had been included in the register as the holder of the shares comprised in the warrant.

<b>No right in relation to share</b>	10 4 The Company shall not be bound by or be compelled in any way to recognise any right in respect of the share represented by a share warrant other than the bearer's absolute right to the warrant
<b>Residual allotment powers</b>	11 Subject to Article 5 and any other Article, the board may offer, allot, grant options over and otherwise dispose of shares in the Company to such persons and on such terms as the board thinks fit
<b>Redeemable shares</b>	12 Subject to the provisions of the Companies Acts, and without prejudice to any rights attached to any existing shares or class of shares, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder. The board may determine the terms, conditions and manner of redemption of any redeemable share so issued. Such terms and conditions shall apply to the relevant shares as if the same were set out in these Articles
<b>Commissions</b>	13 The Company may exercise all powers of paying commissions or brokerage conferred or permitted by the Companies Acts. Subject to the provisions of the Companies Acts, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other
<b>Trusts not recognised</b>	14 Except as required by law and except in respect of an HMT Nominee, the Company shall recognise no person as holding any share on any 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 (or in any fractional part of a share) except the holder's absolute right to the entirety of the share (or fractional part of the share)

## VARIATION OF RIGHTS

<b>Method of varying rights</b>	<p>15 1 Subject to the provisions of the Companies Acts, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of allotment or issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either</p> <p>(a) with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class (excluding shares of that class held as treasury shares), or</p> <p>(b) with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class,</p> <p>but not otherwise</p>
<b>When rights deemed to be varied</b>	15 2 For the purposes of this Article, unless otherwise expressly provided by the rights attached to any share or class of shares, those rights shall be deemed to be varied by



- (a) the reduction of the capital paid up on that share or class of shares otherwise than by a purchase or redemption by the Company of its own shares, and
- (b) the allotment of another share ranking in priority for payment of a dividend or in respect of capital or which confers on its holder voting rights more favourable than those conferred by that share or class of shares,

but shall not be deemed to be varied by

- (c) the creation or issue of another share ranking equally with, or subsequent to, that share or class of shares or by the purchase or redemption by the Company of its own shares, or
- (d) the Company permitting, in accordance with the Regulations, the holding and transfer of title to shares of that or any other class in uncertificated form by means of a relevant system

### UNCERTIFICATED SHARES

**Uncertificated shares**

16 1 Subject to the provisions of the Regulations, the board may permit the holding of shares in any class of shares in uncertificated form and the transfer of title to shares in that class by means of a relevant system and may determine that any class of shares shall cease to be a participating security

**Not separate class of shares**

16 2 Shares in the capital of the Company that fall within a certain class shall not form a separate class of shares from other shares in that class because any share in that class

- (a) is held in uncertificated form, or
- (b) is permitted in accordance with the Regulations to become a participating security

**Exercise of Company's entitlements in respect of uncertificated shares**

16 3 Where any class of shares is a participating security and the Company is entitled under any provision of the Companies Acts, the Regulations or the Articles to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share held in uncertificated form, the Company shall be entitled, subject to the provisions of the Companies Acts, the Regulations, the Articles and the facilities and requirements of the relevant system

- (a) to require the holder of that uncertificated share by notice to change that share into certificated form within the period specified in the notice and to hold that share in certificated form so long as required by the Company,
- (b) to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice,

- (c) to require the holder of that uncertificated share by notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the relevant system, necessary to transfer that share within the period specified in the notice, and
- (d) to take any action that the board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share

## SHARE CERTIFICATES

### Members' rights to certificates

17 Every member, on becoming the holder of any certificated share (except a recognised person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) shall be entitled, without payment, to one certificate for all the certificated shares of each class held by him (and, on transferring a part of his holding of certificated shares of any class, to a certificate for the balance of his holding of certificated shares) He may elect to receive one or more additional certificates for any of his certificated shares if he pays for every certificate after the first a reasonable sum determined from time to time by the board Every certificate shall

- (a) be executed under the seal or in accordance with Article 124 or in such other manner as the board may approve, and
- (b) specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on the shares

The Company shall not be bound to issue more than one certificate for certificated shares held jointly by more than one person and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them Shares of different classes may not be included in the same certificate

### Replacement certificates

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

19 Every share certificate sent in accordance with these Articles will be sent at the risk of the holder or other person entitled to the certificate The Company will not be responsible for any share certificates lost or delayed in the course of delivery

## **LIEN**

**Company to  
have lien on  
shares**

20 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys payable to the Company (whether presently or not) in respect of that share. The board may at any time (generally or in particular cases) waive any lien or declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount (including without limitation dividends) payable in respect of it.

**Enforcement of  
lien by sale**

21 1 The Company may sell, in such manner as the board determines, any share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been sent to the holder of the share, or to the person entitled to it by transmission, demanding payment and stating that if the notice is not complied with the share may be sold.

**Giving effect to  
sale**

21 2 To give effect to that sale the board may, if the share is a certificated share, authorise any person to execute an instrument of transfer in respect of the share sold to, or in accordance with the directions of, the buyer. If the share is an uncertificated share, the board may exercise any of the Company's powers under Article 16 3 to effect the transfer of the share to, or in accordance with the directions of, the buyer. The buyer shall not be bound to see to the application of the purchase money and his title to the share shall not be affected by any irregularity in or invalidity of the proceedings in relation to the sale.

**Application of  
proceeds**

21 3 The net proceeds of the sale, after payment of the costs, shall be applied in or towards payment or satisfaction of so much of the sum in respect of which the lien exists as is presently payable. Any residue shall (if the share sold is a certificated share, on surrender to the Company for cancellation of the certificate in respect of the share sold and, whether the share sold is a certificated share or uncertificated share, subject to a like lien for any moneys not presently payable as existed on the share before the sale) be paid to the person entitled to the share at the date of the sale.

## CALLS ON SHARES

- |                                    |   |
|------------------------------------|---|
| <b>Power to make calls</b>         | 22 Subject to the terms of allotment, the board may from time to time make calls on the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company the amount called on his shares as required by the notice A call may be required to be paid by instalments A call may be revoked in whole or part and the time fixed for payment of a call may be postponed in whole or part as the board may determine A person on whom a call is made shall remain liable for calls made on him even if the shares in respect of which the call was made are subsequently transferred |
| <b>Time when call made</b>         | 23 A call shall be deemed to have been made at the time when the resolution of the board authorising the call was passed  |
| <b>Liability of joint holders</b>  | 24 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it   |
| <b>Interest payable</b>            | 25 If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid Interest shall be paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, the rate determined by the board, not exceeding the Bank of England base rate by more than five percentage points but the board may in respect of any individual member waive payment of such interest wholly or in part   |
| <b>Deemed calls</b>                | 26 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and notified and payable on the date so fixed or in accordance with the terms of the allotment If it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call duly made and notified  |
| <b>Differentiation on calls</b>    | 27 Subject to the terms of allotment, the board may make arrangements on the issue of shares for a difference between the allottees or holders in the amounts and times of payment of calls on their shares   |
| <b>Payment of calls in advance</b> | 28 The board may, if it thinks fit, receive from any member all or any part of the moneys uncalled and unpaid on any share held by him Such payment in advance of calls shall extinguish the liability on the share in respect of which it is made to the extent of the payment The Company may pay on all or any of the moneys so advanced (until they would but for such advance become presently payable) interest at such rate agreed between the board and the member not exceeding (unless the Company by ordinary resolution otherwise directs) the Bank of England base rate by more than five percentage points  |

## FORFEITURE AND SURRENDER

### Notice requiring payment of call

29 If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the board may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

### Forfeiture for non-compliance

30 If that notice is not complied with, any share in respect of which it was sent may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture shall include all dividends or other moneys payable in respect of the forfeited share which have not been paid before the forfeiture. When a share has been forfeited, notice of the forfeiture shall be sent to the person who was the holder of the share before the forfeiture. Where the forfeited share is held in certificated form, an entry shall be made promptly in the register opposite the entry of the share showing that notice has been sent, that the share has been forfeited and the date of forfeiture. No forfeiture shall be invalidated by the omission or neglect to send that notice or to make those entries.

### Sale of forfeited shares

31 Subject to the provisions of the Companies Acts, a forfeited share shall be deemed to belong to the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the board determines, either to the person who was the holder before the forfeiture or to any other person. At any time before sale, re-allotment or other disposal, the forfeiture may be cancelled on such terms as the board thinks fit. Where, for the purposes of its disposal, a forfeited share held in certificated form is to be transferred to any person, the board may authorise any person to execute an instrument of transfer of the shares to that person. Where, for the purposes of its disposal, a forfeited share held in uncertificated form is to be transferred to any person, the board may exercise any of the Company's powers under Article 16.3 to effect the transfer of the share to that person. The Company may receive the consideration given for the share on its disposal and may register the transferee as holder of the share.

### Liability following forfeiture

32 A person shall cease to be a member in respect of any share which has been forfeited and shall, if the share is a certificated share, surrender the certificate for any forfeited share to the Company for cancellation. The person shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of that share with interest on that amount at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the rate determined by the board, not exceeding the Bank of England base rate by more than five percentage points, from the date of forfeiture until payment. The board may waive payment wholly or in part or enforce payment without any allowance for the value of the share at the time of forfeiture or for any consideration received on its disposal.

