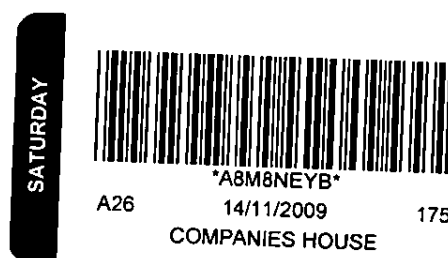


**Company No. 3412290**

**THE COMPANIES ACTS 1985 TO 2006  
PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
of  
HMV GROUP PLC**



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THE COMPANIES ACTS 1985 TO 2006

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PUBLIC COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

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HMV GROUP PLC

1. **DEFINITIONS AND INTERPRETATION**

1.1 In these Articles unless the context otherwise requires:

**"the 1985 Act"** means the Companies Act 1985;

**"the 2006 Act"** means the Companies Act 2006;

**"Address"** in relation to Electronic Communications, includes any number or address used for the purposes of such communications;

**"these Articles"** means these Articles of Association in their present form or as from time to time altered and the expression **"this Article"** shall be construed accordingly;

**"Auditors"** means the auditors from time to time of the Company;

**"Authenticated"** means (subject to Section 1146 of the 2006 Act) authenticated in such manner as the Board may in its absolute discretion determine;

**"Board"** means the board of directors of the Company from time to time or, as the context may require, the Directors present at a meeting of Directors at which a quorum is present or, as the context may require, any duly authorised committee thereof;

**"certificated"** means, in relation to any share or other security of the Company, that it is not held or to be held in uncertificated form;

**"clear days"** means in relation to a period of notice the period excluding the day on which the notice is served or deemed to have been served and the day for which it is given or on which it is to take effect;

**"Communication"** includes a communication comprising images and a communication effecting a payment;

**"Directors"** means the directors for the time being of the Company;

**"Electronic Communication"** means a Communication in Electronic Form, and any other form of electronic communication, as defined by the Electronic Communications Act 2000;

**"Electronic Form"** and **"Electronic Means"** have the meanings given to them in Section 1168 of the 2006 Act;

**"executed"** means any mode of execution;

**"financial institution"** means any financial institution as that expression is defined in Section 185 of the Act;

**"Hard Copy Form"** has the meaning given to it in Section 1168 of the 2006 Act;

**"holder"** means in relation to shares the person entered in the Register and **"shareholder"** and **"member"** shall be construed accordingly;

**"ICSA Guidelines"** means the statements of recommended best practice in the memorandum headed "ICSA Guidance on Electronic Communications with Shareholders 2007" published by the Institute of Chartered Secretaries and Administrators in 2007 and any modification, extension or replacement for the time being in force;

**"in writing"** includes handwriting, typewriting, printing, lithography, photocopying and other modes of representing or reproducing words in legible and non-transient form;

**"London Stock Exchange"** means London Stock Exchange plc;

**"month"** means calendar month;

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

**"Ordinary Shares"** means the ordinary shares of £0.01 each in the capital of the Company;

**"paid up"** means paid or credited as paid-up;

**"Register"** means, in relation to a certificated share or the holder of it, the register of members maintained by the Company and, in relation to an uncertificated share or the holder of it, the register of members of the Company maintained by the operator of the Relevant System through which title to that share is evidenced and transferred and **"registered"** shall be construed accordingly;

**"Registrars"** means the registrars for the time being of the Company;

**"Regulations"** means the Uncertificated Securities Regulations 2001 as amended or replaced from time to time and any subordinate legislation or rules made under them for the time being in force;

**"Relevant System"** means any computer-based system, and procedures, permitted by the Regulations and the rules of the UK Listing Authority, which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters;

**"Seal"** means the common seal (if any) of the Company and the Securities Seal (if any) or either of them as the case may require;

**"Secretary"** means the Secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company including (subject to the provisions of the Statutes) a joint, deputy or assistant Secretary;

**"Securities Seal"** means the official seal (if any) kept by the Company under the Statutes;

**"Statutes"** means the 1985 Act, the 2006 Act and every other statute and any subordinate legislation, order or regulations made under them for the time being in force concerning companies and affecting the Company including, without limitation, the Regulations;

**"Subsidiary"** means a subsidiary and/or subsidiary undertaking of the Company as each of the terms are defined in the 2006 Act;

**"UK Listing Authority"** means the Financial Services Authority (or any other body from time to time) acting as the competent authority for the purposes of the Financial Services and Markets Act 2000;

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

**"uncertificated"** means in relation to any share or other security of the Company that title to it is evidenced and transferred or to be evidenced and transferred by means of a Relevant System;

**"year"** means calendar year.

- 1.2 Any words or expressions defined in the Statutes in force at the date when these Articles or any part thereof are adopted shall bear the same meaning in these Articles or such part (as the case may be).
- 1.3 In these Articles unless the context otherwise requires:
- (A) words in the singular include the plural and vice versa;
  - (B) words importing any gender include all genders;
  - (C) a reference to a person includes a reference to a body corporate and to an unincorporated body of persons;
  - (D) references to any statute or provision of a statute shall be construed as references to those provisions as amended or re-enacted or consolidated or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification);
- 1.4 The headings are inserted for convenience only and do not affect the construction of these Articles.
- 1.5 All of the provisions of these Articles applicable to paid up shares shall apply to stock and the words **"share"**, **"shareholder"** and **"member"** shall be construed accordingly.
- 1.6 References to **"writing"** include any method of representing or reproducing words in a legible and non-transitory form including (subject to the provisions of the Statutes) in Electronic Form.
- 1.7 A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.

## **2. EXTENT OF ARTICLES**

No regulations for the management of the Company set out in any schedule of or otherwise contained or incorporated in any statute or other instrument having statutory force shall apply to the Company and the following shall be the Articles of the Company.

## **3. SHARE CAPITAL**

### **3.1 Division of share capital**

The authorised share capital of the Company at the date of adoption of these Articles is £5,185,901.11 divided into 518,590,111 Ordinary Shares.

### **3.2 Rights attached to shares**

Subject to the provisions of the Statutes and without prejudice to any rights for the time being conferred on the holders of any class of shares (which rights shall not be varied or abrogated except with such consent or sanction as is required by Article 4.1), any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or failing any such determination as the Directors may determine).

### **3.3 Redeemable shares**

Subject to the provisions of the Statutes, any shares may, with the sanction of a Special Resolution, be issued on the terms that they are, or are liable to be, redeemed at the option of the Company or the shareholder on such terms and in such manner as may be provided by these Articles.

### **3.4 Purchase of own shares**

- (A) Subject to the provisions of the Statutes and of any resolution of the Company in General Meeting passed pursuant to such provisions, the Company may purchase its own shares of any class (including any redeemable shares) at any price, and whether above or below the nominal value of the shares and may enter into and vary any contract for such purchase.
- (B) Neither the Company nor the Board shall be required to select the shares to be purchased rateably, or in any other particular manner, as between the holders of shares of the same class, or as between them and the holders of shares of any other class, or in accordance with the rights as to dividends or capital conferred by any class of shares.

### **3.5 Unissued shares**

Subject to the provisions of these Articles and of the Statutes, and to any direction given by the Company in General Meeting the unissued shares shall be under the control of the Directors who may allot, grant options over, or otherwise dispose of them to such persons (including the Directors themselves) at such times and on such terms as the Directors may think proper.

### **3.6 Authority to allot shares and power to disapply statutory pre-emption rights**

- (A) The Directors shall be generally and unconditionally authorised pursuant to and in accordance with Section 80 of the 1985 Act to exercise for each Section 80

prescribed period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the Section 80 amount.

- (B) During each Section 89 prescribed period the Directors shall be empowered to allot equity securities wholly for cash pursuant to and within the terms of the said authority, and independently of such authority to sell relevant shares (as defined in Section 94(5) of the 1985 Act) if immediately before such sale, such shares are held by the Company as treasury shares (within the meaning of Section 162(3) of the 1985 Act), as if Section 89(1) of the 1985 Act did not apply to such allotment or sale provided that such powers shall be limited to the allotment or sale of equity securities wholly for cash:

- (1) in connection with a rights issue; and
- (2) otherwise than in connection with a rights issue up to an aggregate nominal amount equal to the Section 89 amount.

- (C) For the purposes of this Article 3.6:

- (1) **"rights issue"** means an offer of equity securities open for acceptance for a period fixed by the Directors to holders of equity securities on the Register on a fixed record date in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with:
  - (a) fractional entitlements; or
  - (b) directions from any holders of shares to deal in some other manner with their respective entitlements; or
  - (c) legal or practical problems arising in any overseas territory; or
  - (d) the requirements of any regulatory body or stock exchange; or
  - (e) securities being represented by depository receipts; or
  - (f) any other relevant matter;
- (2) **"Section 80 prescribed period"** means any period (not exceeding five years on any occasion) for which the authority conferred by Article 3.6(A) above is granted or renewed by an Ordinary Resolution or Special Resolution (as the case may be) stating the Section 80 amount for such period;
- (3) **"Section 89 prescribed period"** means any period (not exceeding five years on any occasion) for which the power conferred by Article 3.6(B) above is granted or renewed by Special Resolution stating the Section 89 amount for such period;
- (4) the **"Section 80 amount"** shall for any Section 80 prescribed period be that stated in the relevant Ordinary or Special Resolution;
- (5) the **"Section 89 amount"** shall for any Section 89 prescribed period be that stated in the relevant Special Resolution;
- (6) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the



Company, the nominal amount of such shares which may be allotted pursuant to such rights;

- (7) the Company may before the expiry of any prescribed period or before any revocation or amendment of such authority make an offer or agreement which would or might require relevant or equity securities to be allotted or treasury shares sold after such expiry or any such revocation or amendment and the Board may allot or sell relevant or equity securities in pursuance of any such offer or agreement as if the power to do so had not expired or been revoked or varied;
- (8) any authority conferred by Article 3.6(A) shall be capable of revocation or variation by ordinary or special resolution and of renewal by ordinary or special resolution for a period not exceeding five years;
- (9) any power conferred by Article 3.6(B) shall be capable of revocation or variation by special resolution and of renewal by special resolution for a period not exceeding five years; and
- (10) words and expressions defined or for the purposes of Part IV of the 1985 Act shall bear the same meanings herein.

### **3.7 Payment of commission**

The Company may exercise the powers of paying commissions conferred or permitted by the Statutes to the full extent permitted by the Statutes. Subject to the provisions of the Statutes any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

### **3.8 Trusts not recognised**

Except as ordered by a court of a competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share, including a share warrant or any right to a share upon any trust, and the Company shall not be bound by or compelled in any way to recognise even when having express notice of it any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as otherwise provided by these Articles or by law) any other right in respect of any share, except an absolute right to the entirety in the registered holder or a person entitled to the registration thereof.

### **3.9 Renunciation**

The Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation of such allotment by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

## **4. VARIATION OF RIGHTS**

### **4.1 Variation of rights**

Whenever the capital of the Company is divided into different classes of shares, the rights or privileges attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, either with the consent in writing of t

he holders of three-fourths in nominal amount of the issued shares of the class, or with the sanction of a Special Resolution passed at a separate General Meeting of such holders to which the provisions of Section 334 of the 2006 Act shall apply (but not otherwise).

#### **4.2 Pari passu issues**

Unless otherwise expressly provided by these Articles or by the rights conferred upon the holders of any class of shares those rights shall not be deemed to be varied by:

- (A) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu with the first-mentioned shares but in no respect in priority; or
- (B) the purchase by the Company of any of its own shares.

### **5. ALTERATION OF CAPITAL**

#### **5.1 Consolidation, sub-division and cancellation**

The Company may from time to time by Ordinary Resolution:

- (A) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (B) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its authorised share capital by the amount of the shares so cancelled; or
- (C) subject to the provisions of the Statutes, sub-divide its existing shares, or any of them, into shares of a smaller amount than is fixed by the Memorandum of Association or resolution creating the same, and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall as compared with others have any such preferred or deferred or other special rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares.

