

Company No. 3845060

JPMORGAN ELECT PLC

Incorporated on 16<sup>th</sup> September 1999

## ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 20 January 2021)

## INDEX

Headings	Page
PRELIMINARY .....	2
EXCLUSION OF OTHER REGULATIONS .....	9
SHARE CAPITAL .....	9
LIABILITY OF MEMBERS .....	9
ESTABLISHMENT OF THE POOLS .....	9
TREATMENT OF ASSETS AND LIABILITIES OF THE COMPANY .....	9
SHARE RIGHTS.....	10
DIVIDENDS.....	11
RETURN OF ASSETS.....	12
VOTING    13	
CONVERSION OF SHARES .....	15
RECLASSIFICATION OF MANAGED CASH SHARES AND REPURCHASE OF MANAGED CASH SHARES AND REPURCHASE SHARES.....	21
REDEEMABLE SHARES .....	23
RIGHTS AS TO REDEMPTION .....	25
C SHARE ISSUE RIGHTS AND CONVERSION.....	27
FURTHER ISSUES AND RIGHTS ATTACHING TO SHARES ON ISSUE .....	35
REDEEMABLE SHARES .....	35
PAYMENT OF COMMISSIONS .....	35
TRUSTS NOT RECOGNISED .....	35
UNCERTIFICATED SHARES.....	36
SEPARATE HOLDINGS OF SHARES IN CERTIFICATED AND UNCERTIFICATED FORM .....	36
VARIATION OF RIGHTS.....	36
SHARE CERTIFICATES.....	37
LIEN        38	
CALLS ON SHARES AND FORFEITURE.....	39
TRANSFER OF SHARES.....	41

TRANSMISSION OF SHARES .....	42
DISCLOSURE OF INTERESTS.....	43
UNTRACED MEMBERS .....	45
ALTERATION OF CAPITAL .....	46
NOTICE OF GENERAL MEETINGS.....	47
PROCEEDINGS AT GENERAL MEETINGS.....	48
AMENDMENTS TO RESOLUTIONS.....	50
POLLS      51	
VOTES OF MEMBERS.....	52
PROXIES AND CORPORATE REPRESENTATIVES.....	54
APPOINTMENT AND RETIREMENT OF DIRECTORS .....	56
DISQUALIFICATION AND REMOVAL OF DIRECTORS .....	58
ALTERNATE DIRECTORS.....	59
POWERS OF DIRECTORS .....	60
DIRECTORS' REMUNERATION, GRATUITIES AND BENEFITS.....	64
DIRECTORS' APPOINTMENTS AND INTERESTS .....	65
PROCEEDINGS OF DIRECTORS.....	67
DIVIDENDS.....	70
CAPITALISATION OF PROFITS .....	73
CAPITAL RESERVE.....	75
RECORD DATES .....	75
NOTICES AND OTHER COMMUNICATIONS.....	76
ADMINISTRATION .....	80
WINDING UP .....	81
INDEMNITY .....	82

# ARTICLES OF ASSOCIATION

of

## JPMORGAN ELECT PLC

(adopted by special resolution passed on 20 January 2021)

### PRELIMINARY

#### Definitions

1. (1) In these articles the following words bear the following meanings:

"Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006) in so far as they apply to the Company;

"the 2003 Restructuring" means the restructuring of the Company described in the Circular to shareholders dated 28 November 2003;

"Accounting Policy" means the policy relating to the accounts from time to time adopted by the Board;

"Applicable Proportion" has the meaning given in the definition of "Conversion Ratio";

"articles" means the articles of association of the Company;

the "Auditors" means the auditors from time to time of the Company or, in the case of joint auditors, any one of them;

"Borrowing Limit" has the meaning given in article 104;

"Certificated Conversion Notice" has the meaning given in article 10(D);

"clear days" means in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"Conversion Calculation Time" means, in relation to a Conversion Date or a Deferred Conversion Date, the close of business on that Conversion Date or Deferred Conversion Date, as the case may be, or such other time as the Board may determine in accordance with article 10(C);

"Conversion Date" means, subject to article 10(C), 31 May and 30 November of each year, provided that, if any Conversion Date would otherwise fall on a day which is not a business day, such Conversion Date shall be the next following business day;

"Conversion Notice" has the meaning given in article 10(C);

"Conversion Notice Period" means, subject to article 10(C), the period commencing 60 days before, and ending at close of business on the day that is 30 days before the relevant Conversion Date or if such a date is not a business day,

on the next following business day, and such other periods and dates as the Board may determine;

"Conversion Ratio" is the ratio to be used to determine the number of Resulting Shares arising from a reclassification of Converting Shares on the conversion of all or part of any Converting Shares and is determined in accordance with the following formula:

$$\text{Conversion Ratio} = \frac{\text{Converting NAV} \times A}{\text{Resulting NAV} \times B}$$

where:

- (i) "A" is the total number of shares in the relevant Resulting Pool, in issue at the close of business on the day immediately prior to the relevant Conversion Calculation Time;
- (ii) "B" is the number of Converting Shares;
- (iii) "Converting NAV":
  - (a) if the Share Conversion Pool Threshold is not exceeded, is equal to the value of the assets comprising that proportion of the Converting Pool which the total number of Converting Shares bears to the total number of shares having rights over the Converting Pool, as at the close of business on the day immediately prior to the Conversion Calculation Time (the "Applicable Proportion") such value being determined in accordance with article 10, less:
    - (1) the Applicable Proportion of the liabilities (including accrued liabilities) of the Company, including any liabilities accrued but unpaid, which the Board is directed by article 5 to discharge primarily out of the Converting Pool;
    - (2) the costs, fees, expenses, duties, charges, taxes, commissions and spreads associated with the realignment of the assets to be transferred from the Converting Pool to the Resulting Pool, or the Board's reasonable estimate thereof;
    - (3) any amounts due to the manager of the Converting Pool pursuant to the relevant investment management agreement (to the extent not already taken into account);
    - (4) any other costs incurred in the conversion of the Converting Shares to the Resulting Shares, including but not limited to the fees of the Auditors for work carried out pursuant to article 10(I)(ii); or

(b) if the Share Conversion Pool Threshold is exceeded, is equal to the value as at the Conversion Calculation Time of the assets of the Share Conversion Pool, less:

- (1) the Applicable Proportion of the liabilities (including accrued liabilities) of the Company which the Board is directed by article 5 to discharge primarily out of the Converting Pool at the Conversion Calculation Time;
- (2) any amounts due to the manager of the Converting Pool pursuant to the relevant investment management agreement (to the extent not already taken into account); and
- (3) any other costs incurred in the conversion of the Converting Shares to Resulting Shares, including but not limited to the fees of the Auditors for work carried out pursuant to article 10(1)(ii);

provided that if by the Deferred Conversion Date, all necessary costs equivalent to those in sub-clause (iii)(a)(2) above in relation to the calculation of Converting NAV where the Share Conversion Pool Threshold is not exceeded have not been incurred prior to the calculation of Converting NAV at the relevant Conversion Calculation Time there shall be deducted a fair and reasonable estimate by the Board of the outstanding cost, fees, expenses, duties, charges, taxes, commissions and spreads associated with the realignment of the assets to be transferred from the Converting Pool to the Resulting Pool; and

(iv) “Resulting NAV” is equal to the value of the assets comprising the Resulting Pool as at the close of business on the day immediately prior to the Conversion Calculation Time, such value being determined in accordance with article 10, less:

- (1) the liabilities of the Company (including accrued liabilities) which the Board is directed by article 5 to discharge out of the Resulting Pool at the Conversion Calculation Time; and
- (2) any amounts due to the manager of the Resulting Pool pursuant to the relevant investment management agreement (to the extent not already taken into account),

provided that if the ratio resulting from such formula would, when multiplied by the total number of Converting Shares to be converted on the relevant Conversion Date or Deferred Conversion Date (as the case may be) give rise to a number of Conversion Shares which is not a whole number, the ratio shall be rounded down to the least extent necessary to ensure that a whole number of Resulting Shares so arise;

"Conversion Request" has the meaning given in article 12(E);

"Converting Pool" means the Pool over which particular Converting Shares have rights;

"Converting Shares" means shares in respect of which valid Conversion Notices have been received and accepted which are to be reclassified pursuant to article 10;

"Deferred Conversion Date" means the date on which the Board certifies that realignment of the Pools is completed, provided that such date is, so far as is reasonably practicable, not later than one month after the Conversion Date that would have otherwise applied;

"Deferred Shares" means shares arising pursuant to article 10(J) with the rights set out in article 10(O), which shares shall have the nominal value or values determined in accordance with article 10;

"Dissolving Pool" has the meaning given in article 10(S);

"electronic address" means any number or address used for the purposes of sending or receiving notices, documents or information by electronic means;

"electronic form" has the same meaning as in the Acts;

"electronic means" has the same meaning as in the Acts;

"executed" means any mode of execution;

"Founder Shares" means founder shares of 100p each in the capital of the Company;

"holder" means in relation to shares, the member whose name is entered in the register of members as the holder of the shares;

"Listing Rules" means the rules which are made from time to time by the relevant competent authority for the purposes of the regulation of the official listing of the Company's securities on the Stock Exchange;

"Managed Cash Pool" means the assets of the Company from time to time attributable to the Managed Cash Shares including:

- (a) the cash or other proceeds or subscription for, or the payment up of, any Managed Cash Share; and
- (b) all rights or assets of the Company directly or indirectly attaching to, referable to, derived from or acquired using such cash or other proceeds;

"Managed Cash Share Liabilities" means:

- (a) those liabilities incurred by the Company relating to the management of the assets attributable to the Managed Cash Pool; and
- (b) any borrowings or indebtedness associated with the Managed Cash Pool;

"Managed Cash Shares" means shares of an initial nominal value of 0.01p each classified as Managed Cash Shares, in the share capital of the Company;

"Managed Growth Pool" means the assets of the Company from time to time attributable to the Managed Growth Shares, including:

- (a) the cash or other proceeds of subscription for, or the payment up of, any Managed Growth Share; and
- (b) all rights or assets of the Company directly or indirectly attaching to, referable to, derived from or acquired using such cash or other proceeds;

"Managed Growth Share Liabilities" means:

- (a) those liabilities incurred by the Company relating to the management of the assets attributable to the Managed Growth Pool; and
- (b) any borrowings or indebtedness associated with the Managed Growth Pool;

"Managed Growth Shares" means ordinary shares of an initial nominal value of 0.01p each, classified as Managed Growth Shares, in the share capital of the Company;

"Managed Income Pool" means the assets of the Company from time to time attributable to the Managed Income Shares including:

- (a) the cash or other proceeds or subscription for, or the payment up of, any Managed Income Share; and
- (b) all rights or assets of the Company directly or indirectly attaching to, referable to, derived from or acquired using such cash or other proceeds or any rights or assets;

"Managed Income Share Liabilities" means

- (a) those liabilities incurred by the Company relating to the management of the assets attributable to the Managed Income Pool; and
- (b) any borrowings or indebtedness associated with the Managed Income Pool;

"Managed Income Shares" means ordinary shares of an initial nominal value of 0.01p each, classified as Managed Income Shares, in the share capital of the Company;

"Office" means the registered office of the Company;

"Person entitled by Transmission" means a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the Register;

"Pools" means the Managed Income Pool, the Managed Growth Pool, the Managed Cash Pool and the Repurchase Pool;



"Redeemable Shares" means redeemable shares of 100p each in the capital of the Company;

"Redemption Date" means each Conversion Date and any other date determined as such by the Board;

"Redemption Notice" has the meaning given in article 12.2(B);

"Relevant Conversion Number" means, in relation to Converting Shares due to convert on any Conversion Date or Deferred Conversion Date, as the case may be, held by each registered holder of Converting Shares, the result of multiplying the number of those Converting Shares by the Conversion Ratio applicable to conversions occurring on that Conversion Date or Deferred Conversion Date, as the case may be, (disregarding any resulting fractions);

"Repurchase Date" means any Conversion Date or any other date determined by the Board from time to time;

"Repurchase Pool" means the assets of the Company from time to time attributable to the Repurchase Shares including:

- (a) the cash or other proceeds or subscription for, or the payment up of, any Repurchase Shares; and
- (b) all rights or assets of the Company directly or indirectly attaching to, referable to, derived from or acquired using such cash or other proceeds;

"Repurchase Share Liabilities" means:

- (a) those liabilities incurred by the Company relating to the management of the assets attributable to the Repurchase Pool; and
- (b) any borrowings or indebtedness associated with the Repurchase Pool;

"Repurchase Shares" means the Managed Cash Shares which are reclassified as Repurchase Shares in accordance with article 11, and having repurchase rights in the share capital of the Company;

"Resulting Pool" means the Pool over which the relevant Converting Shares will have rights following conversion pursuant to article 10;

"Resulting Shares" means shares arising from a reclassification of Converting Shares pursuant to article 10, having rights over the relevant Resulting Pool;

"seal" means the common seal (if any) of the Company and an official seal (if any) kept by the Company by virtue of section 50 of the Companies Act 2006, 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 a joint, assistant or deputy secretary;

"Share Conversion Pool" has the meaning given in article 10(H)(ii)(c);

"Share Conversion Pool Threshold" has the meaning given in article 10(H)(i);

"Share Liabilities" means Managed Income Share Liabilities, Managed Growth Share Liabilities, Managed Cash Share Liabilities and Repurchase Share Liabilities;

"Share Repurchase Notice" has the meaning given in article 11(D);

"Share Voting Number" has the meaning given in article 9(C);

"Statutes" means the Acts, the CREST Regulations and every other statute for the time being in force concerning companies and affecting the Company;

"Stock Exchange" means London Stock Exchange plc;

"Uncertificated Conversion Notice" has the meaning given in article 10(E);

"Uncertificated Securities Regulations" means the Uncertificated Securities Regulations 2001; and

"Uncertificated Share" means a share of a class which is at the relevant time a participating class title to which is recorded on the Register as being held in uncertificated form and references in these articles to a share being held in uncertificated form shall be construed accordingly; and

"Voting Calculation Date" means the last day of the preceding financial year ("First Voting Calculation Date") or, if the Board so resolves, in accordance with article 9(C), the date that is either (a) six weeks before the date for which the relevant general meeting is originally convened or (b) if that day is not a business day the next following business day ("Second Voting Calculation Date").