<b>Surrender</b>	33 The board may accept the surrender of any share which it is in a position to forfeit on such terms and conditions as may be agreed Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited
<b>Extinction of rights</b>	34 The forfeiture of a share shall involve the extinction at the time of forfeiture 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 person whose share is forfeited and the Company, except only those rights and liabilities expressly saved by these Articles, or as are given or imposed in the case of past members by the Companies Acts
<b>Evidence of forfeiture or surrender</b>	35 A statutory declaration by a director or the secretary that a share has been duly forfeited or surrendered on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share The declaration shall (subject, if necessary, to the execution of an instrument of transfer or transfer by means of the relevant system, as the case may be) constitute a good title to the share The person to whom the share is disposed of shall not be bound to see to the application of the purchase money, if any, and his title to the share shall not be affected by any irregularity in, or invalidity of, the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share

## TRANSFER OF SHARES

<b>Form and execution of transfer of certificated shares</b>	36 The instrument of transfer of a certificated share may be in any usual form or in any other form which the board may approve An instrument of transfer shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee An instrument of transfer need not be under seal
<b>Transfers of partly paid certificated shares</b>	37 The board may, in its absolute discretion and without giving any reason, refuse to register the transfer of a certificated share which is not fully paid, provided that the refusal does not prevent dealings in shares in the Company from taking place on an open and proper basis
<b>Invalid transfers</b>	38 1 The board may also refuse to register the transfer of a certificated share unless the instrument of transfer <ul style="list-style-type: none"> <li>(a) is lodged, duly stamped (if stampable), at the office or at another place appointed by the board accompanied by the certificate for the share to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer,</li> <li>(b) is in respect of only one class of shares, and</li> <li>(c) is in favour of not more than four transferees</li> </ul>
<b>Transfers by recognised persons</b>	38 2 In the case of a transfer of certificated shares by a recognised person, the lodging of a share certificate will only be necessary if and to the extent that a certificate has been issued in respect of the share in question

39 The board may refuse to register the transfer of an uncertificated share in any circumstances permitted by the Regulations Without prejudice to the generality of the foregoing, the directors shall have the right to refuse to register any transfer which would give rise to a breach of the protective provisions set out in Article 4

**Notice of refusal to register** 40 If the board refuses to register a transfer of a share in certificated form it shall send to the transferee notice of the refusal within two months after the date on which the transfer was lodged with the Company

**No fee payable on registration** 41 No fee shall be charged for the registration of any transfer or other document relating to or affecting the title to a share

**Retention of transfers** 42 The Company shall be entitled to retain an instrument of transfer which is registered, but an instrument of transfer which the board refuses to register shall be returned to the person lodging it when notice of the refusal is sent

### **TRANSMISSION OF SHARES**

**Transmission** 43 If a member dies, the survivor, or survivors where he was a joint holder, and his personal representatives, where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest Nothing in these Articles shall release the estate of a deceased member (whether a sole or joint holder) from any liability in respect of any share held by him

**Elections permitted** 44 1 A person becoming entitled by transmission to a share may, on production of any evidence as to his entitlement properly required by the board, elect either to become the holder of the share or to have another person nominated by him registered as the transferee If he elects to become the holder he shall give notice to the Company to that effect If he elects to have another person registered and the share is a certificated share, he shall execute an instrument of transfer of the share to that person If he elects to become holder or to have another person registered and the share is an uncertificated share, he shall take any action the board may require (including without limitation the execution of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share All the provisions of these Articles relating to the transfer of shares apply to that notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member or other event giving rise to the transmission had not occurred

**Elections required** 44 2 The board may at any time send a notice requiring any such person to elect either to be registered himself or to transfer the share If the notice is not complied with within 60 days, the board may after the expiry of that period withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with

Rights of  
persons entitled  
by transmission

45 A person becoming entitled by transmission to a share shall, on production of any evidence as to his entitlement properly required by the board and subject to the requirements of Article 44, have the same rights in relation to the share as he would have had if he were the holder of the share, subject to Article 133 That person may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the Company or to receive notice of or to attend or vote at any separate meeting of the holders of any class of shares in the capital of the Company

## ALTERATION OF SHARE CAPITAL

Sub-division

46 Any resolution authorising the Company to sub-divide its shares or any of them may determine that, as between the shares resulting from such a sub-division, any of them may have any preference or advantage as compared with the others

47 All shares created by ordinary resolution shall be

- (a) subject to all the provisions of these Articles including, without limitation, provisions relating to payment of calls, lien, forfeiture, transfer and transmission, and
- (b) unclassified, unless otherwise provided by these Articles, by the resolution creating the shares or by the terms of allotment of the shares.

Fractions  
arising

48 Whenever any fractions arise as a result of a consolidation or sub-division of shares, the board may on behalf of the members deal with the fractions as it thinks fit In particular, without limitation, the board may sell shares representing fractions to which any members would otherwise become entitled to any person (including, subject to the provisions of the Companies Acts, the Company) and distribute the net proceeds of sale in due proportion among those members Where the shares to be sold are held in certificated form, the board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with, the buyer's directions Where the shares to be sold are held in uncertificated form, the board may do all acts and things it considers necessary or expedient to effect the transfer of the shares to, or in accordance with, the buyer's directions The buyer shall not be bound to see to the application of the purchase moneys and his title to the shares shall not be affected by any irregularity in, or invalidity of, the proceedings in relation to the sale

## GENERAL MEETINGS

49

49 1 All provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply to every separate general meeting of the holders of any class of shares in the capital of the Company, except that



- (a) any holder of shares of the class present in person or by proxy may demand a poll, and
- (b) each holder of shares of the class shall, on a poll, have one vote in respect of every share of the class held by him.

For the purposes of this Article, where a person is present by proxy or proxies, he is treated only as holding the shares in respect of which those proxies are authorised to exercise voting rights

49 2 Whilst an HMT Nominee holds shares of the Company (whether directly or indirectly), and as permitted by the Transfer Order, a resolution of the Company shall be effective notwithstanding that special notice, if required by any provision of the Companies Acts to be given, has not been given

**Accidental omission to send notice**

50 1 The accidental omission to send a notice of a meeting to, the failure to give notice due to circumstances beyond the Company's control to, or the non-receipt (even if the Company becomes aware of such non-receipt) of a notice of meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting. A member present in person or by proxy at a meeting shall be deemed to have received proper notice of that meeting and, where applicable, of the purpose of that meeting

**Security**

50 2 The board and, at any general meeting, the chairman may make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the security of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The board and, at any general meeting, the chairman are entitled to refuse entry to a person who refuses to comply with these arrangements, requirements or restrictions

**Postponement of general meeting**

50 3 If the board, in its absolute discretion, considers that it is impractical or undesirable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone or move the general meeting to another date, time and/or place. The board shall take reasonable steps to ensure that notice of the date, time and place of the rearranged meeting is given to any member trying to attend the meeting at the original time and place. If a meeting is rearranged in this way, the appointment of a proxy will be valid if it is received as required by these Articles not less than 48 hours before the time appointed for holding the rearranged meeting. The board may also postpone or move the rearranged meeting under this Article

## PROCEEDINGS AT GENERAL MEETINGS

**Quorum** 51 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, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles and the Companies Acts, two qualifying persons present at a meeting and entitled to vote on the business to be dealt with are a quorum, unless

- (a) each is a qualifying person only because he is authorised under the Companies Acts to act as a representative of a corporation in relation to the meeting, and they are representatives of the same corporation, or
- (b) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member

For so long as the Company is wholly owned, directly or indirectly, by Her Majesty's Treasury, one qualifying person present at a meeting and entitled to vote on the business to be dealt with shall be a quorum

For the purposes of this Article a "qualifying person" means (i) an individual who is a member of the Company, (ii) a person authorised under the Companies Acts to act as a representative of the corporation in relation to the meeting, or (iii) a person appointed as proxy of a member in relation to the meeting

**If quorum not present**

52 If such a quorum is not present within five minutes (or such longer time not exceeding 30 minutes as the chairman of the meeting may decide to wait) from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting, shall stand adjourned to such other day (being not less than 10 days later, excluding the day on which the meeting is adjourned and the day for which it is reconvened) and at the same time and place, or to such other time and place as the directors may determine. The adjourned meeting shall be dissolved if a quorum is not present within 15 minutes after the time appointed for holding the meeting

**Chairman**

53 Without prejudice to any other power of adjournment he may have under these articles or at common law, the chairman, if any, of the board or, in his absence, any deputy chairman of the Company or, in his absence, some other director nominated by the board, shall preside as chairman of the meeting. If neither the chairman nor any deputy chairman nor such other director (if any) is present within five minutes after the time appointed for holding the meeting or is not willing to act as chairman, the directors present shall elect one of their number to be chairman. If there is only one director present and willing to act, he shall be chairman. If no director is willing to act as chairman, or if no director is present within five minutes after the time appointed for holding the meeting, the members present in person or by proxy and entitled to vote shall choose one of their number to be chairman