#### **5.2 Fractions arising upon consolidation**

Subject to any direction by the Company in General Meeting, whenever as the result of any consolidation or sub-division of shares members of the Company are entitled to any issued shares of the Company in fractions, the Directors may:

- (A) deal with such fractions as they think fit and in particular (but without prejudice to the foregoing) may sell the shares representing the fractions to any person (including, subject to the Statutes, the Company) for the best price reasonably obtainable and distribute the net proceeds of sale to and among the members entitled to such shares in due proportions. For the purpose of giving effect to any such sale the Directors may nominate some person to execute a transfer or deliver the shares sold to or in accordance with the directions of the purchaser and may cause the name of the purchaser or such person as he may direct to be entered in the Register as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale; or
- (B) if the necessary unissued shares are available and subject to the Statutes issue to each such holder credited as fully paid up by way of capitalisation the minimum

number of shares required to round up his holding to a whole number (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at their discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares.

### **5.3 Increase of share capital**

The Company may, from time to time, by Ordinary Resolution, increase its share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

### **5.4 Reduction of share capital**

The Company may (subject to the provisions of the Statutes and to any special rights attaching to the shares or any class of shares in the capital of the Company) from time to time by Special Resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner.

## **6. SHARE CERTIFICATES**

### **6.1 Rights to a share certificate**

- (A) Every person whose name is entered as a member in the Register (other than a financial institution in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) shall (except where the Directors have passed a resolution pursuant to Article 6.5) be entitled, except as provided by the Statutes, without payment to receive one certificate for all the shares of each class held by him or, upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Directors shall from time to time determine, to several certificates each for one or more of his shares.
- (B) Every certificate shall be issued within one month (or such longer period as the terms of issue shall provide) after allotment or within fourteen days after lodgement with the Company of the transfer of the shares provided that this is not a transfer which the Company is for any reason entitled to refuse to register and does not register.
- (C) Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
- (D) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- (E) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.

### **6.2 Execution and signing of certificates**

Every certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, under an official seal for use in the relevant territory) or, subject to the provisions of the Statutes, in such other manner as the Directors may

resolve. Each share certificate shall specify the number and class of the shares to which it relates and the amount paid up on them. Whether or not certificates are issued under the Seal, the Directors may by resolution decide that any signatures on any certificates need not be autographic but may be affixed by some method or system of mechanic or electronic signature or that certificates need not be signed by any person.

### **6.3 Joint holders**

- (A) Neither the Company nor the operator of any Relevant System shall be bound to register more than four persons as the joint holders of any share or shares (except in the case of executors or trustees of a deceased member).
- (B) The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to any one of joint holders shall be sufficient delivery to all of them.
- (C) In the case of shares held jointly by several persons any request for a replacement certificate may be made by any one of the joint holders.

### **6.4 Replacement share certificates**

If a share certificate or any other document of title is worn out, defaced, lost, stolen, destroyed or not received in the course of delivery, it must be renewed free of charge on such terms (if any) as to evidence and indemnity with or without security as the Directors require. In the case of loss, theft or destruction the person to whom the new certificate is issued shall pay to the Company any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity and in the case of defacement or wearing out he shall deliver up the old certificate to the Office.

### **6.5 Uncertificated securities**

- (A) Nothing in these Articles shall require title to any shares or other securities of the Company to be evidenced by a certificate if the Statutes and the UK Listing Authority permit otherwise.
- (B) There shall be entered in the Register details of the number of uncertificated shares held by each member. The Register must be compiled and kept up to date so as to meet the requirements of the Regulations and the Relevant System.
- (C) Certificated and uncertificated shares of the same class shall be treated as one class of shares, notwithstanding that these Articles or the Regulations require different treatment to be given to certificated or uncertificated shares.
- (D) Subject to the Statutes and the rules of the UK Listing Authority, the Directors without further consultation with the holders of any shares or securities of the Company may resolve that any class or classes of shares or other securities of the Company from time to time in issue or to be issued may be in uncertificated form and no provision of these Articles will apply to any uncertificated shares or other securities of the Company to the extent they are inconsistent with the holding of such shares or other securities in uncertificated form or the transfer of title to any such shares or other securities by means of a Relevant System.
- (E) To the extent that any provision of these Articles is inconsistent in any respect with the terms of the Regulations in relation to any uncertificated shares or other securities of the Company, such provision shall not apply thereto and the Regulations shall be given effect thereto in accordance with their terms.

(F) The Board may make rules which:

- (1) govern the issue, holding and transfer of shares and securities;
- (2) where appropriate, the mechanics of conversion and redemption of such shares and securities;
- (3) govern the mechanics for payments involving a Relevant System; and
- (4) make any other provisions which the Board considers to be necessary to ensure that these Articles are consistent with the Regulations and with any rules or guidance of an operator of a Relevant System under the Regulations.

Such rules may provide that they apply to the exclusion of all other provisions in these Articles relating to certificates and the transfer, conversion and redemption of shares and other securities, and any other provisions which are inconsistent with the Regulations. If any such rules are made, Article 6.5(D) will continue to apply but shall be subject to such rules.

## **7. CALLS ON SHARES**

### **7.1 Calls**

Subject to the terms of issue of the shares and to the provisions of these Articles, the Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium).

### **7.2 Timing of call**

A call shall be deemed to have been made when the resolution of the Directors authorising the call was passed, and may be required to be made payable by instalments.

### **7.3 Payment upon calls**

Each member shall (subject to receiving at least fourteen clear days' notice specifying the time and place of payment) pay to the Company, at the time or times and place of payment so specified the amount called on his shares. A call may be revoked or postponed in whole or in part as the Directors may determine.

### **7.4 Liability of joint holders**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect of such share.

### **7.5 Interest due on non-payment**

If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on such sum from the day fixed for payment of such sum to the time of actual payment at the rate specified by the terms of issue of the share or, if no rate is specified, at an appropriate rate or at such rate as the Directors may determine (not exceeding 15 per cent per annum) together with all expenses that may have been incurred by the Company by reason of such non-payment but the Directors shall be at liberty in any case or cases to waive payment of such interest and expenses wholly or in part.

## **7.6 Sums due on allotment treated as calls**

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

## **7.7 Payment of calls in advance**

The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid on any shares held by him. The Company may pay interest upon the money so received, or as much of it as exceeds for the time being the amount called up on the shares in respect of which such advance has been made, at such rates as the member paying such sum and the Directors agree (not exceeding 15 per cent per annum) in addition to the dividend payable on such part of the share in respect of which such advance has been made as is actually called up. No dividend shall be payable on so much of the moneys paid up on a share as exceeds the amount for the time being called up on a share. The Directors may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of their intention to do so, unless before the expiration of such notice the amount so advanced shall have been called up on the share in respect of which it was advanced.

## **7.8 Power to differentiate on calls**

The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the time of payment of such calls.

## **7.9 Delegation of power to make calls**

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

## **8. LIEN ON SHARES**

### **8.1 Company's lien on shares not fully paid**

The Company shall have a first and paramount lien on any of its shares which are not fully paid in the circumstances and to the extent permitted by Section 150(2) of the 1985 Act for all amounts (whether presently payable or not) called or payable in respect of that share; but the Directors may waive any lien which has arisen and may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any) on a share shall further extend to all dividends and interest payable on such share.

### **8.2 Enforcing lien by sale**

The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the

lien exists is due and payable, nor until a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of the intention to sell in default, shall have been given to the holder for the time being of the share, or to the person entitled to the share by reason of his death or bankruptcy and default in payment shall have been made by him or them for seven clear days after the notice.

### **8.3 Giving effect to a sale**

To give effect to any permitted sale of any shares on which the Company has a lien the Directors may authorise a person to execute a transfer of the shares sold to, or in accordance with the directions of, the purchaser. If the forfeited share is an uncertificated share, the Directors may do everything necessary to transfer the forfeited share under the Regulations. Subject to payment of any stamp or other duty due the purchaser shall be entered in the Register as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### **8.4 Application of proceeds of sale**

The net proceeds of a permitted sale of shares in which the Company has a lien shall be received by the Company and, after payment of the costs of such sale, be applied in or towards satisfaction of the amount due to the Company in respect of which the lien exists, so far as the same is presently payable, and the balance (if any) shall (upon surrender to the Company for cancellation of the certificate for the shares sold (if applicable) and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the holder at the date of the sale or to any person who is entitled to the share by transmission.

## **9. FORFEITURE AND SURRENDER OF SHARES**

### **9.1 Notice if call or instalment not paid**

If a member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Directors may, at any time after such date, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any expenses incurred by the Company by reason of such non-payment.

### **9.2 Form of notice**

The notice shall name a further day (not being less than fourteen clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment in accordance with such notice, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

### **9.3 Forfeiture if non-compliance with notice**

If the notice is not complied with, any share in respect of which such notice was given may at any time thereafter, before payment of all calls or instalments and interest and expenses due in respect of it has been made, be forfeited by a resolution of the Directors to that effect. Every forfeiture shall include all dividends declared or other amounts payable in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any share which they are in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

#### **9.4 Sale of forfeited or surrendered shares**

Subject to the Statutes, a forfeited or surrendered share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who before such forfeiture was the holder of such share or to any other person upon such terms and such conditions as the Directors shall think fit and the Company may receive the consideration, if any, for such sale, re-allotment or disposal. The Directors may if they reasonably consider it necessary authorise some person to execute the transfer of a forfeited or surrendered share. At any time before sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Directors think fit. Any share not disposed of in accordance with this Article within a period of three years from the date of its forfeiture or surrender shall, at the expiry of that period, be cancelled in accordance with the provisions of the Statutes.

#### **9.5 Notice after forfeiture**

When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before the forfeiture the holder of the share but no forfeiture shall be invalidated by any omission or neglect to give notice.

#### **9.6 Arrears to be paid notwithstanding forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate in relation to such shares, but shall, notwithstanding the forfeiture or surrender, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were then payable by him to the Company in respect of these shares, with interest on those moneys at such rate (not exceeding 15 per cent per annum) as the Directors shall think fit from the date of forfeiture or surrender until payment, and he shall remain liable to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture or surrender without any reduction or allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal; but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

#### **9.7 Effects of forfeiture**

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

#### **9.8 Statutory declaration as to forfeiture or sale to satisfy lien**

A statutory declaration in writing by a Director or the Secretary of the Company that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. Such declaration shall (subject to the execution of any necessary instrument of transfer) constitute a good title to the share. The person to whom the share is sold or disposed shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity in, or invalidity of the proceedings with reference to the forfeiture or surrender, sale, re-allotment or disposal of the share.



## 10. **STOCK**

### 10.1 **Stock conversion**

The Company may from time to time by Ordinary Resolution convert all or any of its fully paid shares into stock and re-convert any stock into fully paid shares of any denomination. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock such further shares upon being fully paid shall ipso facto be converted into stock transferable in the same units as the existing stock of that class.

### 10.2 **Transfer of stock**

The holders of stock may transfer that stock or any part of it in the same manner as, and subject to the same regulations as, the shares from which the stock arose might, before they were converted into stock, have been transferred, or as near to those regulations as circumstances admit. The Directors may from time to time fix the minimum amount of stock which, or multiples of which, shall be transferable and restrict or forbid the transfer of fractions of that minimum but so that the minimum shall not exceed the nominal amount of the shares from which the stock arose.

### 10.3 **Rights of holders of stock**

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company or class meetings and all other matters as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which the stock arose.

## 11. **SHARE WARRANTS**

### 11.1 **Power to issue Share Warrants**

The Company with respect to fully paid shares may in its discretion issue warrants under the Seal or in accordance with Article 6.2 or Articles 34.1 to 34.3 ("**Share Warrants**") stating that the bearer of the Share Warrant is entitled to the shares specified in that Share Warrant and may provide by coupons or otherwise for the payment of future dividends and any other sum becoming payable on the shares comprised in such Share Warrant and for the purpose of obtaining in respect of such shares an allotment or offer of shares or debentures or the exercise of any other rights of any description to which members may be or become entitled.

### 11.2 **Conditions governing Share Warrants**

The Directors may determine, and may from time to time vary, the conditions upon which Share Warrants shall be issued, and in particular the conditions upon which a new Share Warrant may be issued in place of one worn out, defaced, stolen, lost or destroyed (where, in the case of a Share Warrant stolen, lost or destroyed, the Directors are satisfied beyond reasonable doubt that the original has been destroyed), upon which the bearer of a Share Warrant shall be entitled, if at all, to attend and vote at General Meetings and upon which a Share Warrant may be surrendered and the name of the bearer entered in the Register in respect of the shares comprised in such Share Warrant. Subject to such conditions and to these Articles the bearer of a Share Warrant shall be deemed to be a member and shall have the same rights and privileges as if his name were entered in the Register in respect of the shares comprised in such Share Warrant. The bearer of a Share Warrant shall be

subject to the conditions governing Share Warrants for the time being in force whether made before or after the issue of Share Warrants.