- (2) In these articles, references to a share being in uncertificated form are references to that share being an uncertificated unit of a security and references to a share being in certificated form are references to that share being a certificated unit of a security, provided that any reference to a share in uncertificated form applies only to a share of a class which is, for the time being, a participating security, and only for so long as it remains a participating security.
- (3) Save as aforesaid and unless the context otherwise requires, words or expressions contained in these articles have the same meaning as in the Companies Act 2006 or the Uncertificated Securities Regulations (as the case may be).
- (4) Except where otherwise expressly stated, a reference in these articles to any primary or delegated legislation or legislative provision includes a reference to any modification or re-enactment of it for the time being in force.
- (5) 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; and
  - (c) a reference to a person includes a reference to a body corporate and to an unincorporated body of persons.

- (6) In these articles:
- (a) references to writing include references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form, whether sent or supplied in electronic form or made available on a website or otherwise;
  - (b) the words and phrases "other", "otherwise", "including" and "in particular" shall not limit the generality of any preceding words or be construed as being limited to the same class as the preceding words where a wider construction is possible;
  - (c) references to a power are to a power of any kind, whether administrative, discretionary or otherwise; and
  - (d) references to a committee of the directors are to a committee established in accordance with these articles, whether or not comprised wholly of directors.
- (7) The headings are inserted for convenience only and do not affect the construction of these articles.

#### Exclusion of other regulations

2. Neither the regulations contained in Table A to the Companies Act 1985 nor the regulations contained in the Companies (Model Articles) Regulations 2008 apply to the Company.

#### SHARE CAPITAL

##### Liability of members

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

##### Establishment of the pools

4. The directors shall create and maintain the Pools in accordance with the 2003 Restructuring, so that the investments and other assets of the Pools shall be held and maintained separately, or shall otherwise be distinguishable from each other. Any increase or diminution in the value of the investments or assets of a Pool shall be applied to that Pool.

##### Treatment of assets and liabilities of the Company

- 5.
- (A) The Board will discharge the Share Liabilities of a Pool out of the assets attributable to that Pool.
  - (B) Liabilities of the Company other than the Share Liabilities shall be discharged or provided for out of the assets attributable to the Pools pro rata to the respective net

asset value of such Pools as at the day immediately following the preceding Conversion Date or the Deferred Conversion Date (if any).

- (C) The Board shall procure that the Company's books of account, accounting and other records and bank accounts, and those of any nominees of the Company, shall be operated and prepared so that the assets attributable to the Pools and the Share Conversion Pools (if any), can be separately identified and that Share Liabilities and liabilities associated with the Pools and the Share Conversion Pools (if any) can be separately identified.
- (D) If any question shall arise as to whether any investment, cash or other asset or any liability or expense of the Company is attributable to a particular Pool or Share Conversion Pool, the Board (having consulted with the Auditors) shall decide on the matter and that decision shall be final and binding on the Company and its members.
- (E) The Board may, having consulted with the Auditors, adjust the attribution of any investment, cash or other asset of the Company between the Pools and the Share Conversion Pools to compensate for or reflect the contribution of each to the overall tax position of the Company.
- (F) The Board shall allocate to each of the Pools and the Share Conversion Pools such of, or such proportion of, the liabilities (including tax liabilities) and expenses of the Company incurred or accrued or provided for from time to time in the general management and administration of the company as the Board shall consider to be fair and reasonable having regard to:
  - (i) the specific liabilities and expenses incurred or accrued or provided for in the management and administration of each of the Pools and the Share Conversion Pools;
  - (ii) the tax effects for the Company of payments and receipts of the Pools and the Share Conversion Pools of any revenue or capital deficit of the Pools or Share Conversion Pools and of dividends paid by the Company; and
  - (iii) the asset value of the Pools and the Share Conversion Pools and so that the valuation of the Pools and the Share Conversion Pools shall be prepared on a consistent basis and may be adjusted for the purposes of these articles to take account of any realisation, acquisition or change in value if and to the extent that the Board consider appropriate.
- (G) If the assets of a particular Pool are insufficient to satisfy the liabilities attributable to that Pool, and that Pool's pro rata share of any other liabilities, the outstanding liabilities shall be attributable to the other Pools pro rata to the respective net assets of the Pools at whichever is the later of (i) the last day of the preceding financial year or (ii) the immediately preceding Conversion Date.