Directors entitled to speak	54 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 capital of the Company
Adjournments chairman's powers	55 1 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place. No business shall be dealt with at an adjourned meeting other than business which might properly have been dealt with at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give notice of an adjournment.
Adjournments procedures	55 2 Any such adjournment may be for such time and to such other place (or, in the case of a meeting held at a principal meeting place and a satellite meeting place, such other places) as the chairman may, in his absolute discretion, determine, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless appoint a proxy for the adjourned meeting either in accordance with Article 74 or by means of an instrument which, if delivered by him at the meeting which is adjourned to the chairman or the secretary or any director, shall be valid even though it is given at less notice than would otherwise be required by Article 74. When a meeting is adjourned for 30 days or more or for an indefinite period, notice shall be sent at least seven clear days before the date of the adjourned meeting specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to send any notice of an adjournment or of the business to be dealt with at an adjourned meeting.
Amendments to resolutions	56 If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
Methods of voting	57 A resolution put to the vote of a general meeting shall be decided on a show of hands unless, before or on the declaration of the result of a vote on the show of hands or on the withdrawal of any other demand for a poll, a poll is duly demanded. Subject to the provisions of the Companies Acts, a poll may be demanded by <ul style="list-style-type: none"> <li>(a) the chairman of the meeting, or</li> <li>(b) at least five members who are present and who have the right to vote on the resolution, or</li> <li>(c) any member or members (including a proxy or proxies) who are present and who represent not less than one-tenth of the total voting rights of all the members (including proxies) having the right to vote on the resolution, or</li> <li>(d) any member or members (including a proxy or proxies) who are present and who hold shares (or who have been appointed to represent a member or members in respect of shares) conferring a right to vote at the meeting</li> </ul>

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

A demand by a person as proxy for a member shall be the same as a demand by the member

The appointment of a proxy to vote on a matter at a meeting authorises the proxy to demand, or join in demanding, a poll on that matter. In applying the provisions of this Article, a demand by a proxy counts (i) for the purposes of paragraph (b) of this Article, as a demand by the member, (ii) for the purposes of paragraph (c) of this Article, as a demand by a member representing the voting rights that the proxy is authorised to exercise, and (iii) for the purposes of paragraph (d) of this Article, as a demand by a member holding the shares to which those rights are attached

<b>Declaration of result</b>	58 Unless a poll is duly demanded (and the demand is not withdrawn before the poll is taken) a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution
<b>Withdrawal of demand for poll</b>	59 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If the demand for a poll is withdrawn, the chairman or any other member entitled may demand a poll
<b>Conduct of poll</b>	60 Subject to Article 61 a poll shall be taken as the chairman directs and he may, and shall if required by the meeting, appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded
<b>When poll to be taken</b>	61 A poll demanded on the election of a chairman or on a question of adjournment shall be taken at the meeting at which it is demanded. A poll demanded on any other question shall be taken either at the meeting or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made
<b>Notice of poll</b>	62 No notice need be sent of a poll not taken at the meeting at which it is demanded if the time and place at which it is to be taken are announced at the meeting. In any other case notice shall be sent at least seven clear days before the taking of the poll specifying the time and place at which the poll is to be taken

## VOTES OF MEMBERS

- Right to vote** 63 Subject to any rights or restrictions attached to any shares and to any other provision of these Articles, members shall be entitled to vote at a general meeting whether on a show of hands or on a poll as provided in the Companies Acts For this purpose, where a proxy is given discretion as to how to vote on a show of hands, this shall be treated as an instruction by the relevant member to vote in the way that the proxy elects to exercise that discretion
- Votes of joint holders** 64 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 For this purpose seniority shall be determined by the order in which the names of the holders stand in the register
- Member under incapacity** 65 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) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other, person authorised for that purpose appointed by that court or official That receiver, curator bonis or other person may, on a show of hands or on a poll, vote by proxy The right to vote shall be exercisable only if evidence satisfactory to the board of the authority of the person claiming to exercise the right to vote has been deposited at the office, or at another place specified in accordance with these Articles for the delivery of proxy appointments, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised provided that the Company may specify, in any case, that in calculating the period of 48 hours, no account shall be taken of any part of the day that is not a working day
- Calls in arrears** 66 No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the capital of the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid
- Section 793 of the Companies Act 2006, restrictions if in default** 67 1 If at any time the board is satisfied that any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under section 793 of the Companies Act 2006 (a *section 793 notice*) and is in default for the prescribed period in supplying to the Company the information thereby required, or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular, then the board may, in its absolute discretion at any time thereafter by notice (a *direction notice*) to such member direct that
- (a) in respect of the shares in relation to which the default occurred (the *default shares*, which expression includes any shares issued after the date of the section 793 notice in respect of those shares) the member shall not be entitled to attend or vote either personally or by proxy at a general meeting or at a separate meeting of the holders of that class of shares or on a poll, and

- (b) where the default shares represent at least  $\frac{1}{4}$  of one per cent in nominal value of the issued shares of their class, then the direction notice may additionally direct that in respect of the default shares
  - (i) no payment shall be made by way of dividend and no share shall be allotted pursuant to Article 132,
  - (ii) no transfer of any default share shall be registered unless
    - (A) the member is not himself in default as regards supplying the information requested and the instrument of transfer when presented for registration is accompanied by a certificate by the member in such form as the board may in its absolute discretion require to the effect that after due and careful enquiry the member is satisfied that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, or
    - (B) the transfer is an approved transfer; or
    - (C) registration of the transfer is required by the Regulations

Copy of notice  
to interested  
persons

67 2 The Company shall send a copy of the direction notice to each other person appearing to be interested in the default shares, but the failure or omission by the Company to do so shall not invalidate such notice

When  
restrictions  
cease to have  
effect

67 3 Any direction notice shall cease to have effect not more than seven days after the earlier of receipt by the Company of

- (a) a notice of an approved transfer, but only in relation to the shares transferred, or
- (b) all the information required by the relevant section 793 notice, in a form satisfactory to the board

Board may  
cancel  
restrictions  
Conversion of  
uncertificated  
shares

67 4 The board may at any time send a notice cancelling a direction notice

67 5 The Company may exercise any of its powers under Article 16 3 in respect of any default share that is held in uncertificated form

Supplementary  
provisions

68 1 For the purposes of Article 67

- (a) a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under section 793 of the Companies Act 2006 which either (i) names such person as being so interested or (ii) fails to establish the identities of all those interested in the shares and (after taking into account the said notification and any other relevant section 793 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

- (b) the prescribed period is 14 days from the date of service of the section 793 notice, and
- (c) a transfer of shares is an approved transfer if
  - (i) it is a transfer of shares pursuant to an acceptance of a takeover offer (within the meaning of Part 28 of the Companies Act 2006), or
  - (ii) the board is satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares the subject of the transfer to a party unconnected with the member and with any other person appearing to be interested in the shares, or
  - (iii) the transfer results from a sale made through a recognised investment exchange as defined in the FSMA or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded

Section 794 of  
the Companies  
Act 2006

68 2 Nothing contained in this Article 68 limits the power of the Company under section 794 of the Companies Act 2006

Errors in voting

69 If any votes are counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment of the meeting, and, in the opinion of the chairman, it is of sufficient magnitude to vitiate the result of the voting

Objection to  
voting

70 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or poll at which the vote objected to is tendered. Every vote not disallowed at such meeting shall be valid and every vote not counted which ought to have been counted shall be disregarded. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

Supplementary  
provisions on  
voting

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

## PROXIES AND CORPORATE REPRESENTATIVES

Appointment of  
proxy execution

72 The appointment of a proxy, whether by means of an instrument or contained in an electronic communication, shall be executed in such manner as the board may approve. Subject thereto, the appointment of a proxy shall be executed by the appointor or his attorney or, if the appointor is a corporation, executed by a duly authorised officer, attorney or other authorised person or under its common seal. For the purpose of this Article and Articles 73 and 74, an electronic communication which contains a proxy appointment need not comprise writing if the board so determines and in such a case, if the board so determines, the appointment need not be executed but shall instead be subject to such conditions as the board may approve.

**Method of proxy appointment** 73 The appointment of a proxy shall be in any usual form or in any other form which the board may approve Subject thereto, the appointment of a proxy may be

- (a) by means of an instrument, or
- (b) contained in an electronic communication sent to such address (if any) for the time being notified by or on behalf of the Company for that purpose, provided that the electronic communication is received in accordance with Article 74 not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or, where a poll is taken more than 48 hours after it is demanded, after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll

The board may, if it thinks fit, but subject to the provisions of the Companies Acts, at the Company's expense send forms of proxy for use at the meeting and issue invitations contained in electronic communications to appoint a proxy in relation to the meeting in such form as may be approved by the board The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned

**Delivery/receipt of proxy appointment** 74 1 The appointment of a proxy shall

- (a) in the case of an appointment contained in an instrument, be delivered personally, by post or facsimile transmission to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose

- (i) in the notice convening the meeting, or

- (ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting,

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, or

- (b) in the case of an appointment contained in an electronic communication, where an address has been specified by or on behalf of the Company for the purpose of receiving electronic communications

- (i) in the notice convening the meeting, or

- (ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting, or

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



be received at that address 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, or

- (c) in the case of an appointment contained in an instrument or of an appointment contained in an electronic communication, where a poll is taken more than 48 hours after it is demanded, be delivered or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or
- (d) in the case only of an appointment contained in an instrument, where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director

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

**Receipt of  
authority**

74 2 Any power of attorney or other written authority under which a proxy appointment is executed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority shall be

- (a) delivered personally, by post or facsimile transmission to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 74 1(a) 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, or
- (b) where a poll is taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or
- (c) where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director together with the proxy appointment to which it relates

74 3 A proxy appointment which is not delivered or received in accordance with Article 74 1, or in respect of which Article 74 2 has not been complied with, shall be invalid No proxy appointment shall be valid more than twelve months after the date stated in it as the date of its execution When two or more valid proxy appointments are delivered or received in respect of the same share for use at the same meeting, the one which was executed last shall be treated as replacing and revoking the others as regards that share, if the Company is unable to determine which was executed last, none of them shall be treated as valid in respect of that share

**Validity of  
proxy  
appointment**

75 1 A proxy appointment shall be deemed to entitle the proxy to exercise all or any of the appointing member's rights to attend and to speak and vote at a meeting of the Company in respect of the shares to which the proxy appointment relates. The proxy appointment shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

75 2 If a member appoints more than one proxy and the proxy appointments purport, in aggregate, to confer on those proxies the authority to vote at a general meeting more shares than are at the relevant time held by that member, each of those proxy appointments shall be invalid and none of the proxies so appointed by that member shall be entitled to attend, speak (if relevant) or vote at that general meeting.