## **12. TRANSFER OF SHARES**

### **12.1 Form of transfer**

Subject to such of the restrictions contained in these Articles as may be applicable, any member may transfer all or any of his shares by transfer in writing in any usual or common form or in any other form acceptable to the Directors or by any other manner acceptable to the Directors and permitted by the Statutes and the UK Listing Authority.

### **12.2 Execution of transfer**

Every written instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor of any share shall remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of that share.

### **12.3 Right to decline registration of partly paid shares**

- (A) The Directors may, in their absolute discretion, refuse to register the transfer of a share which is not fully paid or on which the Company has a lien provided that, where any such share is listed on the Official List of the UK Listing Authority, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.
- (B) No transfer of any share shall be made to a bankrupt or person who is mentally disordered or a patient for any purpose of any statute relating to mental health.

### **12.4 Other rights to decline registration**

The Directors may also refuse to register a transfer of a share unless:

- (A) the instrument of transfer is lodged, duly stamped, at the Office or at such other place as the Directors may appoint and (except in the case of a transfer by a financial institution or in any other circumstance where a certificate has not been issued in respect of the share) is accompanied by the certificate for the share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (B) the instrument of transfer is in respect of only one class of share; and
- (C) in the case of a transfer to joint holders of a share, the number of joint holders to whom the share is to be transferred does not exceed four.

### **12.5 Notice and reasons of refusal to register a transfer**

- (A) If the Board declines to register a transfer it shall send to the transferee notice of the refusal together with reasons for the refusal:
  - (1) in the case of a certificated share, as soon as reasonably practicable but in any event by such time as is the earlier of (i) the time required by the rules of the London Stock Exchange in force for the time being or (ii) the expiration of two months after the date upon which the instrument of transfer was lodged; and

- (2) in the case of an uncertificated share, as soon as reasonably practicable but in any event within two months of the date on which the Registrars received a "dematerialised instruction" authenticated in accordance with the Regulations to update the Register to show the transferee as the holder thereof.

- (B) The Board must also provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request.

## **12.6 Suspension of registration of transfers**

Subject to the Statutes, the registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Directors may from time to time in their discretion determine. The Board must comply with the Regulations in so far as they relate to the closing of the Register (which will require the Company to obtain the consent of the operator of the Relevant System).

## **12.7 Recognition of Renunciation**

Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

## **12.8 Retention and return of instruments of transfer**

The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall (except in case of fraud) be returned to the person lodging it when notice and reasons for the refusal are given.

## **12.9 No fees for registration**

No fee shall be charged by the Company for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

## **12.10 Requirement for written transfer to evidence title**

For the avoidance of doubt nothing in these Articles shall require shares to be transferred by a written instrument if the Statutes provide otherwise and the Directors shall be empowered to implement such arrangements as they consider fit in accordance with and subject to the Statutes and the rules of the UK Listing Authority to evidence and regulate the transfer of title to shares in the Company and for the approval or disapproval as the case may be by the Directors or the operator of any Relevant System of the registration of those transfers.

# **13. DESTRUCTION OF DOCUMENTS**

## **13.1 Documents Company entitled to destroy**

The Company shall be entitled to destroy:

- (A) all share certificates and dividend mandates and dividend warrants which have been cancelled or have ceased to have effect at any time after the expiration of two years from the date of such cancellation or cessation;
- (B) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration;

- (C) any other document on the basis of which any entry in the Register is made, at any time after the expiration of six years from the date of registration thereof; and
- (D) all notifications of change of name or address after the expiration of one year from the date on which they are recorded.

### 13.2 Presumptions where documents destroyed

It shall conclusively be presumed in favour of the Company that every share certificate destroyed as permitted by Article 13 was a valid certificate duly and properly cancelled, that every entry on the Register purporting to have been made on the basis of a document so destroyed was duly and properly made and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the particulars of it recorded in the books or records of the Company, provided always that:

- (A) this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document might be relevant to a claim;
- (B) nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as provided for in this Article or in any other circumstances which would not attach to the Company in the absence of this Article;
- (C) reference in this Article to the destruction of any document includes references to its disposal in any manner, and
- (D) any document referred to in Article 13 may be destroyed at a date earlier than that authorised by that Article provided that a permanent copy of such document shall have been made which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Directors shall take adequate precautions for guarding against falsification and for facilitating its production.

## 14. UNTRACED SHAREHOLDERS

### 14.1 Power to sell shares

The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:

- (A) during a period of 12 years (provided that in that period at least three dividends, whether interim or final, shall have been declared and paid) no cheque or warrant sent by the Company to the member or person entitled by transmission in the manner authorised by these Articles has been cashed and no communication has been received by the Company from the member or person entitled by transmission;
- (B) the Company has at the expiration of that period given notice by advertisement in both a national newspaper and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised by these Articles is located of its intention to sell such share;
- (C) the Company has not during the further period of 3 months after the date of the advertisement (or, if published on different dates the later of the two

advertisements) and prior to the date of sale received any communication from the member or person entitled by transmission; and

- (D) if such share is listed on the Official List of the UK Listing Authority the Company has first given notice in writing to the London Stock Exchange of its intention to sell such share.

14.2 To give effect to any such sale the Company may appoint any person to execute as transferor any necessary instrument of transfer of any certificated share and such instrument of transfer shall be as effective as if it had been executed by the holder or person entitled by transmission to the share. To give effect to any such sale of an uncertificated share, the Board may do whatever it considers necessary to transfer the share and such action shall be as effective as if it had been done by the holder or person entitled by transmission to the share. 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. The net proceeds of sale shall belong to the Company and on receipt the Company shall be indebted to the member or other person entitled to such share for an amount equal to the net proceeds of such sale but no trust shall be created and no interest shall be payable in respect of the proceeds of sale which may either be employed in the business of the Company or invested in such investment (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

14.3 If during the period of 12 years referred to in Article 14.1(A) or during the period of 3 months referred to in Article 14.1(C) or during any intervening period further shares have been issued in right of those held at the beginning of the 12 year period or of any previously so issued during such periods and all of the requirements of Articles 14.1(A) to 14.1(D) inclusive have been met in respect of such further shares on the basis that all references to the 12 year period shall be deemed to be references to the entire period in which all such further shares have been in issue and on the basis that the proviso to Article 14.1(A) shall not apply to such further shares, then the Company may also sell such further shares under Article 14.2.

## 15. **TRANSMISSION OF SHARES**

### 15.1 **Transmission on death**

If a member dies, the survivor or survivors where the deceased was a joint holder, or his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only person recognised by the Company as having any title to his interest in the share; but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

### 15.2 **Election of person entitled by transmission**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, subject as hereinafter provided and upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were an instrument of transfer executed by such member.

### 15.3 Rights of person entitled by transmission

Save as otherwise provided by or in accordance with these Articles a person becoming entitled to a share in consequence of the death or bankruptcy of a member shall (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) be entitled to the same dividends and other advantages as those to which he would be entitled if he were the holder of the share except that he shall not (except with the authority of the Directors) be entitled in respect of such share to attend or vote at meetings of the Company or to any of the rights or privileges of a member until he shall have been registered as a member in respect of the share. The Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

### 16. SUSPENSION OF RIGHTS WHERE NON-DISCLOSURE OF INTERESTS

16.1 If 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 2006 Act and is in default for the prescribed period in supplying to the Company the information thereby required, then at any time thereafter the Directors may in their absolute discretion by notice (a "**direction notice**") to such member direct:

- (A) that in respect of the shares in relation to which the default occurred (the "**default shares**") (which expression shall include any further shares which are issued in respect of such shares) the member shall not be entitled to vote either personally or by proxy at a General Meeting of the Company or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to General Meetings of the Company or meetings of the holders of any class of shares of the Company; and/or
- (B) where the default shares represent at least 0.25 per cent. of the issued shares of any class of shares of the Company (calculated on the basis that treasury shares are ignored), that:
  - (1) any dividend or other money which would otherwise be payable in respect of the default shares shall (in whole or any part thereof) be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member and, in circumstances where an option to elect to receive Ordinary Shares instead of cash in respect of any dividend shall be or has been given to members, any notice of election made under such an option in respect of the default shares shall not be effective; and/or
  - (2) no transfer, other than an approved transfer, of any of the shares held by such member shall be registered unless:
    - (a) the member is not himself in default as regards supplying the information required; and
    - (b) the transfer is of part only of the member's holding and when presented for registration is accompanied by a certificate from the member, in a form satisfactory to the Directors, to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares; and/or
  - (3) any shares held by such member in uncertificated form shall forthwith be converted into certificated form (and the Directors shall be entitled to direct

the operator of any Relevant System applicable to those shares to effect that conversion immediately) and that member shall not thereafter be entitled to convert all or any shares held by him into uncertificated form (except with the authority of the Directors) unless:

- (a) the member is not himself in default as regards supplying the information required; and
- (b) the member wishes to convert part only of his holding and he has issued a certificate, in a form satisfactory to the Directors, to the effect that after due and careful enquiry the member is satisfied that none of the shares he is proposing to convert into uncertificated form are default shares.

16.2 The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice. Neither the Company nor the Directors shall in any event be liable to any person as a result of the Directors having imposed any restrictions pursuant to Article 16.1 if the Directors have acted in good faith.

16.3 Any direction notice shall have effect in accordance with its terms until seven days (or such shorter period as the Directors may resolve) after the earlier of the date on which:

- (A) the Company is satisfied that the default in respect of which the direction notice was issued has been rectified; and
- (B) notification shall be received by the Company that the default shares shall have been transferred to a third party by means of an approved transfer.

16.4 The Directors may at any time give notice cancelling a direction notice, in whole or in part or suspending, in whole or in part, the imposition of any restrictions contained in the direction notice for a given period. If dividends or other moneys payable in respect of any default shares shall be withheld as a result of any restrictions imposed by a direction notice such dividends or other money shall accrue and shall be payable (without interest) upon the relevant restrictions ceasing to apply.

16.5 For the purposes of this Article 16:

- (A) a person shall be treated as appearing to be interested in any shares if the member holding such shares or any other person has given to the Company a notification under the said Section 793 of the 2006 Act which either:
  - (1) names such person as being so interested; or
  - (2) fails to establish the identities of 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) "**interested**" shall be construed as it is for the purpose of the said Section 793;
- (C) the prescribed period is fourteen days from the date of service of the notice under the said Section 793;
- (D) a transfer of shares is an approved transfer if and only if:

- (1) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take-over offer for a company (as defined in Section 974 of the 2006 Act); or
  - (2) the Directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with other persons appearing to be interested in such shares; or
  - (3) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services and Markets Act 2000 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded;
- (E) reference to a person being in default in supplying to the Company the information required by a notice under the said Section 793 includes:
- (1) reference to his having failed or refused to give all or any part of it; and
  - (2) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular.

16.6 Nothing in this Article shall limit the powers of the Company under Section 793 of the 2006 Act or any other powers whatsoever.

## 17. **GENERAL MEETINGS**

### 17.1 **Annual General Meetings**

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. Except as provided in the Statutes, the Company must hold an Annual General Meeting within six months from the day following the Company's accounting reference date in each year. The Annual General Meeting shall be held at such time and place as the Directors may appoint.

### 17.2 **General Meetings**

All General Meetings other than Annual General Meetings shall be called General Meetings.

### 17.3 **Calling of General Meetings**

The Directors may, in accordance with the Statutes, call a General Meeting whenever they think fit, and, on the requisition of members in accordance with the Statutes, shall proceed with proper expedition to convene a General Meeting and if they fail to do so within the time allowed by the Statutes, any of the requisitionists may do so in the same manner as nearly as possible as that in which meetings are required to be called by the Directors.

## 18. **NOTICE OF GENERAL MEETINGS**

### 18.1 **Length of notice**

An Annual General Meeting shall be called by at least twenty-one clear days' notice in writing and any other General Meeting shall be called by at least fourteen clear days' notice in writing, such notice to be given in accordance with Article 41.