#### Share rights

- 6. The Shares shall have attached thereto such rights and privileges, and shall be subject to such limitations and restrictions, as are set out in these articles.

## Dividends

7.

- (A) The holders (if any) of the Managed Income Shares shall have the right to receive the profits of the Company (including accumulated revenue reserves) attributable to the Managed Income Pool and available for distribution and determined to be distributed by way of interim or final dividend at such times as the Board may determine.
- (B) The holders of the Managed Growth Shares shall have the right to receive the profits of the company (including accumulated revenue reserves) attributable to the Managed Growth Pool and available for distribution and determined to be distributed by way of interim or final dividend at such times as the Board may determine.
- (C) The holders of the Managed Cash Shares shall have the right to receive the profits of the Company (including accumulated revenue reserves) attributable to the Managed Cash Pool and available for distribution and determined to be distributed by way of interim or final dividend at such times as the Board may determine.
- (D) The holders of the Repurchase Shares shall have the right to receive the profits of the Company (including accumulated revenue reserves) attributable to the Repurchase Pool and available for distribution and determined to be distributed by way of interim or final dividend at such times as the Board may determine.
- (E) The Redeemable Shares shall entitle the holders to a preferential dividend at a fixed rate of 0.01 per cent. of the nominal amount of each of the Redeemable Shares, payable annually in arrear on 31 December (or, if not a business day, on the next following business day) in respect of the 12-month period ending on such date (except that the first dividend on any Redeemable Share will be payable in respect of the period starting on the day after the date of allotment thereof and ending on that date). Such dividend will be payable in priority to the payment of a dividend to the holders of any other class of share of the Company, and shall be paid pro rata from the assets attributable to the Pools over which the Redeemable Shares had rights before they were classified as Redeemable Shares, but the Redeemable Shares do not confer any further right to participate in the Company's profits.
- (F) The Founder Shares shall entitle the holders to a preferential dividend at a fixed rate of 0.01 per cent. of the nominal amount of each of the Founder Shares, payable annually in arrear on 31 December (or, if not a business day, on the next following business day), such dividend to be borne by the Pools pro rata, in respect of the 12-month period ending on such date (except that the first dividend on any Founder Share will be payable in respect of the period starting on the day after the date of allotment thereof and ending on that date). Such dividend will be payable after payment of a dividend to the holders of any other class of share of the Company, and the Founder Shares do not confer any further right to participate in the Company's profits.
- (G) The Deferred Shares shall entitle the holders to a dividend at a fixed rate of 0.001 per cent. of the total nominal amount thereof payable on the date following six

months after the Conversion Date or Deferred Conversion Date, as the case may be, on which they arise, to the holders of Deferred Shares on the Register at the date, but shall confer no other right to share in the profits of the Company.

- (H) The C Shares and Deferred C Shares shall have the rights to dividends as set out in article 13.
- (I) In respect of any financial year, to the extent that there remain outstanding profits of the Company attributable to a Pool and accumulated revenue reserves of the Company as a whole, the Board may determine to distribute such profits and reserves by way of dividend to holders of the shares with rights over that Pool taking into account the number of Converting Shares in such financial year based upon the distribution policy stated.

#### Return of assets

- 8. On a return of assets, on liquidation or otherwise the surplus assets of the Company:
  - (A) available for distribution first will be paid to the holders of the Redeemable Shares, pro rata from the assets attributable to the Pools over which the Redeemable Shares had rights before they were classified as Redeemable Shares, in respect of each such share, the nominal amount thereof and shall in no circumstances exceed that nominal amount;
  - (B) available for distribution secondly will be paid to the holders of the Founder Shares, pro rata from the assets attributable to the Pools, in respect of each such share, the amount paid up thereon and shall in no circumstances exceed that amount;
  - (C) comprised in the Managed Income Pool, after payment of all debts and satisfaction of all Managed Income Share Liabilities and any other liabilities of the Company, including without limitation the Share Liabilities not otherwise paid and satisfied, and those Share Liabilities attributed to the Managed Income Pool in accordance with article 8(H), shall be paid to the holders of the Managed Income Shares (and distributed amongst such holders rateably according to the amounts paid up on the Managed Income Shares held by them respectively);
  - (D) comprised in the Managed Growth Pool, after payment of all debts and satisfaction of all Managed Growth Share Liabilities and any other liabilities of the Company, including without limitation the Share Liabilities not otherwise paid and satisfied, and those Share Liabilities attributed to the Managed Growth Pool in accordance with article 8(H), shall be paid to the holders of the Managed Growth Shares (and distributed amongst such holders rateably according to the amounts paid up on the Managed Growth Shares held by them respectively);
  - (E) comprised in the Managed Cash Pool, after payment of all debts and satisfaction of all Managed Cash Share Liabilities and any other liabilities of the Company, including without limitation the Share Liabilities not otherwise paid and satisfied, and those attributed to the Managed Cash Pool in accordance with article 8(H), shall be paid to the holders of the Managed Cash Shares (and distributed among

such holders rateably according to the amounts paid up on the Managed Cash Shares held by them respectively);