**Revocation of  
authority**

76 The termination of the authority of a person to act as a proxy or duly authorised representative of a corporation does not affect (a) whether he counts in deciding whether there is a quorum at a meeting, (b) the validity of anything he does as chairman of a meeting, (c) the validity of a poll demanded by him at a meeting, or (d) the validity of a vote given by that person, unless notice of the termination was received by the Company as mentioned in the following sentence at least three hours before the start of the relevant meeting or adjourned meeting 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 termination shall be either by means of an instrument received by the Company at the office or at such other place within the United Kingdom as may have been specified by or on behalf of the Company for the purpose of receiving proxy appointments in accordance with Article 74 1(a) or contained in an electronic communication received at the address (if any) specified by or on behalf of the Company for the purpose of receiving proxy appointments in accordance with Article 74 1(b), regardless of whether any relevant proxy appointment was effected by means of an instrument or contained in an electronic communication. For the purpose of this Article, an electronic communication which contains such notice of determination need not comprise writing if the board has determined that the electronic communication which contains the relevant proxy appointment need not comprise writing.

77 Notwithstanding any other provision in the Articles (including Articles 72 to 76), an appointment of a proxy, whilst UKAR is a member of the Company

- (a) may be in any written form (including in an electronic communication),
- (b) need not be given with any period of notice,
- (c) shall not require the approval of the board, and
- (d) is otherwise deemed to be given in accordance with the provision of these Articles

## NUMBER OF DIRECTORS

**Limits on number of directors** 78 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be not less than two but shall not be subject to any maximum in number

## APPOINTMENT AND RETIREMENT OF DIRECTORS

**Number of directors to retire** 79 At every annual general meeting, each director shall retire from office and may offer himself for re-appointment

**When director deemed to be re-appointed** 79 1 Subject to the provisions of these Articles, at the meeting at which a director retires the Company may pass an ordinary resolution to either re-appoint the director or elect some other eligible person in his place

**Eligibility for election** 80 No person other than a director retiring shall be appointed or re-appointed as a director at any general meeting unless

- (a) he is recommended by the board, or
- (b) not less than seven nor more than 35 days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting (not being the person to be proposed) has been received by the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors, together with notice executed by that person of his willingness to be appointed

**Separate resolutions on appointment** 81 Except as otherwise authorised by the Companies Acts, a motion for the appointment of two or more persons as director by a single resolution shall not be made unless a resolution that it should be so made has first been agreed to by the meeting without any vote being given against it

**Additional powers of the Company** 82 Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director. The appointment of a person to fill a vacancy or as an additional director shall take effect from the end of the meeting

**Appointment by board** 83 The board may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director and in either case whether or not for a fixed term, provided that the appointment does not cause the number of directors to exceed the number, if any, fixed by or in accordance with these Articles as the maximum number of directors. Irrespective of the terms of his appointment, a director so appointed shall hold office only until the next following annual general meeting, where he shall retire. If not re-appointed at such annual general meeting, he shall vacate office at its conclusion

**Position of retiring directors** 84 A director who retires at an annual general meeting may, if willing to act, be re-appointed. If he is not re-appointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting

No share  
qualification

85 A director shall not be required to hold any shares in the capital of the Company by way of qualification

86. Notwithstanding any other provision of these Articles (including, without limitation, Articles 80 and 82), while the Company is wholly owned, directly or indirectly, by Her Majesty's Treasury, Her Majesty's Treasury may appoint one or more directors of the Company by written notice, provided the appointee has consented to act in such a capacity, with effect from the date specified in such notice and as a person appointed under this Article 86 shall not be subject to the above provisions relating to the requirement of directors to retire. Her Majesty's Treasury may determine the terms (including remuneration) of the Service Contract (as defined in the Companies Acts) of a person appointed as director under this Article in whatever form they see fit, and such contract shall be treated as having been made or entered into by the Company

### ALTERNATE DIRECTORS

Power to  
appoint  
alternates

87 Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the board and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him

Alternates  
entitled to  
receive notice

88 An alternate director shall be entitled to receive notice of all meetings of the board and of all meetings of committees of the board of which his appointor is a member, to attend and vote at any such meeting at which his appointor is not personally present, and generally to perform all the functions of his appointor (except as regards power to appoint an alternate) as a director in his absence. It shall not be necessary to send notice of such a meeting to an alternate director who is absent from the United Kingdom

Alternates  
representing  
more than one  
director

89 A director or any other person may act as alternate director to represent more than one director, and an alternate director shall be entitled at meetings of the board or any committee of the board to one vote for every director whom he represents (and who is not present) in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present

Expenses and  
remuneration of  
alternates

90 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 be entitled to receive any remuneration from the Company in respect of his services as an alternate director except such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company from time to time direct. An alternate director shall be entitled to be indemnified by the Company to the same extent as if he were a director

Termination of  
appointment

91 An alternate director shall cease to be an alternate director

- (a) if his appointor ceases to be a director, but, if a director retires but is re-appointed or deemed to have been re-appointed 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 re-appointment, or

- (b) on the happening of any event which, if he were a director, would cause him to vacate his office as director, or
- (c) if he resigns his office by notice to the Company

**Method of  
appointment  
and revocation**

92 Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment and shall take effect in accordance with the terms of the notice (subject to any approval required by Article 87) on receipt of such notice by the Company at, in the case of a notice contained in an instrument, the office or, in the case of a notice contained in an electronic communication, such address (if any) as may for the time being be notified by or on behalf of the Company for that purpose

**Alternate not an  
agent of  
appointor**

93 Except as otherwise expressly provided in these Articles, an alternate director shall be deemed for all purposes to be a director. Accordingly, except where the context otherwise requires, a reference to a director shall be deemed to include a reference to an alternate director. An alternate director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

## **POWERS OF THE BOARD**

**Business to be  
managed by  
board**

94 Subject to the provisions of the Companies Acts and these Articles and to any directions given by ordinary resolution, the business of the Company shall be managed by the board which may pay all expenses incurred in forming and registering the Company and may exercise all the powers of the Company whether relating to the management of the business of the Company or not. No alteration of the Articles and no such direction shall invalidate any prior act of the board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the board by these Articles. A meeting of the board at which a quorum is present may exercise all powers exercisable by the board

**Exercise by  
Company of  
voting rights**

95 The board may exercise the voting power conferred by the shares in any body corporate held or owned by the Company in such manner in all respects as it thinks fit (including without limitation the exercise of that power in favour of any resolution appointing its members or any of them directors of such body corporate, or voting or providing for the payment of remuneration to the directors of such body corporate)

## **DELEGATION OF POWERS OF THE BOARD**

**Committees of  
the board**

96 The board may delegate any of its powers to any committee consisting of one or more directors. The board may also delegate to any director holding any executive office such of its powers as the board considers desirable to be exercised by him. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate

to one or more directors (whether or not acting as a committee) or to any employee or agent of the Company all or any of the powers delegated and may be made subject to such conditions as the board may specify, and may be revoked or altered. The board may co-opt on to any such committee persons other than directors, who may enjoy voting rights in the committee. The co-opted members shall be less than one-half of the total membership of the committee and a resolution of any committee shall be effective only if a majority of the members present are directors. Subject to any conditions imposed by the board, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of directors so far as they are capable of applying.

Local boards,  
etc

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

Agents

98 The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes, with such powers, authorities and discretions (not exceeding those vested in the board) and on such conditions as the board determines, including without limitation authority for the agent to delegate all or any of his powers, authorities and discretions, and may revoke or vary such delegation.