18.2 Notwithstanding that a meeting of the Company is called by shorter notice than that specified in Article 18.1, it shall be deemed to have been duly called if it is so agreed:

- (A) in the case of a meeting called as an Annual General Meeting, by all the members entitled to attend and vote thereat; and
- (B) in the case of any other meeting, by a majority in number of the members entitled to attend and vote thereat, being a majority together holding not less than 95 per cent. by nominal value of the shares giving that right (excluding any shares in the Company held as treasury shares).

### 18.3 Contents of notice

- (A) Every notice of meeting of the Company shall:
  - (1) be given to all members other than those who under the provisions of these Articles are not entitled to receive such notices from the Company;
  - (2) specify the place and the day and time of the meeting;
  - (3) contain a reasonably prominent statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend, speak and, on a show of hands and on a poll, vote instead of him and that a proxy need not be a member of the Company;
  - (4) in the case of an Annual General Meeting, specify the meeting as such;
  - (5) in the case of any General Meeting at which business other than routine business is to be transacted, specify the general nature of such business;
  - (6) if any resolution is to be proposed as a Special Resolution, contain a statement to that effect; and
  - (7) include as separate resolutions any proposals relating to substantially dissimilar matters.
- (B) Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:
  - (1) declaring dividends;
  - (2) considering and/or adopting the accounts and balance sheet, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;
  - (3) appointing Auditors;
  - (4) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement or under Article 24.4 or otherwise;
  - (5) settling the remuneration of the Directors and the Auditors or determining the manner in which the remuneration is to be settled; and
  - (6) considering and/or approving any report on the remuneration of Directors.

- (C) For the purposes of determining which people may attend or vote at a meeting and how many votes such people have, the notice of meeting may give a time by which people must be entered on the Register in order to be entitled to attend or vote at the meeting. This time must not be more than 48 hours before the time fixed for the meeting. For the avoidance of doubt, no notice need be given to the Company in respect of any shares held by it in treasury.

#### **18.4 Omission or non-receipt of notice**

The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

#### **18.5 Right to postpone meeting**

If prior to the date of the meeting, 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, or on the date or at the time or place to which the General Meeting has been postponed under this Article 18.5, it may postpone the meeting to another date, time or place. When a meeting is postponed for thirty days or more not less than seven clear days' notice of the postponed meeting shall be given in like manner as in the case of the original meeting. Otherwise, when a meeting is postponed, notice of the date time and place of the postponed meeting shall be placed in at least two national newspapers circulating throughout the United Kingdom; save as aforesaid, it shall not be necessary to give any notice of the business to be transacted at such postponed meeting. The arrangements made by the Board under Article 19.3 for such General Meeting shall, unless varied, apply to the postponed meeting.

### **19. PROCEEDINGS AT GENERAL MEETINGS**

#### **19.1 Quorum**

No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business but the absence of a quorum shall not preclude the appointment of a chairman which shall not be treated as part of the business of the meeting. Two persons present and entitled to vote upon the business to be transacted, each being either a member or a proxy for a member shall be a quorum for all purposes. For the avoidance of doubt, two persons present and entitled to vote upon the business to be transacted each being a proxy for the same member shall also be a quorum for all purposes.

#### **19.2 Procedure if quorum is not present**

- (A) If within fifteen minutes from the time appointed for the meeting (or such longer interval not exceeding one hour as the Chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such day and to such time and place as may be fixed by the Chairman of the meeting, and if at such adjourned meeting a quorum is not present within thirty minutes from the time appointed for holding the meeting, the members present in person or by proxy shall be a quorum.

### **19.3 Orderly conduct at meetings**

- (A) The Directors may direct that persons wishing to attend General Meetings should submit to such searches, security arrangements and restrictions as the Directors shall consider appropriate in the circumstances. The Directors shall be entitled in their absolute discretion, or may authorise some one or more persons who shall include a Director or the Secretary or the Chairman of the meeting:
  - (1) to refuse entry to that General Meeting to any person who fails to submit to those searches or otherwise to comply with those security arrangements or restrictions; and
  - (2) to eject from that General Meeting any person who causes the proceedings to become disorderly.
- (B) The Chairman shall take such action or give directions as he thinks fit to promote the orderly conduct of the meeting as laid down in the notice of the meeting and the Chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such a nature.

### **19.4 Chairman of General Meetings**

The Chairman (if any) of the Directors, or, failing whom, the deputy Chairman (if any) shall preside as Chairman at every General Meeting of the Company. If at any meeting neither shall be present within fifteen minutes after the time fixed for holding the meeting and willing to act as Chairman, the Directors present shall choose one of their number to act as Chairman of the meeting. If no Director is present, or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of their number to be Chairman of the meeting.

### **19.5 Adjournments**

- (A) The Chairman of a meeting at which a quorum is present may with the consent of that meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place or without specification of a time or place. In addition, the Chairman may at any time without the consent of the meeting adjourn any meeting to another time or place if it appears to the Chairman that:
  - (1) the number of persons wishing to attend cannot be conveniently accommodated in the place(s) for the meeting; or
  - (2) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting; or
  - (3) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- (B) No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
- (C) Where a meeting is adjourned without specification of a time or place the time and place for the adjourned meeting shall be fixed by the Directors.

## 19.6 Notice of adjournment

When a meeting is adjourned for thirty days or more or for an indefinite period, not less than seven clear days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting; but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## 19.7 Amendments to resolutions

- (A) If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- (B) In the case of a resolution duly proposed as a Special Resolution no amendment to that resolution (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon and in the case of a resolution duly proposed as an Ordinary Resolution no amendment to that resolution (other than a mere clerical amendment to correct a patent error) may be considered or voted upon unless, at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such resolution is to be proposed, notice in writing of the terms of the amendment and intention to move the same has been lodged at the Office.

## 19.8 Procedure when meetings held at more than one place

- (A) The provisions of this Article shall apply if any General Meeting is held at or adjourned to more than one place.
- (B) The notice of such a meeting or adjourned meeting shall specify the place at which the Chairman of the meeting shall preside (the "**Specified Place**") and the Directors shall make arrangements for simultaneous attendance and participation at the Specified Place and at other places by members, and any members present in person or by proxy at such other places shall be counted in the quorum for and entitled to vote at such meeting, provided that persons attending at any particular place shall be able to see and hear and be seen and heard by means of audio visual links by persons attending the Specified Place and at the other places at which the meeting is held.
- (C) The Directors may from time to time make such arrangements for the purpose of controlling the level of attendance at any such place (whether involving the issue of tickets or the imposition of some geographical or regional means of selection or otherwise) as they shall in their absolute discretion consider appropriate, and may from time to time vary any such arrangements or make new arrangements in place of them, provided that a member who is not entitled to attend, in person or by proxy, at any particular place shall be entitled so to attend at one of the other places; and the entitlement of any member so to attend the meeting or adjourned meeting at such place shall be subject to any such arrangements as may from time to time be in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.
- (D) For the purposes of all other provisions of these Articles, any such meeting shall be treated as being held at the Specified Place.
- (E) If a meeting is adjourned to more than one place, not less than seven days' notice of the adjourned meeting shall be given notwithstanding any other provision of these Articles.

## **19.9 Entitlement to attend and speak**

Without prejudice to Article 24.9, the Chairman may invite any person to attend and speak at General Meetings of the Company whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting. In addition, the Chairman may invite any person who has been nominated by a member of the Company (provided that the Chairman is satisfied that at such time as the Chairman may determine, the member holds any shares in the Company as such person's nominee) to attend and, if the Chairman considers it appropriate, to speak at General Meetings of the Company.

## **20. VOTING**

### **20.1 Method of voting**

- (A) At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is demanded:
- (1) by the Chairman of the meeting; or
  - (2) in writing by at least five members present in person or by proxy and entitled to vote; or
  - (3) in writing by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - (4) in writing by a member or members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid-up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- (B) Unless a poll is demanded and the demand is not withdrawn, a declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority or lost, or not carried by a particular majority and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded for or against such resolution.

### **20.2 Procedure if poll demanded**

If a poll is demanded, it shall be taken in such manner (including the use of ballot or voting papers or cards) as the Chairman of the meeting may direct. The Chairman may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

### **20.3 Timing of a poll**

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at some time later during or at the end of the meeting or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman of the meeting may direct. No notice need be given of a poll not taken immediately.

## **20.4 Continuance of other business after demand for a poll**

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.

## **20.5 Withdrawal of demand for a poll**

The demand for a poll may at any time before the conclusion of the meeting be withdrawn but only with the consent of the Chairman, and if it is so withdrawn:

- (A) before the result of a show of hands is declared, the meeting shall continue as if the demand had not been made; or
- (B) after the result of a show of hands is declared, the demand shall not be taken to have invalidated that result, but if a demand is withdrawn, the Chairman of the meeting or other member or members so entitled may himself or themselves demand a poll.

## **20.6 Casting vote of Chairman**

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the votes which he may have.

## **21. VOTES OF MEMBERS**

### **21.1 Votes of members**

Subject to any other provision of these Articles and without prejudice to any special rights, privileges or restrictions as to voting attached to any shares for the time being forming part of the capital of the Company, every member present in person or by proxy shall have one vote on a show of hands and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

### **21.2 Votes on a poll**

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

### **21.3 Votes of joint holders**

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

### **21.4 Voting on behalf of incapable member**

A member in respect of whom an order has been made by any Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by any person authorised in that behalf by that Court, and any such person may, on a show of hands or on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at or delivered to the Office (or such other place or address as is specified in accordance with these Articles for the deposit or delivery of appointments of proxy) or shall be sent by an Electronic Communication to an Address specified in the notice of the meeting or any document sent therewith not later

than the latest time at which an appointment of proxy should have been deposited or delivered in order to be valid for use at that meeting or on the holding of that poll.

#### **21.5 No right to vote where sums overdue on shares**

No member (whether in person or by proxy shall (unless the Directors otherwise determine) be entitled to vote or to exercise any other right of membership at any General Meeting or at any separate meeting of the holders of any class of shares in the Company in respect of any share held by him unless all calls or other sums presently payable by him in respect of that share in the Company have been paid.

#### **21.6 Objections to votes**

No objection shall be raised to the admissibility of any vote or to the counting of or failure to count any vote unless it is raised at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

### **22. PROXIES**

#### **22.1 Appointment of proxy**

A member may appoint any person (whether a member or not) as his proxy to exercise all or any of his rights to attend and speak and vote at a meeting of the Company. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or different shares held by him.

#### **22.2 Member's rights when proxy appointed**

Deposit or delivery of an appointment of proxy shall not preclude a member from attending and voting (either on a show of hands or on a poll) at the meeting or any adjournment of it.

#### **22.3 Form and execution of proxy**

(A) Subject to Articles 22.3(B)-22.3(E), the appointment of a proxy shall:

- (1) if in Hard Copy Form be signed by the appointor or his attorney authorised in writing, or, in the case of a corporation shall either be given under its common seal (or such form of execution as has the same effect) or signed on its behalf by an officer, attorney or other person authorised to sign the same; or
- (2) if in Electronic Form, submitted by or on behalf of the appointer and Authenticated by the appointor or his attorney authorised in writing.