- (F) comprised in the Repurchase Pool, after payment of all debts and satisfaction of all Repurchase Share Liabilities and any other liabilities of the Company, including without limitation the Share Liabilities not otherwise paid and satisfied shall be paid to the holders of the Repurchase Shares (and distributed among such holders rateably according to the amounts paid up on the Repurchase Shares held by them respectively);
- (G) On a return of assets, the holders of the Deferred Shares and the Deferred C Shares shall not be entitled to any repayment of capital (except for whichever is the lesser of (i) 1p per Deferred Share or Deferred C Share or (ii) the nominal value of each such Deferred Share or Deferred C Share, payable (in either such case) only after the sum of £10,000 has been paid in respect of each Managed Income Share, Managed Growth Share, Managed Cash Share and Repurchase Share);
- (H) If, in the course of the liquidation of the Company, an amount of a debt or liability which is attributable to one Pool is met in whole or in part from assets attributable to any other Pool or Pools then assets of the first mentioned Pool of a value (conclusively determined by the Board) equivalent to such amount shall become attributed to the Pool or Pools from which the debt or liability has been met; and
- (I) If, in the course of liquidation of the Company the assets attributable to a particular Pool are insufficient to satisfy the Share Liabilities attributable to that Pool and that Pool's pro rata share of any other liabilities, the outstanding liabilities shall be attributed to the other Pools pro rata to the net assets of the respective Pools at whichever is the later of (i) the last day of the preceding financial year; or (ii) the immediately preceding Conversion Date.

## Voting

9.

- (A) Subject to article 9(B), the holders of the shares with rights over a Pool shall have the right to receive notice of and to attend and vote at any general meeting of the Company. At a general meeting on a show of hands a holder of a class of share who is present shall have one vote and on a poll a holder of a class of share who is present shall, in respect of that class of share, have a number of votes equal to the relevant Share Voting Number for that class, multiplied by the number of shares of that class held by the holder of that class of shares.
- (B) Holders of shares with rights over a Pool shall not have the right to vote at a general meeting of the Company in relation to the declaration of a dividend in respect of shares with rights over other Pools, on changes (material or otherwise) to the investment policy of other Pools, or the appointment of a manager to other Pools or the termination of any such appointment or the terms (including any amendment or variation thereof) of any contract appointing such manager, or on any other resolutions which the Board determines are not relevant to the holders of Shares in that particular Pool.
- (C) "Share Voting Number", in respect of a class of share, means a number equal to the Net Asset Value of that Pool divided by the number of shares in that Pool

calculated at the Voting Calculation Date or, if the Board in its sole discretion, so resolves as at the Second Voting Calculation Date. The Share Voting Number shall be given to two decimal places, unless this would result in two or more classes of share having the same Share Voting Number, in which case it shall be given to the number of decimal places which are required to differentiate between them. The determination by the Board of the Share Voting Number shall be final.

- (D) For the purposes of this article 9, “Net Asset Value” means the net asset value as set out in an auditors’ report calculated in accordance with these articles and the Accounting Policy of the Company.
- (E) The Board shall notify shareholders of the Share Voting Number in respect of each class of share, by either (i) printing the relevant Share Voting Number on the proxy form for the relevant meeting, or (ii) displaying the relevant Share Voting Number at the venue of the relevant meeting in a prominent place.
- (F) The Company shall not, without the previous sanction of a special resolution of the holders of the shares with rights over a particular Pool, passed at a separate meeting of such holders convened and held in accordance with the provisions of these articles:
  - (i) pass a resolution to reduce the share capital or share premium of the Company attributable to the shares with rights over the relevant Pool in any manner; or
  - (ii) pass a resolution to alter, increase, consolidate, divide, cancel or purchase by the Company its share capital, except:
    - (a) as required on a conversion of shares or in circumstances contemplated in article 10;
    - (b) to authorise the purchase by the Company, pursuant to chapter 4 of Part 18 of the Companies Act 2006 of such number of shares as shall together constitute not more than 15 per cent. of any class of the equity shares of the Company (or such higher number as shall be permitted by the Listing Rules from time to time) as at the date of such resolution and so that:
      - (1) the purchase of shares with rights over any other Pool shall be deemed not to constitute a variation of the class rights of holders of shares with rights over the Pool; and
      - (2) there shall be no limit to the number of such resolutions which may be passed;
    - (c) to authorise the purchase of Deferred Shares or Deferred C Shares, pursuant to Chapter 4 of Part 18 of the Companies Act 2006 for a nominal consideration and so that the purchase of Deferred Shares shall be deemed not to constitute a variation of the class rights of holders of shares; or
  - (iii) pass a resolution to authorise the issue and allotment of any security convertible into any share capital of the Company except:



- (a) as required on a conversion of shares in the manner contemplated in article 10;
  - (b) to authorise the allotment by the Company, pursuant to section 551 of the Companies Act 2006 of relevant securities or any security convertible into any share capital of the Company up to an aggregate nominal amount not exceeding one third of the then issued share capital of the Company as shown in the then latest published annual accounts of the Company;
  - (c) to authorise the allotment by the Company, pursuant to sections 570, 571 and 573 of the Companies Act 2006 of equity securities or any security convertible into any share capital of the Company for cash on a non pre-emptive basis, of the entire unissued share capital of the Company as shown in the then latest published annual accounts of the Company, and so that section 561 of the Companies Act 2006 does not apply to the allotment of such equity securities or any security convertible into any share capital of the Company; or
  - (iv) pass a resolution for the voluntary winding up of the Company; or
  - (v) alter the memorandum or these articles in such a way as to materially affect the class rights of holders of shares of the relevant Pool; or
  - (vi) pass a resolution authorising a liquidator to distribute assets of the Company attributable to the Pool on a winding up of the company; or
  - (vii) pass a resolution sanctioning borrowings of the Company in excess of the limit imposed in these articles.
- (G) Neither the holders of the Redeemable Shares nor, so long as there are Managed Cash, Managed Growth or Managed Income Shares in issue, the holders of the Founder Shares will have any right to receive notice of or vote at any general meeting of the Company. Where there are no Managed Cash, Managed Growth or Managed Income Shares in issue, the holders of the Founder Shares will have the right to receive notice of, and to vote at, general meetings of the Company. In such circumstances, each holder of a Founder Share who is present in person (or, being a corporation, by representative) at a general meeting will have on a show of hands one vote and on a poll every such holder who is present in person or by proxy (or, being a corporation, by representative) will have one vote in respect of each Founder Share held by him.
- (H) The holders of Deferred Shares and the Deferred C Shares shall not be entitled to receive notice of, attend or vote at a general meeting of the Company.
- (I) The voting rights of the holders of C Shares are set out in article 13(G).

#### Conversion of Shares

10.

- (A) Subject to the provisions of this article 10, each holder of shares having rights over a Pool (other than the Repurchase Pool) shall be entitled as set out in these articles

to convert all or any of his/her shares into shares having rights over the Managed Cash, Managed Growth or Managed Income Pools). The Board shall reclassify such shares in accordance with and subject to the procedure set out in this article 10.

- (B) The Company shall make available to shareholders the form of the Conversion Notice.
- (C) The term “Conversion Notice” means, in relation to any shares that are in certificated form on any Conversion Date, a Certificated Conversion Notice, or, in relation to any shares that are in uncertificated form on any Conversion Date, an Uncertificated Conversion Notice. Whether any Shares are in certificated form or uncertificated form on a Conversion Date, and who is treated as the holder of (and of how many) Converting Shares for the purposes of these articles, shall be determined by reference to the Register as at 12.01 a.m. on that Conversion Date or Deferred Conversion Date, as the case may be, or such other time as the Board may (subject to the facilities and requirements of the relevant system concerned) in its absolute discretion determine. If during the Conversion Notice Period, shares in uncertificated form become Shares in certificated form, then the Board shall, in its discretion, treat those Shares as either uncertificated or certificated for the purposes of this article 10 and shall modify the requirements in respect of those shares accordingly.
- (D) In relation to any shares that are in certificated form on any Conversion Date, or Deferred Conversion Date, as the case may be, the right to convert shall be exercised (and treated by the Company as exercised) on that Conversion Date or Deferred Conversion Date, as the case may be, if a notice in such form as the Board may from time to time prescribe (in each case a “Certificated Conversion Notice”) is duly completed and lodged with the Registrars at any time during the Conversion Notice Period ending immediately prior to that Conversion Date or Deferred Conversion Date, as the case may be, together with such other evidence (if any) as the Board may reasonably require of the title and claim of the person exercising such right to convert. To be valid, a Certificated Conversion Notice relating to Shares held jointly must be signed by all holders.
- (E) In relation to any shares that are in uncertificated form on any Conversion Date or Deferred Conversion Date, as the case may be, the right to convert shall be exercised (and treated by the Company as exercised) on that Conversion Date or Deferred Conversion Date, as the case may be, if an Uncertificated Conversion Notice is received as referred to below at any time during the Conversion Notice Period ending immediately prior to that Conversion Date or Deferred Conversion Date, as the case may be. For these purposes, an “Uncertificated Conversion Notice” shall mean a properly authenticated dematerialised instruction and/or other instruction or notification received by the Company or by such person as it may require in such form and subject to such conditions as may from time to time be prescribed by the Board (subject always to the facilities and requirements of the relevant system concerned). The Board may in addition determine when any such properly authenticated dematerialised instruction and/or other instruction or notification is to be treated as received by the Company or by such person as it may require for these purposes (subject always to the facilities and requirements of the relevant system concerned) and may treat instructions or notifications as received only once settled. Without prejudice to the generality of the foregoing,