Offices  
including the  
title "director"

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

### **BORROWING POWERS**

Power to  
borrow

100 The board may exercise all the powers of the Company to borrow money, to guarantee, to indemnify, to mortgage or charge its undertaking, property, assets (present and future) and uncalled capital, and 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

### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

Disqualification  
as a director

- 101 A person ceases to be a director as soon as
- (a) that person ceases to be a director by virtue of any provision of the Companies Acts or is prohibited from being a director by law,
  - (b) a bankruptcy order is made against that person,
  - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
  - (d) he is or has been, suffering from mental or physical ill health and the board resolves that his office is vacated,
  - (e) notification is received by the Company from the director that the director is resigning or retiring from office, and such resignation or retirement has taken effect in accordance with its terms, or his office as a director is vacated pursuant to Article 83,
  - (f) he is removed in accordance with Article 86, or
  - (g) that person receives notice signed by not less than three-quarters of the other directors stating that that person should cease to be a director. In calculating the number of directors who are required to give such notice to the director, (i) an alternate director appointed by him acting in his capacity as such shall be excluded, and (ii) a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that notice by either shall be sufficient

Power of  
Company to  
remove director

102 The Company may, without prejudice to the provisions of the Companies Acts, by ordinary resolution remove any director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such director, but without prejudice to any claim he may have for damages for breach of any such agreement) No special notice need be given of any resolution to remove a director in accordance with this Article and no director proposed to be removed in accordance with this Article has any special right to protest against his removal The Company may, by ordinary resolution, appoint another person in place of a director removed from office in accordance with this Article. In default of such appointment the vacancy arising on the removal of a director from office may be filled as a casual vacancy

### REMUNERATION OF NON-EXECUTIVE DIRECTORS

Ordinary  
remuneration

103 The ordinary remuneration of the directors who do not hold executive office for their services (excluding amounts payable under any other provision of these Articles) shall not exceed in aggregate £1,000,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine Subject thereto, each such director shall be paid a fee (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the board

104 Subject to the provisions of the Companies Acts, the board may enter into, vary and terminate an agreement or arrangement with any director who does not hold executive office for the provision of his services to the Company Subject to Article 103 and 105, any such agreement or arrangement may be made on such terms as the board determines

Additional  
remuneration  
for special  
services

105 Any director who does not hold executive office and who serves on any committee of the board, and by the request of the board goes or resides abroad for any purpose of the Company or otherwise performs special services which in the opinion of the board are outside the scope of the ordinary duties of a director, may (without prejudice to the provisions of Article 103) be paid such extra remuneration by way of salary, commission or otherwise as the board may determine



## DIRECTORS' EXPENSES

Directors may  
be paid expenses

106 The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of the board or committees of the board, general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties. The Company may also fund a director's or former director's expenditure and that of a director or former director of any holding company of the Company for the purposes permitted under the Companies Acts and may do anything to enable a director or former director or any director or former director of any holding company of the Company to avoid such expenditure as provided in the Companies Acts

## EXECUTIVE DIRECTORS

Appointment to  
executive office

107 Subject to the provisions of the Companies Acts, the board may appoint one or more of its body to be the holder of any executive office (except that of auditor) in the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms, including, without limitation, terms as to remuneration, as the board determines. The board may revoke or vary any such appointment but without prejudice to any rights or claims which the person whose appointment is revoked or varied may have against the Company because of the revocation or variation

Termination of  
appointment to  
executive office

108 Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any rights or claims which he may have against the Company by reason of such cessation. A director appointed to an executive office shall not cease to be a director merely because his appointment to such executive office terminates

Emoluments to  
be determined  
by the board

109 The emoluments of any director holding executive office for his services as such shall be determined by the board, and may be of any description, including, without limitation, admission to, or continuance of, membership of any scheme (including any share acquisition scheme) or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund

## DIRECTORS' INTERESTS

Authorisation  
under s175 of  
the Companies  
Act 2006

110

110 1 The board may, subject to the quorum and voting requirements set out in this Article, authorise any matter which would otherwise involve a director breaching his duty under the Companies Acts to avoid conflicts of interest (*Conflict*)

110 2 A director seeking authorisation in respect of a Conflict shall declare to the board the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the board with such details of the relevant matter as are necessary for the board to decide how to address the Conflict together with such additional information as may be requested by the board.

110 3 Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the board shall be effected in the same way that any other matter may be proposed to and resolved upon by the board under the provisions of these Articles save that

- (a) the relevant director and any other director with a similar interest shall not count towards the quorum nor vote on any resolution giving such authority, and
- (b) the relevant director and any other director with a similar interest may, if the other members of the board so decide, be excluded from any board meeting while the Conflict is under consideration.

110 4 Where the board gives authority in relation to a Conflict, or where any of the situations described in Article 111 apply in relation to a director (a ***Relevant Situation***)

- (a) the board may (whether at the relevant time or subsequently) (a) require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the board or otherwise) related to the Conflict or Relevant Situation, and (b) impose upon the relevant director such other terms for the purpose of dealing with the Conflict or Relevant Situation as it may determine,
- (b) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the board in relation to the Conflict or Relevant Situation,
- (c) the board may provide that where the relevant director obtains (otherwise than through his position as a director of the Company) information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence,
- (d) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded), and
- (e) the board may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

Director's  
contract with  
the Company

111 If a director is in any way directly or indirectly interested in a proposed contract with the Company or a contract that has been entered into by the Company, he must declare the nature and extent of that interest to the directors in accordance with the Companies Acts. Provided he has declared his interest in accordance with this Article, a director may

- (a) be party to, or otherwise interested in, any contract with the Company or in which the Company has a direct or indirect interest,
- (b) hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period and upon such terms, including as to remuneration, as the board may decide,
- (c) act by himself or through a firm with which he is associated in a professional capacity for the Company or any other Company in which the Company may be interested (otherwise than as auditor),
- (d) be or become a director or other officer of, or employed by or otherwise be interested in any holding company or subsidiary company of the Company or any other company in which the Company may be interested, and
- (e) be or become a director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of his appointment as a director of that other company

Remuneration,  
benefits etc

112 A director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the Company or the members for any remuneration, profit or other benefit realised by reason of his having any type of interest authorised under Article 110 1 or permitted under Article 111 and no contract shall be liable to be avoided on the grounds of a director having any type of interest authorised under Article 110 1 or permitted under Article 111

### GRATUITIES, PENSIONS AND INSURANCE

Gratuities and  
pensions

113 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director or ex-director of the Company or any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase of any such benefit

Insurance

113 1 Without prejudice to the provisions of Article 151, the board may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any person who is or was

- (a) a director, officer or employee of the Company, or any body which is or was the holding company or subsidiary undertaking of the Company, or in which the Company or such holding company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the

Company or such holding company or subsidiary undertaking is or was in any way allied or associated, or

- (b) a trustee of any pension fund in which employees of the Company or any other body referred to in Article 113 1(a) is or has been interested,

including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund

Directors not  
liable to account

113 2 No director or former director shall be accountable to the Company or the members for any benefit provided pursuant to this Article The receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company

Provision for  
employees and  
former  
employees

114 The board may exercise any power conferred by the Companies Acts to make such provision as may seem appropriate for the benefit of any persons employed or formerly employed by the Company or any of its subsidiary undertakings in connection with the cessation or the transfer of the whole or part of the undertaking of the Company or any subsidiary undertaking

## **PROCEEDINGS OF THE BOARD**

Convening  
meetings

115 Subject to the provisions of these Articles, the board may regulate its proceedings as it thinks fit A director may, and the secretary at the request of a director shall, call a meeting of the board by giving notice of the meeting to each director Notice of a board meeting shall be deemed to be given to a director if it is given to him personally or by word of mouth or sent by instrument to him at his last known address or such other address (if any) for the time being notified by him or on his behalf to the Company for that purpose or sent using electronic communication to such address (if any) for the time being notified by him or on his behalf to the Company for that purpose Questions arising at a meeting shall be decided by a majority of votes In the case of an equality of votes, the chairman shall have a second or casting vote Any director may waive notice of a meeting and any such waiver may be retrospective Any electronic communication pursuant to this Article need not comprise writing if the board so determines and any such determination may be retrospective

Quorum

116 The quorum 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 person who holds office only as an alternate director may, if his appointor is not present, be counted in the quorum Any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no director objects.

**Powers of directors if number falls below minimum**

117 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting

**Chairman and deputy chairmen**

118 The board may appoint one of their number to be the chairman, and up to two of their number to be deputy chairmen, of the board and may at any time remove any of them from such office Unless he is unwilling to do so, the director appointed as chairman, or in his stead any director appointed as deputy chairman, shall preside at every meeting of the board at which he is present If there is no director holding either of those offices, or if neither the chairman nor any deputy chairman is willing to preside or none of them is present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting

**Validity of acts of the board**

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

**Resolutions in writing**

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

- (a) a resolution may be by means of an instrument or contained in an electronic communication sent to such address (if any) for the time being notified by the Company for that purpose,
- (b) a resolution may consist of several instruments or several electronic communications each executed by one or more directors, or a combination of both,
- (c) a resolution executed by an alternate director need not also be signed by his appointor, and
- (d) a resolution executed by a director who has appointed an alternate director need not also be signed by the alternate director in that capacity

Meetings by  
telephone, etc

121 Without prejudice to the first sentence of Article 115, a person entitled to be present at a meeting of the board or of a committee of the board shall be deemed to be present for all purposes if he is able (directly or by telephonic communication) to speak and be heard by all those present or deemed to be present simultaneously. A director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is. The word *meeting* in these Articles shall be construed accordingly.

122

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

122 1 A director shall not vote on or be counted in the quorum in relation to any resolution of the board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested.

122 2 Where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the appointment of another director to an office or place of profit with a company in which the Company is interested and the director seeking to vote or be counted in the quorum has a Relevant Interest in it.