(B) The appointment of a proxy shall:

- (1) be in any usual or common form or in any other form which the Directors may accept;
- (2) be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and

- (3) unless the contrary is stated therein be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- (C) Where an appointment of proxy is signed on behalf of a corporation by an officer or on behalf of any appointor by an attorney, the Directors may, but shall not be bound to, require evidence of the authority of any such officer or attorney.
- (D) The Directors must send proxy forms by post (which may be at the expense of the Company and with or without provisions for their return pre-paid) together with a copy of the notice of any meeting or adjourned meeting or, to the extent that a member has pursuant to Article 41.1(B)(1)(b) specified an Address for the receipt of Electronic Communications the Directors must, subject to Article 22.3(G), send by Electronic Means such form of proxy for use at the meeting to that Member.
- (E) Such proxy forms shall provide for voting on all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting and may either be in blank or may nominate in the alternative any one or more of the Directors or any other person.
- (F) The accidental omission to send such an appointment or the non-receipt of such appointment by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.
- (G) Without limiting any other provision of Article 22, in relation to any shares which are held in uncertificated form, the Board may from time to time permit appointments of a proxy to be made by means of an Electronic Communication in the form of a properly authenticated dematerialised instruction and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the Board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Board (subject always to the facilities and requirements of the system concerned) (the "**Uncertificated Proxy Instruction**"); and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means. The Board may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

## 22.4 Delivery of proxies

- (A) Subject to Article 22.3, the appointment of a proxy and (if required by the Board) any authority under which it is executed or Authenticated or a copy of the authority certified notarially or in some other way approved by the Directors may:
  - (1) in the case of an appointment contained in an instrument in Hard Copy Form, be delivered to the Office or to such other place in the United Kingdom as is specified in the notice convening the meeting or in any notice of any adjournment thereof or, in either case, in any document sent out by the Company with the notice; or
  - (2) in the case of an appointment contained in Electronic Form, where an Address has been specified by the Company in either the notice convening the meeting, or in any notice of any adjournment thereof or, in either case,



any document sent with the notice, or in any invitation in Electronic Form inviting the appointment of a proxy shall be delivered to that Address,

in either case:

- (a) up to 48 hours before the appointed time for the meeting or adjourned meeting at which the person named in the appointment proposes to vote, whether on a show of hands or a poll taken at or on the same day as the meeting or adjourned meeting; or
- (b) up to 24 hours before the appointed time for taking a poll, in the case of a poll to be taken more than 48 hours after it was demanded; or
- (c) before the end of the meeting at which the poll was demanded, if the poll is taken after the end of the meeting or the adjourned meeting but 48 hours or less after it was demanded,

and an appointment of a proxy which is not deposited or delivered in a manner as described above and within the time limits so permitted shall be invalid.

- (B) When calculating the periods mentioned in Article 22.4(A), the Directors can decide not to take account of any part of a day that is not a working day.
- (C) Where two or more but differing appointments of a proxy are delivered in respect of the same share for use at the same meeting then:
  - (1) in the case of proxies contained in instruments in Hard Copy Form, the one which is last dated by the appointor (provided that date is or before the date of delivery but otherwise regardless of the actual date of execution or the date of delivery) shall be treated as replacing and revoking the others as regards that share, and if not all such instruments of proxy are so dated, or if any date is illegible as written or falls after the date of delivery, the one which is last delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the others as regards that share;
  - (2) in the case of proxies delivered by Electronic Means, the one which is the last actually received (where applicable, determined in accordance with any method prescribed pursuant to Article 22.3(G)) shall be treated as replacing and revoking the others as regards that share; and
  - (3) in the case of two or more but differing appointments of a proxy in respect of a share delivered both by instrument in Hard Copy Form and by Electronic Means the one which is last delivered or actually received (determined as aforesaid) shall be treated as replacing and revoking the others as regards that share, except that where a proxy contained in an instrument in Hard Copy Form is dated prior to the day of actual receipt of a proxy delivered by Electronic Means, but is delivered afterwards, the latter shall be taken to replace and revoke the former.

## 22.5 Termination of proxy

- (A) A member may terminate the authority of a person acting as its proxy by providing written notice to the Company of such termination. Such notice must be received by the Company:
  - (1) up to 48 hours before the appointed time of the meeting or adjourned meeting at which the person acting as proxy was proposing to vote; or

- (2) up to 24 hours before the appointed time for taking a poll, in the case of a poll taken more than 48 hours after it was demanded; or
  - (3) before the end of the meeting at which the poll was demanded, if the poll is taken after the end of the meeting or the adjourned meeting but 48 hours or less after it was demanded.
- (B) A termination of a proxy which is not received in the manner described in Article 22.5(A) or within the time limits so permitted in Article 22.5(A) shall be invalid.
  - (C) When calculating the periods mentioned in Article 22.5(A), the Directors can decide not to take account of any part of a day that is not a working day.

## **22.6 Maximum validity of proxy**

No appointment of proxy shall be valid after the expiration of 12 months from its stated date of execution or delivery by Electronic Means except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting where the meeting was originally held within 12 months from such date.

## **22.7 Rights of proxy**

- (A) An appointment of proxy shall be deemed to include the right to attend, speak and vote at a meeting of the Company and to demand or join in demanding a poll.
- (B) A demand for a poll made by a person as proxy for a member shall have the same effect as a demand by a member, except that for the purpose of establishing whether the requirements of Article 20.1 are met, the voting rights to be taken into account shall be the voting rights exercisable by such person in his capacity as proxy or representative of the member and not the voting rights which may be exercised by the member himself.

## **22.8 Cancellation of proxy's authority**

A vote given or poll demanded in accordance with the terms of an appointment of it proxy shall not be invalidated by the previous death or mental disorder of the principal or by the revocation of the appointment of proxy or of the authority under which the appointment of proxy was executed or Authenticated or the transfer of the share in respect of which the appointment of proxy is given, provided that no notice of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office (or such other place or address as was specified for the delivery of appointments of proxy in the notice convening the meeting or other accompanying document or, where the appointment of the proxy was in Electronic Form, at the Address at which such communication was duly received, being not later than the last time at which an appointment of proxy should have been delivered in order to be valid for use at the meeting or on the holding of the poll at which the vote was given for the poll demanded.

## **23. CORPORATIONS ACTING BY REPRESENTATIVES**

Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit (who need not be a member) to act as its representative at any meeting of the Company or at any separate General Meeting of the holders of any class of shares. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it.

24. **DIRECTORS**

**NUMBER, APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

24.1 **Number of Directors**

- (A) Unless and until the Company in General Meeting shall otherwise determine, the number of Directors (disregarding alternate Directors) shall not be subject to any maximum but shall not be less than two.
- (B) The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Director or Directors may act for the purpose of filling up vacancies in his or their number or of calling a General Meeting of the Company, but not for any other purpose.

## **24.2 Power of the Directors to appoint additional Directors**

The Directors shall have power to appoint at any time from time to time any person who is willing to act to be a Director, either to fill a casual vacancy or as an additional Director. Any Director so appointed shall retire from office at the Annual General Meeting next following such appointment. Any Director so retiring shall be eligible for re-election.

## **24.3 Power of the Company to appoint additional Directors**

Subject to the provisions of these Articles, the Company may by Ordinary Resolution elect any person who is willing to act to be a Director either to fill a casual vacancy or as an addition to the existing Directors or to replace a Director removed from office under Article 24.8.

## **24.4 Retirement**

- (A) At each Annual General Meeting a minimum number equal to one-third of the number of Relevant Directors (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office. Directors retiring under Article 22.4(C) shall be counted as part of this minimum number. For the purposes of this Article 24.4(A) **"Relevant Directors"** means all the Directors for the time being excluding any Directors who are due to retire at that Annual General Meeting under Article 24.2.
- (B) The Directors to retire by rotation pursuant to Article 24.4(A) shall include (so far as necessary to obtain the minimum number required) after taking into account the Directors to retire under Article 24.4(C) any Relevant Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Relevant Directors who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
- (C) In any event each Director shall retire and shall be eligible for re-election at the Annual General Meeting held in the calendar year during which the third anniversary of his re-election pursuant to Article 24.2 (or, as the case may be, his election pursuant to Article 24.3) occurs and at the Annual General Meeting held in every third calendar year after that.

## **24.5 Filling rotation vacancies**

- (A) At the meeting at which a Director retires under any provision of these Articles, the Company may by Ordinary Resolution (subject to Article 24.7) fill the vacated office by appointing a person to it, and in default the retiring Director shall be deemed to have been re-appointed except in the following cases:
  - (1) such Director has given notice to the Company that he is unwilling to be elected; or
  - (2) at such meeting it is expressly resolved not to fill such vacated office or a resolution for the re-appointment of such Director shall have been put to the meeting and not passed.
- (B) In the event of the vacancy not being filled at such meeting, it may be filled by the Directors as a casual vacancy in accordance with Article 24.2.

- (C) The retirement of a Director pursuant to Article 24.4 shall not have effect until the conclusion of the relevant meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and not passed and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without break.

#### **24.6 No single resolution to appoint two or more Directors**

Except as otherwise authorised by Section 160 of the 2006 Act, the appointment of each person proposed as a Director shall be effected by a separate resolution.

#### **24.7 Persons eligible as Directors**

No person, other than a Director retiring at the meeting, shall be eligible for appointment as a Director at any General Meeting unless:

- (A) he is recommended by the Directors; or
- (B) not less than seven nor more than forty-two days before the date appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for appointment and also notice in writing signed by the person to be proposed of his willingness to be appointed and stating all such particulars of him as would, on his appointment, be required to be included in the Company's Register of Directors.

#### **24.8 Power of removal by Special Resolution**

In addition to any power of removal conferred by the Statutes the Company may by Special Resolution remove any Director before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company.

#### **24.9 No share qualification for Directors**

A Director need not hold any share qualification but shall be entitled to receive notice of and to attend and speak at any General Meeting of the Company or at any separate meeting of the holders of any class of shares of the Company.

#### **24.10 No age qualification**

No Director shall vacate his office or be ineligible for appointment or re-appointment as a Director by reason only of his having attained any particular age, nor shall special notice be required of any resolution appointing or approving the appointment of such a Director or any notice be required to state the age of the person to whom such resolution relates.

#### **24.11 Vacation of office by Directors**

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

- (A) he resigns by notice in writing to the Company;
- (B) he offers in writing to resign and the Directors resolve to accept such offer;

- (C) a bankruptcy order or an interim order is made against him or he makes any arrangement or composition with his creditors generally;
- (D) he is, or may be, suffering from mental disorder and either:
  - (1) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984; or
  - (2) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
- (E) he and his alternate (if any) is absent from meetings of the Directors for six successive months without the permission of the Directors and the Directors resolve that his office is vacated;
- (F) in the case of a Director who holds any employment or executive office within the Company or any Subsidiary his employment with the Company and/or Subsidiary shall be determined and the Directors shall resolve that he has by reason of such determination vacated office;
- (G) he becomes prohibited by law from acting as a Director;
- (H) he is removed from office by notice in writing served upon him signed by all his co-Directors but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
- (I) he is convicted of an indictable offence and the Directors shall resolve that it is undesirable in the interests of the Company that he remains a Director; or
- (J) the conduct of a Director (whether or not concerning the affairs of the Company) is the subject of an investigation by an inspector appointed by the Secretary of State or by the Serious Fraud Office and the Directors shall resolve that it is undesirable in the interests of the Company that he remains a Director.

## 24.12 Appointment of Executive Directors

The Directors may from time to time:

- (A) appoint one or more of their number to hold any employment or executive office with the Company (including, where considered appropriate, but without limitation the office of Chairman, Deputy Chairman, Managing Director, Joint Managing Director, Chief Executive or Deputy Chief Executive) on such terms and for such periods (subject to the provisions of the Statutes) as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment; and
- (B) permit any person appointed to be a Director to continue in any executive office or employment held by him before he was so appointed.

The appointment of any Director to any other executive office or position of employment with the Company shall not automatically determine if he ceases for any cause to be a Director unless his contract of appointment to such office or employment expressly states

otherwise (in which event such determination shall be without prejudice to any rights or claims which he may have against the Company by reason of such determination).

## **25. DIRECTORS' REMUNERATION**

### **25.1 Directors' fees**

Each of the Directors may be paid out of the funds of the Company such sum by way of Directors' fees (in addition to any amounts payable under Articles 25.2 or 25.3 or any other provision of these Articles) as the Directors may from time to time determine.

Such fees shall be divided among the Directors in such manner as the Directors shall direct and shall be deemed to accrue from day to day.

### **25.2 Additional Remuneration for Directors**

Any Director who is appointed to hold any employment or executive office with the Company or who, by request of the Company, goes or resides abroad for any purposes of the Company or who otherwise performs services which in the opinion of the Directors are outside the scope of his ordinary duties as a Director may be paid such additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Directors (or any duly authorised committee of the Directors) may determine and either in addition to or in lieu of any remuneration provided for by or pursuant to any other Article.

### **25.3 Expenses**

Each Director may be paid his reasonable travelling expenses (including hotel and incidental expenses) of attending and returning from meetings of the Directors or committees of the Directors or general meetings or any separate meeting of the holders of any class of shares in the Company or any other meeting which as a Director he is entitled to attend and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

### **25.4 Pensions and gratuities for Directors**

The Directors may exercise all the powers of the Company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any Director or former Director who is or was at any time employed by, or held an executive or other office or place of profit in, the Company or any body corporate which is or has been a Subsidiary of the Company or a predecessor of the business of the Company or of any such Subsidiary and for the families and dependants of any such persons and for the purpose of providing any such benefits contribute to any scheme trust or fund or pay any premiums.