122 3 A director shall not vote on, or be counted in the quorum in relation to, any resolution of the board in respect of any contract in which he has an interest and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that interest cannot reasonably be regarded as likely to give rise to a conflict of interest or where that interest arises only from one or more of the following matters -

- (a) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings,
- (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security,
- (c) the giving to him of any other indemnity where all other directors are also being offered indemnities on substantially the same terms,

- (d) the funding by the Company of his expenditure on defending proceedings or the doing by the Company of anything to enable him to avoid incurring such expenditure where all other directors are being offered substantially the same arrangements,
- (e) where the Company or any of its subsidiary undertakings is offering securities in which offer the director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate,
- (f) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company,
- (g) any contract concerning any other company (not being a company in which the director has a Relevant Interest) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever,
- (h) any contract concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates both to directors and employees of the Company or of any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates,
- (i) any contract for the benefit of employees of the Company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates, and
- (j) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any director or directors or for, or for the benefit of, persons who include directors

122 4 A company shall be deemed to be one in which a director has a Relevant Interest if and so long as (but only if and so long as) he is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent or more of any class of the equity share capital of that company (calculated exclusive of any shares of that class in that company held as treasury shares) or of the voting rights available to members of that company. 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 has otherwise

122 5 Where a company in which a director has a Relevant Interest is interested in a contract, he also shall be deemed interested in that contract

122 6 If any question shall arise at any meeting of the board as to the interest of a director (other than the chairman of the meeting) in a contract and whether it is likely to give rise to a conflict of interest or as to the entitlement of any director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the director concerned shall be conclusive except in a case where the nature or extent of the director's interest (so far as it is known to him) has not been fairly disclosed to the board. If any question shall arise in respect of the chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the chairman of the meeting shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chairman of the meeting (so far as it is known to him) has not been fairly disclosed to the board.

122 7 Subject to these Articles, the board may cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company. Subject to these Articles, a director may also vote on and be counted in the quorum in relation to any of such matters.

122 8 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.

122 9 If a question arises at a meeting of the directors as to the right of a director to vote, 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 other than himself (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.

122 10 References in Articles 110-112 and in this Article to

- (a) a contract include references to any proposed contract and to any transaction or arrangement or proposed transaction or arrangement whether or not constituting a contract, and
- (b) a conflict of interest include a conflict of interest and duty and a conflict of duties

The Company may by ordinary resolution suspend or relax the provisions of Articles 110-112 and this Article to any extent or ratify any contract not properly authorised by reason of a contravention of any of the provisions of Articles 110-112 and this Article.



## MINUTES

Minutes  
required to be  
kept

123 1 The board shall cause minutes to be recorded for the purpose of

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

Conclusiveness  
of minutes

123 2 Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or of the next meeting, shall be sufficient evidence of the proceedings of the meeting without any further proof of the facts stated in them

## THE SEAL

Authority  
required for use  
of seal

124 The seal shall only be used by the authority of a resolution of the board or of a committee of the board. The board may determine who shall sign any instrument executed under the seal. If they do not, it shall be signed by at least one director and the secretary or by at least two directors. Any instrument may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the instrument or by applying the seal or a facsimile of it by any other means to the instrument. An instrument executed with the authority of a resolution of the board, by a director and the secretary or by two directors or by a director in the presence of a witness who attests the signature and expressed (in whatever form of words) to be executed by the Company, has the same effect as if executed under the seal. For the purpose of the preceding sentence only, *secretary* shall have the same meaning as in the Companies Acts and not the meaning given to it by Article 2

Certificates for  
shares and  
debentures

125 The board may by resolution determine either generally or in any particular case that any certificate for shares or debentures or representing any other form of security may have any signature affixed to it by some mechanical or electronic means, or printed on it or, in the case of a certificate executed under the seal, need not bear any signature

## REGISTERS

Overseas and  
local registers

126 Subject to the provisions of the Companies Acts and the Regulations, the Company may keep an overseas or local or other register in any place, and the board may make, amend and revoke any regulations it thinks fit about the keeping of that register

Authentication  
and certification  
of copies and  
extracts

127 Any director or the secretary or any other person appointed by the board for the purpose shall have power to authenticate, and certify as true, copies of and extracts from

- (a) any document comprising or affecting the constitution of the Company, whether in physical form or electronic form,

- (b) any resolution passed by the Company, the holders of any class of shares in the capital of the Company, the board or any committee of the board whether in physical form or electronic form, and
- (c) any book, record or document relating to the business of the Company whether in physical form or electronic form (including without limitation the accounts)

If certified in this way, a document purporting to be a copy of a resolution, or the minutes, or an extract from the minutes, of a meeting of the Company, the holders of any class of shares in the capital of the Company, the board or a committee of the board, whether in physical form or electronic form, shall be conclusive evidence in favour of all persons dealing with the Company in reliance on it or them that the resolution was duly passed or that the minutes are, or the extract from the minutes is, a true and accurate record of proceedings at a duly constituted meeting

## **DIVIDENDS**

### **Declaration of dividends**

128 Subject to the provisions of the Companies Acts and of these Articles, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the board

### **Interim dividends**

129 Subject to the provisions of the Companies Acts, the board may pay interim dividends if it appears to the board that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The board may also pay at intervals settled by it any dividend payable at a fixed rate if it appears to the board that the profits available for distribution justify the payment. If the board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights

### **Apportionment of dividends**

130 Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, but no amount paid on a share in advance of the date on which a call is payable shall be treated for the purpose of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is allotted or issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly

Dividends in specie

131 A general meeting declaring a dividend may, on the recommendation of the board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets, including without limitation paid up shares or debentures of another body corporate. The board may make any arrangements it thinks fit to settle any difficulty arising in connection with the distribution, including without limitation (a) the fixing of the value for distribution of any assets, (b) the payment of cash to any member on the basis of that value in order to adjust the rights of members, and (c) the vesting of any asset in a trustee

Script dividends authorising resolution

132 1 The board may, if authorised by an ordinary resolution of the Company (the **Resolution**), offer any holder of shares the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the board) of all or any dividend specified by the Resolution. The offer shall be on the terms and conditions and be made in the manner specified in Article 132 2 or, subject to those provisions, specified in the Resolution

Script dividends procedures

132 2 The following provisions shall apply to the Resolution and any offer made pursuant to it and Article 132 1

- (a) The Resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period
- (b) Each holder of shares shall be entitled to that number of new shares as are together as nearly as possible equal in value to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forego (each a **new share**). For this purpose, the value of each new share shall be calculated in any manner specified by the Resolution, but shall never be less than the par value of the new share

A certificate or report by the auditors as to the value of a new share in respect of any dividend shall be conclusive evidence of that value

- (c) On or as soon as practicable after announcing that any dividend is to be declared or recommended, the board, if it intends to offer an election in respect of that dividend, shall also announce that intention. If, after determining the basis of allotment, the board decides to proceed with the offer, it shall give notice to the holders of shares of the terms and conditions of the right of election offered to them, specifying the procedure to be followed and place at which, and the latest time by which, elections or notices amending or terminating existing elections must be lodged in order to be effective
- (d) The board shall not proceed with any election unless it has authority to issue the sufficient amount of shares and sufficient reserves or funds that may be appropriated to give effect to it after the basis of allotment is determined
- (e) The board may exclude from any offer any holders of shares where the board believes 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

- (f) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable in cash on shares in respect of which an election has been made (the *elected shares*) and instead such number of new shares shall be allotted to each holder of elected shares as is arrived at on the basis stated in Article 132 2(b) For that purpose the board shall appropriate out of any amount for the time being standing to the credit of any reserve or fund (including without limitation the profit and loss account), whether or not it is available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to each such holder of elected shares as is arrived at on the basis stated in Article 132 2(b)
- (g) The new shares when allotted shall rank equally in all respects with the fully paid shares of the same class then in issue except that they shall not be entitled to participate in the relevant dividend
- (h) No fraction of a share shall be allotted The board may make such provision as it thinks fit for any fractional entitlements including without limitation payment in cash to holders in respect of their fractional entitlements, provision for the accrual, retention or accumulation of all or part of the benefit of fractional entitlements to or by the Company or to or by or on behalf of any holder or the application of any accrual, retention or accumulation to the allotment of fully paid shares to any holder
- (i) The board may do all acts and things it considers necessary or expedient to give effect to the allotment and issue of any share pursuant to this Article or otherwise in connection with any offer made pursuant to this Article and may authorise any person, acting on behalf of the holders concerned, to enter into an agreement with the Company providing for such allotment or issue and incidental matters Any agreement made under such authority shall be effective and binding on all concerned
- (j) The board may, at its discretion, amend, suspend or terminate any offer pursuant to this Article

**Permitted  
deductions and  
retentions**

133 The board may deduct from any dividend or other moneys payable to any member in respect of a share any moneys presently payable by him to the Company in respect of that share Where a person is entitled by transmission to a share, the board may retain any dividend payable in respect of that share until that person (or that person's transferee) becomes the holder of that share

**Interest not  
payable**

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

135 1 Any dividend or other sum payable by the Company in respect of a share may be paid by crediting any account which the holder, or in the case of joint holders, the holder whose name stands first in the register, has with the Company, whether in the sole name of such holder or the joint names of such holder and another person or persons, unless the Company has received not less than one month's notice in writing from such holder or joint holders directing that payment be made in another manner permitted by this Article. Any such dividend or other sum which has been paid by crediting such an account shall be treated as having been paid upon such account having been credited with the amount of such dividend or other sum. Any such dividend or other sum may also be paid by cheque or warrant sent by post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the register in respect of the shares at his address as appearing in the register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every cheque or warrant shall, unless the holder or joint holders otherwise direct, be payable to the order of the holder, or in the case of joint holders, to the order of the holder whose name stands first in the register in respect of the shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or, if agreed by the Company, such other means and to or through such person as the holder or joint holders may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by them. Where a person is entitled by transmission to a share, any dividend or other sum payable by the Company in respect of the share may be paid as if he was a holder of the share and his address noted in the register was his registered address. In respect of an uncertificated share, the making of payment in accordance with the facilities and requirements of the relevant system (which, if the relevant system is CREST, shall be the creation of an assured payment obligation in respect of the dividend or other moneys payable in favour of the settlement bank of the member or other person concerned) shall be a good discharge to the Company.

Forfeiture of  
unclaimed  
dividends

136 Any dividend unclaimed after a period of twelve years from the date when it became due for payment shall be forfeited and shall revert to the Company and the payment by the board of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it

Cessation of  
payment of  
dividends

137 The Company may cease to send any cheque or warrant through the post or employ any other means of payment for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if either (a) in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed or that means of payment has failed, or (b) following one such occasion reasonable enquiries have failed to establish any new address of the registered holder. Subject to the provisions of these Articles, the Company may recommence sending cheques or warrants or employing such means in respect of dividends payable on those shares if the holder or person entitled by transmission requests such recommencement by notice to the Company and provides such new or corrected information as the Company shall reasonably require.

### CAPITALISATION OF PROFITS AND RESERVES

General power  
to capitalise

138 1 The board may with the authority of an ordinary resolution of the Company.

- (a) subject to the provisions of this Article 138 1, resolve to capitalise any undistributed profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or other fund, including without limitation the Company's share premium account and capital redemption reserve, if any,
- (b) appropriate the sum resolved to be capitalised to the members or any class of members on the record date specified in the relevant resolution who would have been entitled to it if it were distributed by way of dividend and in the same proportions,
- (c) apply that sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares, debentures or other obligations of the Company of a nominal amount equal to that sum but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid,
- (d) allot the shares, debentures or other obligations credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other,
- (e) where shares or debentures become, or would otherwise become, distributable under this Article in fractions, make such provision as the

board thinks fit for any fractional entitlements including without limitation authorising their sale and transfer to any person, resolving that the distribution be made as nearly as practicable in the correct proportion but not exactly so, ignoring fractions altogether or resolving that cash payments be made to any members in order to adjust the rights of all parties,

- (f) authorise any person to enter into an agreement with the Company on behalf of all the members concerned providing for either
- (i) the allotment to the members respectively, credited as fully paid, of any shares, debentures or other obligations to which they are entitled on the capitalisation, or
  - (ii) the payment up by the Company on behalf of the members of the amounts, or any part of the amounts, remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised,

and any agreement made under that authority shall be binding on all such members, and

- (g) generally do all acts and things required to give effect to the ordinary resolution

## **RECORD DATES**

**Record dates for dividends, etc** 139 Notwithstanding any other provision of these Articles, the Company or the board may fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made

## **ACCOUNTS**

**Rights to inspect records** 140 No member shall (as such) have any right to inspect any accounting records or other book or document of the Company except as conferred by statute or authorised by the board or by ordinary resolution of the Company or order of a court of competent jurisdiction

**Sending of annual accounts** 141 1 Subject to the Companies Acts, a copy of the Company's annual accounts, together with a copy of the directors' report for that financial year and the auditors' report on those accounts shall, at least 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the provisions of the Companies Acts, be sent to every member and to every holder of the Company's debentures, and to every other person who is entitled to receive notice of meetings from the Company under the provisions of the Companies Acts or of these Articles or, in the case of joint holders of any share or debenture, to one of the joint holders. Copies need not be sent to a person for whom the Company does not have a current address

**Summary  
financial  
statements**

141 2 Subject to the Companies Acts, the requirements of Article 141 1 shall be deemed satisfied in relation to any person by sending to the person, instead of such copies, a summary financial statement derived from the Company's annual accounts and the directors' report, which shall be in the form and containing the information prescribed by the Companies Acts and any regulations made under the Companies Acts

## **NOTICES**

**When notice  
required to be in  
writing, use of  
electronic  
communications**

142 Any notice to be sent or given to or by any person pursuant to these Articles (other than a notice calling a meeting of the board) shall be in writing. Any such notice may be sent using electronic communication to such address (if any) for the time being notified for that purpose to the person sending the notice by or on behalf of the person to whom the notice is sent

**Method of  
sending notice**

143 1 The Company may send a notice or other document pursuant to these Articles to a member by whichever of the following methods it may in its absolute discretion determine

- (a) personally, or
- (b) by posting the notice or other document in a prepaid envelope and addressed to his registered address; or
- (c) by leaving the notice or other document at that address, or
- (d) by sending the notice or other document using electronic communication to such address (if any) for the time being notified to the Company by or on behalf of the member for that purpose, or
- (e) in accordance with Article 143 2, or
- (f) by any other method approved by the board, or
- (g) by website publications by the Company

**143 2**

- (a) Subject to the Companies Acts and the Electronic Communications Act 2000, the Company may send any notice or other document pursuant to these Articles to a member by publishing that notice or other document on a website where
  - (i) the Company and the member have agreed to him having access to notices or documents generally, or to a specific notice or document, on a website (instead of it being sent to him),
  - (ii) the notice or document is one to which that agreement applies,
  - (iii) the member is notified, in a manner for the time being agreed between him and the Company for this purpose, of



- (A) the publication of the notice or document on a website,
  - (B) the address of that website, and
  - (C) the place on that website where the notice or document may be accessed, and how it may be accessed, and
- (iv) the notice or document is published on that website throughout the publication period, provided that, if the notice or document is published on that website for a part, but not all of, the publication period, the notice or document shall be treated as being published throughout that period if the failure to publish that notice or document throughout the publication period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid
- (b) In this Article 143 2, *publication period* means
- (i) in the case of a notice of an adjourned meeting pursuant to Article 55 2, a period of not less than seven clear days before the date of the adjourned meeting, beginning on the day following that on which the notification referred to in sub-paragraph (iii) above is sent or (if later) is deemed sent,
  - (ii) in the case of a notice of a poll pursuant to Article 62, a period of not less than seven clear days before the taking of the poll, beginning on the day following that on which the notification referred to in sub-paragraph (iii) above is sent or (if later) is deemed sent, and
  - (iii) in any other case, a period of not less than 21 days, beginning on the day following that on which the notification referred to in sub-paragraph (iii) above is sent or (if later) is deemed sent
- (c) For the purposes of Article 143 2(a), a member is taken to have given his agreement if
- (i) that member has been asked individually by the Company to agree that the Company may send or supply notices or documents generally, or the notice or document in question, to him by means of a website, and
  - (ii) the Company has not received a response within a period of 28 days beginning the date on which the Company's request was sent

Methods of  
member etc  
sending notice

143 3 Unless otherwise provided by these Articles, a member or a person entitled by transmission to a share shall send any notice or other document pursuant to these Articles to the Company by whichever of the following methods he may in his absolute discretion determine

- (a) by posting the notice or other document in a prepaid envelope addressed to the office, or
- (b) by leaving the notice or other document at the office, or
- (c) by sending the notice or other document using electronic communication to such address (if any) for the time being notified by or on behalf of the Company for that purpose and referring to this Article 143 3

**Notice to joint holders** 143 4 In the case of joint holders of a share, all notices or other documents shall be sent to the joint holder whose name stands first in the register in respect of the joint holding Any notice or other document so sent shall be deemed for all purposes to have been sent to all the joint holders

**Registered address outside UK** 143 5 A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which a notice or other document may be sent to him by instrument or an address to which a notice or other document may be sent to him using electronic communication shall (provided that, in the case of electronic communication, the Company so agrees) be entitled to have notices or other documents sent to him at that address, but otherwise

- (a) no such members shall be entitled to receive any notice or other document from the Company, and
- (b) without prejudice to the generality of the foregoing, any notice of a general meeting of the Company which is in fact sent or purports to be sent to such members shall be ignored for the purpose of determining the validity of the proceedings at such general meeting

**Deemed receipt of notice** 143 6 A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the capital of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called

**Terms and conditions for electronic communications** 143 7 The board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic communications for the sending of notices, other documents and proxy appointments by the Company to members or persons entitled by transmission and by members or persons entitled by transmission to the Company

**Notice includes website notification** 143 8 In this Article (except for Article 143 2) and in Articles 144, 145 and 146, references to a notice include without limitation references to any notification required by the Companies Acts or these Articles in relation to the publication of any notices or other documents on a website

**Notice to persons entitled by transmission** 144 A notice or other document may be sent by the Company to the person or persons entitled by transmission to a share by sending it in any manner authorised or contemplated by these Articles for the sending of a notice or other document to a member, addressed to them by name, or by the title of representatives of the

deceased, or trustee of the bankrupt or by any similar description at the address, if any, in the United Kingdom supplied for that purpose by or on behalf of the person or persons claiming to be so entitled. Until such an address has been supplied, a notice or other document may be sent in any manner in which it might have been sent if the death or bankruptcy or other event giving rise to the transmission had not occurred.