## **26. PRESIDENT**

26.1 The Directors may by resolution from time to time appoint any person (whether a Director or not) to be President of the Company either for life or for a fixed or unspecified period and upon such terms as to remuneration, reimbursement of expenses and other matters as the Directors may determine. The Directors may also vary or terminate such appointment at any time but without prejudice to any claims by such President for breach of the terms of his appointment.

26.2 The functions of the President shall be such as may be determined by the Directors, but he shall not by virtue of his appointment as such be a Director or officer of the Company nor have any executive powers or duties in the management of the Company.

- 26.3 The President shall have the same rights to receive notice of and to attend and speak at meetings of the Directors and General Meetings as respectively belong to Directors and members of the Company, but his appointment as such shall not entitle him to voting or other rights belonging to Directors or members.
- 26.4 The President's appointment shall lapse on the happening of the events specified in Articles 24.11(A)-24.11(D) and Articles 24.11(H)-24.11(J).

**27. POWERS AND DUTIES OF DIRECTORS**

**27.1 General powers of a Company vested in Directors**

Subject to the provisions of the Statutes, the Memorandum of Association of the Company and these Articles and to any directions given by the Company in General Meeting, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No such direction and no alteration of the Memorandum of Association or of these Articles shall invalidate any prior act of the Directors which would have been valid if that direction or alteration had not been given or made. The matters to which the Directors shall have regard in the performance of their functions shall include the interests of the Company's employees in general as well as the interests of its members.

**27.2 Power to establish local boards**

The Directors may establish any local 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 such local boards and may determine their remuneration. The Directors may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and either collaterally with or to the exclusion of its own powers, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. Subject as aforesaid the proceedings of any local board shall be governed by such of these Articles as regulate the proceedings of the Directors so far as they are capable of applying.

**27.3 Delegation to committees**

- (A) The Directors may delegate any of their powers or discretion (including, without limitation, the power to determine Directors' fees or additional remuneration and to vary the terms and conditions of employment of or confer any other benefit on any of the Directors) to committees. No such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to sub-committees any of the powers or discretion delegated to it. Any such committee or sub-committee shall consist of two or more Directors and (if thought fit) one or more other persons provided that a majority of the members of the committee shall be Directors and no resolutions of the committee shall be effective unless a majority of those present when it is passed are Directors.
- (B) Any committee or sub-committee so formed shall in the exercise of the powers so delegated and in the conduct of its meetings and proceedings conform to any regulations which may from time to time be imposed on it by the Directors.
- (C) Subject to the foregoing, the meetings and proceedings of any such committee or sub-committee consisting of two or more members shall be governed mutatis



mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under Article 27.3(B).

#### **27.4 Powers of attorney**

The Directors may from time to time, and at any time by power of attorney or otherwise, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such agent as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretion vested in him.

#### **27.5 Delegation of powers to individual Directors**

The Directors may entrust to and confer upon any Director any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke withdraw alter or vary all or any of such powers but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

#### **27.6 Provision for employees**

The Directors may exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its Subsidiaries in connection with the transfer to any person of the whole or part of the undertaking of the Company or that Subsidiary or the cessation of its business.

#### **27.7 Designation of "Director" not to imply Directorship**

The Directors may from time to time appoint any person to an 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. The inclusion of the word "Director" in the designation or title of any office or employment with the Company (other than the office of Managing or Joint Managing Director) shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these Articles.

### **28. BORROWING POWERS**

Subject to the provisions of the Statutes, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part or parts thereof 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.

### **29. ALTERNATE DIRECTORS**

#### **29.1 Appointment**

Each Director (other than an alternate Director) at any time by notice in writing signed by him and deposited at the Office or delivered at a meeting of the Directors (or otherwise sent in Electronic Form to an Address (if any) provided for that purpose by the Company)

may appoint to the office of an alternate Director either another Director or any other person willing to act and may at any time terminate such appointment. The appointment of a person who is not a Director shall, unless previously approved by the Directors, have effect only upon and subject to being so approved. Any such alternate is referred to in these Articles as an alternate Director.

## **29.2 Determination of appointment**

The appointment of an alternate Director shall automatically determine in any of the following events:

- (A) if the Director appointing him shall terminate the appointment;
- (B) on the happening of any event which, if he were a Director, would cause him to vacate such office;
- (C) if by a written statement signed by him left at the Office (or by a statement sent in Electronic Form to an Address (if any) provided for that purpose by the Company) he shall resign such appointment; or
- (D) if his appointor shall cease for any reason 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.

## **29.3 Rights and powers of alternate Directors**

An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of meetings of the Directors and of any committee or sub-committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which his appointor is not personally present, and at such meeting generally to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If the alternate Director is a Director or if he shall attend a meeting as an alternate for more than one Director his voting rights shall be cumulative but he shall not be counted more than once in a quorum. If his appointor is absent from the United Kingdom or otherwise not available, the alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Save as aforesaid an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles but he shall be an officer of the Company and shall not be deemed to be the agent of the Director appointing him.

## **29.4 Contracts and remuneration**

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### 30. **MEETINGS AND PROCEEDINGS OF DIRECTORS**

#### 30.1 **Directors' proceedings**

Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Directors.

#### 30.2 **Notice of Directors' meetings**

- (A) Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent to him in writing at his last known address or any other address given by him to the Company for this purpose or if in Electronic Form to any Address given by him to the Company for that purpose.
- (B) A Director absent or intending to be absent from the United Kingdom may request the Directors that notices of meetings of Directors shall during his absence be sent to him at his last known address or any other address given by him to the Company for this purpose, or by Electronic Communication to an Address specified by him for the purpose, but such notices of meeting need not be given any earlier than notices given to Directors not so absent. It shall not be necessary to give notice of a meeting of Directors to any Director who is for the time being absent from the United Kingdom if no such request is made or if the address given to the Company for the purpose of this Article is outside the United Kingdom and he has not provided an Address for the purposes of Electronic Communications.
- (C) Any Director may waive notice of any meeting and such waiver may be retrospective or prospective.

#### 30.3 **Directors' meetings by telephone**

All or any of the Directors, or the members of any committee or sub-committee of the Directors, may participate in a meeting of the Directors or of such committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and to be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting is present.

#### 30.4 **Quorum**

The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors, and unless so fixed at any other number shall be two.

#### 30.5 **Appointment and removal of Chairman**

The Directors may elect from their number a Chairman and a Deputy Chairman to be Chairman of their meetings on such terms and for such periods (subject to the Statutes and any retirement from office under Article 24.4) as they may determine and, without prejudice to any rights or claims which he may have against the Company by reason of such removal, may at anytime remove such Chairman or Deputy Chairman from such office. The Directors may also remove the Chairman or Deputy Chairman or such other

Director from such office or otherwise stipulate the period for which they respectively are to hold the same. If no such Chairman or Deputy Chairman is appointed, or if at any meeting neither is present within five minutes after the time appointed for holding that meeting, the Directors present may choose one of their number to be Chairman of the meeting.

### 30.6 **Resolution in writing**

A resolution in writing or otherwise Authenticated by all the Directors (or their duly appointed alternates) for the time being entitled to receive notice of a meeting of the Directors or a duly appointed committee for the time being (not being in either case less than the number required to form a quorum) shall be as valid and effective as a resolution duly passed at a meeting of the Directors duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed or otherwise Authenticated by one or more of the Directors or members of the committee concerned. A resolution signed by an alternate Director need not also be signed by the Director who appointed him.

### 30.7 **Validity of acts of Directors or committee**

All acts done by any meeting of the Directors, or of a committee or sub-committee of the Directors, or by any person acting as a Director or as an alternate Director or as a member of any such committee or sub-committee, shall (as regards all persons dealing in good faith with the Company notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote) be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or, as the case may be, an alternate Director or member of the committee and had been entitled to vote.

## 31. **DIRECTORS' INTERESTS**

### 31.1 **Conflicts of interest requiring authorisation by Directors**

- (A) The Board may, subject to the quorum and voting requirements set out in this Article, authorise any matter which relates to a situation in which a Director (the "**relevant Director**") has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company and which would, if not so authorised, result in a breach of duty by the relevant Director under Section 175 of the 2006 Act (a "**Conflict**").
- (B) The relevant Director seeking authorisation in respect of a Conflict must declare to the Board the nature and extent of his interest in that Conflict as soon as is reasonably practicable. The relevant Director must provide the Board with such details as are necessary for the Board to decide whether or not to authorise the Conflict. The relevant Director must also provide such additional information as may be requested by the Board.
- (C) Any Director (including the relevant Director) may propose that a Conflict be authorised by the Board. Such proposal and any authorisation 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 in accordance with the provisions of these Articles save that:
  - (1) the relevant Director and any other Director with an interest in the Conflict (together the "**Interested Directors**") shall not count towards the quorum nor vote on any resolution giving such authorisation; and

- (2) an Interested Director may, if the other members of the Board so decide, be excluded from any board meeting while the Conflict is under consideration.
- (D) Where the Board authorises a Conflict:
- (1) the Board may (whether at the time of giving the authorisation or subsequently):
    - (a) require that an Interested 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; and
    - (b) impose upon an Interested Director such other terms for the purpose of dealing with the Conflict as it may determine;
  - (2) the Interested Director will be obliged to conduct himself in accordance with any terms imposed by the Board in relation to the Conflict;
  - (3) the Board may provide that where the Interested Director obtains or has obtained (through his involvement in the Conflict and 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;
  - (4) the terms of the authorisation must be recorded in writing (but the authority will be effective whether or not the terms are so recorded); and
  - (5) the Board may revoke or vary such authorisation any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- (E) For the avoidance of doubt, a Director may, subject to declaring the nature and extent of his interest to the Board in accordance with Sections 184 or 185 of the 2006 Act, 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 as a director of that other company.

### 31.2 Permitted directors' interests

- (A) Subject to Article 31.2(D), 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 or a Contract or proposed Contract in which the Company has a direct or indirect interest, he must declare the nature and extent of that interest to the Directors in accordance with Sections 177(2) and 182(2) of the 2006 Act.
- (B) If he has declared the nature and extent of his interest in accordance with Article 31.2(A), a Director may:
  - (1) be interested, directly or indirectly, in a Contract with the Company, or in a Contract in which the Company has a direct or indirect interest as referred to at Article 31.2(A);
  - (2) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms, including as to remuneration, as the Board may decide;

- (3) 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); and
  - (4) be or become a director or other officer of, or employed by or otherwise be interested in any holding company or subsidiary company of the Company or any other company promoted by the Company or in which the Company may be interested or as regards which it has any power of appointment.
- (C) No authorisation under Article 31.1 is required in respect of any interest declared in accordance with Article 31.2(A) and referred to in Article 31.2(B).
- (D) A Director need not declare an interest under Article 31.2(A):
- (1) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (2) of which the Director is not aware, or where the Director is not aware of the Contract in question, and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware;
  - (3) if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
  - (4) if, or to the extent that, it concerns terms of a service contract that have been or are to be considered by a Board meeting or a committee of the Directors appointed for this purpose under the Articles.

### 31.3 Benefits

A Director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the Company for any remuneration, profit or other benefit realised by him (or any person connected with him as defined in Article 31.4(E)) by reason of his having any type of interest authorised under Article 31.1 or permitted under 31.2 and no Contract (as defined in Article 31.5(B)) shall be liable to be avoided on the grounds of a Director having any type of interest authorised under Articles 31.1 or permitted under Article 31.2.

### 31.4 Quorum and Voting Requirements

- (A) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning 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 (including the arrangement or variation of the terms thereof, or the termination thereof).
- (B) Where arrangements are under consideration by the Board concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) 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 such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as

aforesaid) where the other company is a company in which the Director owns one per cent. or more within the meaning of Article 31.4(E).