**Transferees etc bound by prior notice**

145 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register, has been sent to a person from whom he derives his title, provided that no person who becomes entitled by transmission to a share shall be bound by any direction notice sent under Article 68 1 to a person from whom he derives his title.

**Proof of sending/when notices etc deemed given by post**

146 Proof that an envelope containing a notice or other document was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice or other document sent by post shall be deemed to be given to the member on the day following that on which the envelope containing it was posted. Proof that a notice or other document contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators current at the date of adoption of these Articles, or, if the board so resolves, any subsequent guidance so issued, shall be conclusive evidence that the notice or document was given.

**When notices etc deemed given by electronic communication**

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

**Notice during disruption of postal services**

148 If at any time the Company is unable effectively to convene a general meeting by notices sent through the post in the United Kingdom as a result of the suspension or curtailment of postal services, notice of such general meeting may be sufficiently given by advertisement in the United Kingdom. Any notice given by advertisement for the purpose of this Article shall be advertised in at least one newspaper having a national circulation. If advertised in more than one newspaper, the advertisements shall appear on the same date. Such notice shall be deemed to have been served on all persons who are entitled to have notice of meetings sent to them 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 at least seven days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

## **DESTRUCTION OF DOCUMENTS**

**Power of  
Company to  
destroy  
documents**

149 1 The Company shall be entitled to destroy

- (a) all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entry is made in the register, at any time after the expiration of six years from the date of registration,
- (b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address at any time after the expiration of two years from the date of recording,
- (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation,
- (d) all paid dividend warrants and cheques at any time after the expiration of one year from the date of actual payment,
- (e) all proxy appointments which have been used for the purpose of a poll at any time after the expiration of one year from the date of use, and
- (f) all proxy appointments which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the proxy appointment relates and at which no poll was demanded

**Presumption in  
relation to  
destroyed  
documents**

149 2 It shall conclusively be presumed in favour of the Company that

- (a) every entry in the register purporting to have been made on the basis of an instrument of transfer or other document destroyed in accordance with Article 149 1 was duly and properly made,
- (b) every instrument of transfer destroyed in accordance with Article 149 1 was a valid and effective instrument duly and properly registered,
- (c) every share certificate destroyed in accordance with Article 149 1 was a valid and effective certificate duly and properly cancelled, and
- (d) every other document destroyed in accordance with Article 149 1 was a valid and effective document in accordance with its recorded particulars in the books or records of the Company,

but

- (e) the provisions of this Article apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant,
- (f) nothing in this Article shall be construed as imposing on the Company any liability in respect of the destruction of any document earlier than the time specified in Article 149 1 or in any other circumstances which would not attach to the Company in the absence of this Article, and

- (g) any reference in this Article 149 to the destruction of any document includes a reference to its disposal in any manner

### UNTRACED SHAREHOLDERS

Power to dispose  
of shares

150 1 The Company may sell any shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares if

- (a) the shares have been in issue throughout the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period, and
- (b) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relative cheque or warrant or been satisfied by the crediting of any account which the holder of such shares has with the Company, whether in the sole name of such holder or jointly with another person or persons at any time during the relevant period, and
- (c) the Company has not at any time during the relevant period received
  - (i) in the case of holders of shares transferred by the Society as a consequence of the transfer of the business of the Society to the Company, satisfactory registration details from the holder of, or person entitled by transmission to, the shares or, in the case of such shares transferred by the Society to a trustee in accordance with the terms of the transfer of the business of the Society to the Company, from the person entitled to such shares under the terms of the trust, or
  - (ii) in the case of holders of shares to whom sub-paragraph (i) above does not apply, so far as the Company at the end of the relevant period is then aware, any communication from the holder of, or person entitled by transmission to, the shares, and
- (d) the Company has caused advertisements giving notice of its intention to sell the shares to be published (i) (in the case of shares transferred by the Society as a consequence of the transfer of the business of the Society to the Company other than shares in respect of which satisfactory registration details have been received by the Company) in two daily newspapers with a national circulation, and (ii) (in any other case) one in a daily newspaper with a national circulation and another in a newspaper circulating in the area of the address shown in the register of the holder of, or person entitled by transmission to, the shares, and (in either such case) a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates,

and any shares which are proposed to be sold under this Article may be selected by the Company at its discretion and any advertisements published by the Company need not refer to the individual names of the holders or individually identify the shares in question

For the purposes of this Article

***the qualifying period*** means the period of twelve years immediately preceding the date of publication of the relevant advertisements referred to in sub-paragraph (d) above or of the first of the two advertisements to be published if they are published on different dates except that, in relation to shares transferred by the Society as a consequence of the transfer of the business of the Society to the Company (other than shares in respect of which satisfactory registration details have been received by the Company), such phrase shall have the foregoing meaning but with the substitution of the period of three years for that of twelve years, and

***the relevant period*** means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (a) to (d) above have been satisfied

For the purpose of (i) sub-paragraph (c)(i) above, a statutory declaration that the declarant is a director of the Company or the secretary and that the Company had not, at any time during the relevant period, received satisfactory registration details in respect of the shares from the holder of, or person entitled by transmission to, the shares or, in the case of any such shares transferred by the Society to a trustee in accordance with the terms of the transfer of the business of the Society to the Company, from the person entitled to such shares under the terms of the trust, shall be conclusive evidence of the facts stated in that declaration as against all persons claiming to be entitled to the shares, and (ii) sub-paragraph (c)(ii) above, a statutory declaration that the declarant is a director of the Company or the secretary and that the Company was not aware at the end of the relevant period of having at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares shall be conclusive evidence of the facts stated in that declaration as against all persons claiming to be entitled to the shares

If, after the publication of either or both of the advertisements referred to in sub-paragraph (d) above but before the Company has become entitled to sell the shares pursuant to this Article, the requirements of sub-paragraph (b) or (c) above cease to be satisfied, the Company may nevertheless sell those shares after the requirements of sub-paragraphs (a) to (d) above have been satisfied afresh in relation to them

If during any relevant period further shares have been issued in right of those held at the beginning of that relevant period or of any previously so issued during that relevant period and all the requirements of sub-paragraphs (b) to (d) above have been satisfied in regard to the further shares, the Company may also sell the further shares

150 2 The manner, timing and terms of any sale of shares pursuant to Article 150 1 (including but not limited to the price or prices at which the same is made) shall be such as the board determines (and may, without limitation, include a term that the price is payable in instalments), based upon advice from such bankers, brokers or other persons as the board considers appropriate which are consulted by it for the purposes, to be reasonably practicable having regard to all the circumstances

including the number of shares to be disposed of and the requirement that the disposal be made without delay, and the board shall not be liable to any person for any of the consequences of reliance on such advice. Provided that a sale is made in accordance with this Article, the validity of the sale shall not, for any purpose, be affected by the fact that the method of sale may confer a benefit on the Company or any of its subsidiary undertakings

**Transfer on sale** 150 3 To give effect to any sale of shares pursuant to Article 150 1 the board may

- (a) when the shares are held in certificated form, authorise any person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the buyer, or
- (b) when the shares are held in uncertificated form, exercise any of the Company's powers under Article 16 3 to effect the transfer of the shares to, or in accordance with the directions of, the buyer

An instrument of transfer executed by that person in accordance with paragraph (a) above shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. An exercise by the Company of its powers in accordance with paragraph (b) above shall be as effective as if exercised by the registered holder of, or person entitled by transmission to, the shares. The transferee shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale

**Proceeds of sale** 150 4 The net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted (the debt being payable not earlier than the date or dates on which the proceeds of sale are received by the Company) to the former holder of, or person entitled by transmission to, the shares or, in the case of shares transferred by the Society to a trustee in accordance with the terms of the transfer of the business of the Society to the Company, to the person entitled to such shares under the terms of the trust for an amount equal to the net proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. For the purposes of calculating the *net proceeds*, the Company shall be entitled (i) to deduct any costs or expenses incurred by it in connection with the sale and to charge for any services (including, without limitation, the provisions of any guarantee, indemnity, other assurance or support) provided by the Company or any of its subsidiary undertakings in connection with the sale, (ii) to make provision for any taxation which may arise in relation to the sale, and (iii) to deduct any other amounts to which the trustee referred to above may be entitled or for which it may be required to account under the terms of the trust

## INDEMNITY

### Indemnity to directors and officers

151 Subject to the provisions of the Companies Acts, the Company may indemnify any director or former directors of the Company or of any associated company against any liability and may purchase and maintain for any director or former director of the Company or of any associated company insurance against any liability. No director or former director of the Company or any associated company shall be accountable to the Company or the members for any benefit provided pursuant to this Article and the receipt of such benefit shall not disqualify any person from being or becoming a director of the Company.

For the purposes of this Article, “associated company” has the same meaning as in section 256 of the Companies Act 2006.

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COMPANY NO. 3273685

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**NRAM PLC**  
**ARTICLES OF ASSOCIATION**

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