- (C) Subject to the provisions of the Statutes and to Articles 31.1 – 31.3, no Director or proposed or intending Director shall be disqualified by such office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever.
- (D) Save as otherwise provided by these Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any Contract in which he is interested 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:
- (1) any Contract for giving to such Director any guarantee, security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or any of its subsidiary undertakings;
  - (2) any Contract for the giving by the Company or any of its subsidiary undertakings of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings in respect of which such Director has himself given an indemnity or that he has guaranteed or secured in whole or in part;
  - (3) any Contract whereby such Director is to subscribe for shares, debentures or other securities of the Company or any of its subsidiaries issued or to be issued pursuant to any offer or invitation to Members or debenture holders of the Company or any class thereof or to the public or any section thereof, or to underwrite or sub-underwrite any such shares, debentures or other securities;
  - (4) any Contract in which such Director 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;
  - (5) any Contract concerning any other company (not being a company in which such Director owns one per cent. or more within the meaning of Article 31.4(E) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
  - (6) any Contract concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme that relates both to Directors and employees of the Company or of any of its subsidiaries and that does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such scheme or fund relates;
  - (7) any Contract concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors of the Company, provided that for the purposes of this Article 31.4(D)(7) insurance shall mean only insurance which the Company is empowered to purchase and/or maintain for or for the benefit of a Director or any group of persons consisting of or including Directors of the Company pursuant to Article 25.4;
  - (8) any Contract involving the adoption of an arrangement for the benefit of employees of the Company or of any of its subsidiaries under which the Director benefits in a similar manner to the employees and that does not

accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such arrangement relates (including, without limitation, any savings related share option scheme, or profit sharing scheme operated by the Company and approved by the Inland Revenue under the Income and Corporation Taxes Act 1988); and

- (9) (save in relation to any matter concerning or directly affecting his own participation therein) any Contract involving the adoption or modification of any share option or share incentive scheme of the Company.
- (E) A company shall be deemed to be a company in which a Director owns one per cent or more if and so long as (but only if and so long as) the Director together with any person connected with him within the meaning of Section 252 of the 2006 Act (a "**connected person**") is (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 such company or of the voting rights available to members of such company. For the purpose of this Article 31.4(E), there shall be disregarded any shares held by a Director or connected person as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the interest of the Director or connected person is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or connected person is interested only as a unit holder.
- (F) Where a company in which a Director holds one per cent. or more is interested in a Contract then that Director shall also be deemed to be interested in such Contract.
- (G) If any question shall arise at any meeting of the Board as to the interest of a Director or as to the entitlement of any Director to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be decided by a resolution of the Board (for which purpose such Director shall be counted in the quorum but shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Director as known to such Director has not been fairly disclosed to the Board.
- (H) Subject to these Articles, the Board may also cause the 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 thereof in favour of the appointment of the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

### 31.5 General

- (A) Subject to the provisions of the Statutes the Company may by ordinary resolution suspend or relax the provisions of this Article 31 to any extent or ratify any transaction not duly authorised by reason of a contravention of such Article.
- (B) References in this Article 31 to a Contract includes references to any proposed contract and to any proposed transaction or arrangement whether or not constituting a contract or to any existing contract and existing transaction or arrangement whether or not constituting a contract.
- (C) For the purposes of this Article 31, a conflict of interest includes a conflict of interest and duty, and a conflict of duties, and interest includes both a direct and indirect interest.



- (D) For the purposes of this Article 31, an interest of the appointor of an alternate Director shall be treated as an interest of the alternate Director, without prejudice to any interest the alternate Director may otherwise have.

## **32. SECRETARY**

- 32.1 Subject to the Statutes, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed from office by the Directors but at any time without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two or more persons may be appointed as joint Secretaries and the Directors may also appoint from time to time on such terms as they think fit one or more assistant or deputy Secretaries.
- 32.2 Any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

## **33. AUTHENTICATION OF DOCUMENTS**

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

## **34. THE SEAL/EXECUTION OF DOCUMENTS**

### **34.1 Use of Seal**

- (A) The Directors shall provide for the safe custody of the Seal which shall only be used by the authority of the Directors or of a committee authorised by the Directors in that behalf.
- (B) Subject to Article 6.2, every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors or by one Director and some other person appointed by the Directors for the purpose.
- (C) Where the Statutes so permit, any instrument signed by one Director and the Secretary or by two Directors or by a Director in the presence of a witness who attests his signature and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under the Seal.

### **34.2 Securities Seal**

The Securities Seal (if any) shall be used only for sealing shares or debentures or other securities or options in respect of such securities issued by the Company and documents creating or evidencing securities or options so issued. Any such securities or documents sealed with the Securities Seal shall not be required to be signed.

### **34.3 Resolution to dispense with Seal**

The Directors may resolve (if such is lawful) that the Company shall not have a Seal.

### **34.4 Seal for use abroad**

The Company may have an official seal for use abroad under the provisions of the Statutes.

### **34.5 Execution of Deeds**

An instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.

## **35. MINUTES AND BOOKS**

### **35.1 Minutes**

(A) The Directors shall cause minutes to be made in books provided for the purpose:

- (1) of all appointments of officers made by the Directors;
- (2) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and
- (3) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of the Directors and of all written resolutions of the Directors.

(B) Any such minutes, if purporting to be signed by the Chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence of the facts stated in them without any further proof.

### **35.2 Statutory books**

Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may, subject to the Statutes, be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

## **36. ACCOUNTS**

### **36.1 Records to be kept and inspection of records**

Accounting records which comply with Section 386 of the 2006 Act shall be kept at the Office or (subject to the provisions of the 2006 Act) at such other place in Great Britain as the Directors think fit, and shall always be open to inspection by the officers of the Company. No member (other than a Director or other officer of the Company) or other person shall have any right of inspecting any account or book or document of the Company, except as conferred by the Statutes or authorised by the Directors or by an Ordinary Resolution of the Company or under an order of a Court of competent jurisdiction.

## **36.2 Preparation of accounts and reports**

The Directors shall in respect of each financial year in accordance with the Statutes cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes.

## **36.3 Publication of annual accounts**

A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting and of the Directors' and Auditors' reports shall, not less than twenty-one days before the date of the meeting, be sent to every member and debenture-holder of the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles, provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

## **36.4 Summary financial statements**

The requirements of Article 36.3 shall be deemed satisfied in relation to members by sending to each member, where permitted by the Statutes and instead of the copies referred to in Article 36.3, a summary financial statement derived from the Company's annual accounts and the Directors' report and prepared in the form and containing the information prescribed by the Statutes and any regulations made under them.

## **36.5 Copies to be provided to the UK Listing Authority**

Whenever a listing on the Official List of the UK Listing Authority for all or any of the shares or debentures of the Company for the time being shall be in force, there shall be forwarded to the appropriate officer of the UK Listing Authority, such number of copies of such documents as may for the time being be required under its regulations or practice.

## **37. AUDITORS**

Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes. The Auditors' report to the members made pursuant to the Statutes shall be read before the Company in General Meeting and shall be open to inspection by any member.

## **38. DIVIDENDS**

### **38.1 Declaration of dividends by Company**

Subject to the provisions of the Statutes, the Company may by Ordinary Resolution declare dividends in accordance with the respective rights of the members but no such dividend shall exceed the amount recommended by the Directors.

### **38.2 Payment of fixed and interim dividends**

- (A) The Directors may pay fixed dividends payable on any shares of the Company with preferential rights, half-yearly or otherwise, on fixed dates whenever the profits of the Company in the opinion of the Directors justify that course, and the Directors may also from time to time declare and pay to the holders of any class of shares such interim dividends as appear to the Directors to be justified by such profits.

- (B) The Directors acting in good faith shall not incur any liability to the holders of shares conferring preferential rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferential rights provided that at the time of such declaration no preferential dividend is in arrears.

### **38.3 Dividends paid according to amount and period shares paid up**

- (A) Unless and to the extent that the rights attached to or terms of issue of any shares provide otherwise, 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 a call shall be treated for the purposes of this Article as paid on the share.
- (B) In any other case dividends shall be apportioned and paid in proportion to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly.

### **38.4 Amount due on shares may be deducted from dividends**

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

### **38.5 Dividends paid to member on Register at record date**

All dividends and interest shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the record date fixed in accordance with Article 38.14 notwithstanding any subsequent transfer or transmission of shares.

### **38.6 Retention of dividends on transmission**

The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares contained in these Articles entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

### **38.7 Retention of dividends where Company has a lien**

The Directors may retain any dividends or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

### **38.8 Payment procedure**

- (A) Any dividend, interest or other moneys payable in cash in respect of the shares may be paid by cheque, warrant or similar financial instrument sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque, warrant or similar financial instrument shall be made payable to, or (at the Company's discretion) to the order of, the person to

whom it is sent and may be crossed "A/C Payee" or otherwise and shall be sent at the risk of such person. Payment of any cheque, warrant or similar financial instrument by the banker on whom it is drawn shall be 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 such other means and to or through such person as the holder or joint holders (as the case may be) may in writing direct. If any such dividend or other sum is payable in respect of an uncertificated share and payment is to be made using a Relevant System, the Company shall comply with the requirements of and shall make payment by means of the Relevant System. The Company shall have no responsibility for any sums lost or delayed in the course of any transfer by any of the above methods or where a payment has been made by the correct use of a Relevant System or where the Company has acted on any directions given by the holder or holders of the shares.

- (B) Any one, two or more joint holders or any persons entitled jointly to a share on transmission may give effectual receipts for any dividends or other moneys payable in respect of the shares held by them as joint holders.

### **38.9 Forfeiture of unclaimed dividends**

All dividends unclaimed may be invested or otherwise made use of, at the Directors' discretion, for the benefit of the Company until, subject as provided in these Articles, claimed. 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 Directors 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.

### **38.10 Uncashed dividends**

The Company may cease to send any cheque or warrant through the post or may stop the transfer of any sum by any bank or other funds transfer system, as the case may be, for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if either in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed or the transfer has failed or in respect of one dividend payable on those shares the cheques or warrants have been returned undelivered or remain uncashed or the transfer has failed and reasonable enquiries made by the Company have failed to establish any new address of the holder of those shares but, subject to the provisions of these Articles, shall recommence sending cheques or warrants or transferring funds, as the case may be, in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend in which event the Company shall resume payment of dividend (and arrears) as notified by the claimant or, in the absence of such notification, in the same manner in which payment was effected prior to the suspension of the payment of dividend. If any such cheque, warrant or order has or shall be alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled thereto, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors may think fit.

### **38.11 No interest on dividends**

No dividend or other moneys payable in respect of a share shall bear interest against the Company.

### 38.12 Dividend not in cash

The Company may, upon the recommendation of the Directors, by Ordinary Resolution, direct payment of a dividend wholly or partly by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution (including, without limitation, in relation to fractional entitlements or legal or practical problems under the law of, or the requirements of any recognised regulatory body or any stock exchange in, any country or territory), the Directors may settle the same as they think fit and in particular may issue fractional certificates (or ignore fractions) and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all members and may vest any assets in trustees, upon trust for the members entitled to the dividend and may determine that cash shall be paid to any overseas holder upon the footing of the value so fixed.

### 38.13 Waiver of dividend

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

### 38.14 Record Dates

Notwithstanding any other provision of these Articles but subject always to the Statutes, the Company or the Directors may by resolution specify a date (the "**record date**") as the date at the close of business (or such other time as the Directors may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, allotment, issue, notice, information, document or circular and such record date may be on or before the date the same is made, paid or despatched or (in the case of any dividend, interest, allotment or issue) after the date on which the same is recommended, resolved, declared or announced but without prejudice to the rights inter se in respect of the same of the transferors and transferees of any such shares or other securities.

### 38.15 Scrip dividends

With the prior approval of an Ordinary Resolution of the Company passed at any General Meeting the Directors may, in respect of any dividend specified by the Ordinary Resolution, offer any holders of the Ordinary Shares the right to elect to receive in lieu of that dividend (or part of any of that dividend) an allotment of Ordinary Shares credited as fully paid. In any such case, the following provisions shall apply:

- (A) the Ordinary Resolution may authorise the Directors to make such offer in respect of a particular dividend (whether or not already declared or recommended) and/or in respect of all or any dividends declared, proposed to be paid or made within a period specified by that Ordinary Resolution;
- (B) the basis of allotment shall be determined by the Directors so that the value (calculated at the Relevant Price) of the additional Ordinary Shares each holder of Ordinary Shares who elects to receive the same shall be allotted in lieu of any amount of dividend shall equal as nearly as possible the net cash amount of the dividend that such holder elects to forgo and may (with the sanction of a Special Resolution) exceed such amount. For that purpose, the "**Relevant Price**" of an Ordinary Share shall be the average of the middle market quotations of the

Ordinary Shares on the Official List of the UK Listing Authority, as derived from the Daily Official List, on such five consecutive dealing days as the Board shall determine provided the first of such days shall be on or after the day on which such Ordinary Shares are first quoted "ex" the relevant dividend, or shall be calculated in such other manner as the Directors may determine and is set out in the announcement of the availability of the election in respect of the relevant dividend. A certificate or report by the Auditors as to the amount of the Relevant Price in respect of any dividend shall be conclusive evidence of that amount and in giving such a certificate or report the Auditors may rely on advice or information from brokers or other sources of information as they think fit;

- (C) if the Directors determine to allow such right of election on any occasion they shall give notice in writing to the holders of Ordinary Shares of the right of election offered to them and shall specify the procedure to be followed (which, for the avoidance of doubt, may include an election by means of a Relevant System); the Directors may also establish or vary a procedure for election mandates under which shareholders may elect to receive Ordinary Shares instead of cash both in respect of the relevant dividend and (until they notify the Company that such mandate is revoked) in respect of future dividends not yet declared or resolved (and accordingly in respect of which the basis of allotment shall not have been determined) and the Directors may include in the procedure the right to make and revoke such election by means of a Relevant System;
- (D) 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 Ordinary Shares in respect of which the share election has been duly exercised (the "**elected Ordinary Shares**"), and in the place of that dividend additional shares (subject to paragraph (e) below) shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Directors shall capitalise, out of such of the sums standing to the credit of any reserve (including any share premium account or capital redemption reserve and/or profit and loss account) as the Directors may determine, whether or not the same is available for distribution, a sum equal to the aggregate nominal amount of additional Ordinary Shares to be allotted on such basis and shall apply the same in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to and amongst the holders of the elected Ordinary Shares on such basis;
- (E) no fraction of any share shall be allotted. The Directors may make provisions as they think fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit of any fractions accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any shareholder and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such shareholder of fully paid shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements;
- (F) the additional Ordinary Shares so allotted shall rank *pari passu* in all respects with the fully-paid Ordinary Shares then in issue save only as regards participation in the relevant dividend;
- (G) Article 40.1 shall apply (*mutatis mutandis*) to any capitalisation made pursuant to this Article;
- (H) the Directors may on any occasion determine that rights of election shall not be made available in respect of Ordinary Shares represented by depositary receipts or to any holders of Ordinary Shares with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation

of an offer of rights of election would or might be unlawful, undesirable or impracticable and in such event the provisions of this Article shall be read and construed subject to such determination;

- (I) in relation to any particular proposed dividend the Directors may in their absolute discretion amend, suspend or withdraw the offer previously made to holders of Ordinary Shares to elect to receive additional Ordinary Shares in lieu of the cash dividend (or any part of it) at any time prior to the allotment of the additional Ordinary Shares; and
- (J) unless the Directors otherwise determine, or unless the Regulations and/or the rules of the Relevant System concerned otherwise require the new Ordinary Share or shares which a shareholder has elected to receive instead of cash in respect of the whole (or some part) of the specified dividend declared in respect of his elected Ordinary Shares shall be in uncertificated form (in respect of the shareholder's elected ordinary shares which were in uncertificated form on the date of his election and in certificated form (in respect of the shareholder's elected Ordinary Shares which were in certificated form on the date of his election).

## **39. RESERVES**

- 39.1 The Directors may, before recommending any dividend, set aside out of the profits of the Company and carry to reserve such sums as they think proper, which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and, pending such application, may either be employed in the business of the Company or be invested in such investments (subject to the provisions of the Statutes) as the Directors may from time to time think fit. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it prudent not to divide. The Directors may divide the reserve into any special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided.
- 39.2 The Directors shall transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company shall be issued.

## **40. CAPITALISATION OF RESERVES**

### **40.1 Power to capitalise reserves and funds**

The Company may, upon the recommendation of the Directors, at any time and from time to time pass an Ordinary Resolution to the effect that it is desirable to capitalise all or any part of any amount or such amount (subject to a maximum specified in such resolution) as the Directors may in their absolute discretion determine for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that the amount to be capitalised be set free for distribution among the members or any class of members who would be entitled to it if it were distributed by way of dividend and in the same proportions, on the footing that it is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by those members respectively or in paying up in full unissued shares, debentures or other obligations of the Company to be allotted and distributed credited as fully paid up among those members, or partly in one way and partly in the other, but so that, for the purposes of this Article, a share premium account and a capital redemption reserve, and any reserve or fund representing unrealised profits, may be applied only in paying up unissued shares of the Company as fully paid. The Directors may resolve that any shares so allocated to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividend



only to the extent that the latter shares rank for dividend. The Directors may authorise any person to enter into an agreement with the Company on behalf of the persons entitled to participate in the distribution providing for the allotment to them respectively of any shares, debentures or other obligations of the Company to which they are entitled on the capitalisation and the agreement shall be binding on those persons.

#### **40.2 Settlement of difficulties in distribution**

Where any difficulty arises in regard to any distribution of any capitalised reserve or fund the Directors may settle the matter as they think expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Directors.

### **41. NOTICES**

#### **41.1 Service of notice by the Company**

(A) Any notice or document (including a share certificate) may be given or delivered by the Company to any member entitled to receive such notice by the Company either:

- (1) personally; or
- (2) by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the Register or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid.

(B) The Company may also, subject to the provisions of the Statutes give or send to any members any notice or other document (excluding a share certificate or other document of title):

- (1) in Electronic Form where the Company and that member have agreed to the use of Electronic Form for sending copies of documents to the member and:
  - (a) the documents are documents to which the agreement applies; and
  - (b) copies of the documents, if sent by Electronic Means, are sent to such Address (or to one of such Addresses if more than one) as may for the time being be notified by the Member to the Company for that purpose; or
- (2) by making such notice or other document available on a website where the Company and that member have agreed or in accordance with the Statutes, that member is deemed to have agreed to any notice or other document being sent to the member in that way and:
  - (a) the documents are documents to which the agreement applies; and
  - (b) the member is notified in accordance with the provisions of the Statutes of:
    - (i) the presence of the documents on the website;

- (ii) the address of that website; and
  - (iii) the place on the website where the documents may be accessed and how they may be accessed.
- (C) Subject to the Statutes, a member will be deemed to have agreed to any notice or other document being sent to the member by making it available on a website if:
  - (1) the member has been asked individually by the Company to agree that the Company may send or supply documents or information generally, or the documents or information in question, to him by means of a website; and
  - (2) the Company has not received a response within the period of 28 days beginning with the date on which the company's request was sent.

#### **41.2 Joint holders**

In respect of joint holdings all notices shall be given to the joint holder whose name stands first in the Register in respect of such joint holding, and notice so given shall be sufficient notice to all the joint holders. For such purpose a joint holder having no registered address in the United Kingdom for the service of notices or an Address for the service of notices by Electronic Means, shall be disregarded and shall not be entitled to receive notices or other documents from the Company.

#### **41.3 Members resident abroad**

A member who (having no registered address within the United Kingdom) has not supplied to the Company a postal address within the United Kingdom for the service of notices or an Address for the service of notices by Electronic Means, shall not be entitled to receive notices or other documents from the Company.

#### **41.4 Presence at meeting evidence in itself of receipt of notice**

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

#### **41.5 Notice given by advertisement in certain circumstances**

Any notice to be given by the Company to the members or any of them, and not provided for by or pursuant to these Articles or by the Statutes, shall be sufficiently given if given by advertisement inserted once in at least one national newspaper published in the United Kingdom.

#### **41.6 When notice deemed served**

- (A) Where a notice or other document is given or sent by post it shall be deemed to have been given or delivered 24 hours after it was posted unless it was sent by second class post in which case it shall be deemed to have been given 48 hours after it was posted. In proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, prepaid and posted.
- (B) A notice given by advertisement shall be deemed to have been given or served on the day on which the advertisement appears.

- (C) Any notice or other document delivered or left at a registered address or an address for the service of notices otherwise than by post, shall be deemed to have been served or delivered on the day it was so delivered or left.
- (D) Where a notice or other document is given or sent in Electronic Form it shall be deemed to have been given or delivered:
  - (1) if by Electronic Means, at the expiration of 48 hours from the time it was sent to an Address supplied by the member for that purpose. In proving such service it shall be sufficient to prove that the notice or document was sent in accordance with the ICSA Guidelines; or
  - (2) where that notice or other document is in electronic format (such as CD-ROM or audiotape) and sent by post, 24 hours after it was posted unless it was sent by second class post in which case it shall be deemed to have been given 48 hours after it was posted. In proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, prepaid and posted.
- (E) Where a notice or other document to be given or sent using Electronic Means has failed to be transmitted after three attempts made in accordance with the ICSA Guidelines then, that notice or other document shall nevertheless be deemed to have been sent for the purposes of Article 41.6(D)(1) and without prejudice to Article 41.8, that failure shall not invalidate any meeting or other proceeding to which the notice or document relates. As soon as practicable and in any event within 48 hours of the original attempt a duplicate of the relevant notice or other document shall be sent through the post to the member to his last known address for the service of notices.
- (F) A notice or document given or sent to a member by making it available on a website shall be deemed to have been given or sent when the material was first made available on the website, or if later, when notice of availability of the document was deemed to have been given or sent in accordance with Article 41.6(A) or Articles 41.6(C) - 41.6(D).

#### **41.7 Manner of giving notice of General Meetings**

- (A) Notice of every General Meeting shall, subject to the provisions of these Articles, be given in any manner authorised in these Articles to:
  - (1) every member entitled to notice under Articles 41.1 - 41.3;
  - (2) all persons entitled to a share in consequence of death or bankruptcy of a member in accordance with Article 41.9;
  - (3) the Auditors for the time being of the Company; and
  - (4) the Directors and alternate Directors of the Company.
- (B) No other person shall be entitled to receive notices of General Meetings.

#### **41.8 Omission or non-receipt of notice**

The accidental failure to send any notice or other document to or the non-receipt of any notice or other document by any person entitled to any notice of, or other document relating to, any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

#### **41.9 Service of notice on person entitled by transmission**

A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices and, if he wishes, an Address for the service and delivery of Electronic Communications, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member (but for his death or bankruptcy) would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent to a member in accordance with these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

#### **41.10 Notice when post not available**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company desires to but is unable effectively to convene a General Meeting by notices sent through the post then, notwithstanding the availability of any other method of giving or delivering notices under Article 41.6, a General Meeting may be convened by a notice advertised on the same date in at least one national newspaper published in the United Kingdom and such notice shall be deemed to have been duly served on all members entitled thereto on whom the Company would otherwise have served the relevant notice by post at noon on the day on which the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post to all members on whom it would otherwise have served the original notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

#### **41.11 Power to stop sending notices to untraced shareholders**

If on three consecutive occasions notices have been sent in either or a combination of the following circumstances:

- (A) through the post to any member at his registered address or his address for the service of notices but have been returned undelivered; or
- (B) using Electronic Means to any member at the Address supplied by the member for that purpose but have failed to be transmitted and any duplicate notices sent through the post pursuant to Article 41.6(E) have been returned undelivered,

such member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing to the Office a new registered address or address within the United Kingdom for the service of notices or an Address to which notices may be sent by Electronic Means.

#### **41.12 Service of notice to the Company**

- (A) Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid letter addressed to the Company, or to such officer, at the Office (or to such other place in the United Kingdom as is specified in the document by the Company), or may be given by

Electronic Means to an Address for the time being notified by the Company for that purpose to the person giving the notice.

- (B) Where a document or information is sent or supplied to the Company by a person on behalf of another, the Company may require reasonable evidence of the authority of the former to act on behalf of the latter.
- (C) Subject to any other provisions contained in these Articles, any amendment or revocation of a notification given to the Company under this Article 41.12 shall only take effect if in writing, signed or otherwise Authenticated by the member and on actual receipt by the Company thereof.
- (D) An Electronic Communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

## **42. INDEMNITY AND INSURANCE**

- 42.1 Subject to the provisions of and so far as may be permitted by the Statutes every Director, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted, or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.
- 42.2 Without prejudice to the provisions of Article 42.1 and to the extent permitted by law the Directors shall have power to purchase fund and/or maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, or of any company which is a Subsidiary of the Company or in any way allied to or associated with the Company or any such Subsidiary or of any predecessors of the business of the Company or any such company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company or pension fund.

## **43. LIABILITY OF MEMBERS**

The liability of the members is limited.