the effect of the properly authenticated dematerialised instruction and/or other instruction or notification referred to above may be such as to divest the holder of the shares concerned of the power to transfer such shares to another person.

- (F) A Conversion Notice once lodged, in the case of a Certificated Conversion Notice, or received, in the case of an Uncertificated Conversion Notice, may not be withdrawn without the consent in writing of the Board. To be effective, a Conversion Notice or Uncertificated Conversion Notice must specify the number of Converting Shares which are to be converted, which number must not, in the case of a class of share, be less than 1,000. The Board may, at its discretion, permit different arrangements to apply to any holder or nominee holder.
- (G) Conversion of such Converting Shares as are due to be converted on any Conversion Date (the “Relevant Conversion Date”) shall be effected in accordance with articles 10(H) to 10(J).
- (H)
  - (i) As soon as practicable following the end of the Conversion Notice Period, the Board shall determine, based upon the number of Converting Shares to be converted as at the Conversion Date or the Deferred Conversion Date, as the case may be, whether the estimated value of the assets to be transferred from each Converting Pool to each Resulting Pool on a net basis would be greater, in total, than 5 per cent. or such other percentage as the directors may determine, of the estimated gross assets of the Converting Pool as at the Calculation Time (the “Share Conversion Pool Threshold”).
  - (ii) Where the estimated net asset value to be transferred is greater than the Share Conversion Pool Threshold and/or the Board in its discretion determines that a Deferred Conversion Date is needed, the following provisions shall apply:
    - (a) the conversion shall take place at the Deferred Conversion Date and the Calculation Time shall be interpreted accordingly;
    - (b) the Conversion Ratios applicable where the Share Conversion Pool Threshold is exceeded shall apply; and
    - (c) assets comprising that proportion of the Converting Pool which the total number of Converting Shares with rights over the relevant pool bears to the total number of shares having rights over the Converting Pool at the close of business on the Conversion Date (and which assets comprising that proportion shall be chosen by the directors in their absolute discretion) shall be segregated from the remainder of the assets comprising the Converting Pool in a separate pool (the “Share Conversion Pool”) and from that date those assets shall be realigned by the manager of the Resulting Pool in order to meet the investment policies and guidelines of the Resulting Pool, such realignment to be effected as soon as reasonably practicable (to be determined by the Board in its sole discretion) and so far as possible no later than one month after the Conversion Date which would have applied had the Share Conversion Pool Threshold not been met.

- (iii) Where the estimated net asset value to be transferred is less than the Share Conversion Pool Threshold and/or the Board in its discretion determines that a Deferred Conversion Date is not needed, the following provisions shall apply:
  - (a) conversion shall take place on the Conversion Date and the Calculation Time shall be interpreted accordingly; and
  - (b) the Conversion Ratios applicable where the Share Conversion Pool Threshold is not exceeded shall apply.
- (I) Prior to the relevant Conversion Calculation Time:
  - (i) the Directors shall take all reasonable steps to determine:
    - (a) the Conversion Ratio applicable on the relevant Conversion Date or Deferred Conversion Date, as the case may be;
    - (b) the numbers of Resulting Shares and Deferred Shares to which each holder of Converting Shares is entitled on conversion, calculated in accordance with article 10(J); and
    - (c) any adjustments required to be made under article 10(R); and
  - (i) the directors shall instruct the Auditors to report on whether such determinations have been performed in accordance with these articles and the guidelines referred to in article 10(Q) and are arithmetically accurate, and if the Auditors shall so report then such determinations shall become final and binding on the Company and its members.
- (J) Following completion of the matters set out in article 10(I) and with effect from the relevant Conversion Calculation Time the Converting Shares held by each registered holder of such Converting Shares shall be converted into that number of Resulting Shares resulting from multiplying the number of such Converting Shares by the Conversion Ratio but so that:
  - (i) if the aggregate nominal value of the Converting Shares is greater than the aggregate nominal value of the Resulting Shares which would arise upon such conversion:
    - (a) the Converting Shares shall be consolidated, sub-divided and converted into such number of Resulting Shares as aforesaid; and
    - (b) one Deferred Share shall also arise in respect of each Converting Share with a nominal value equal to the difference between the aggregate nominal value of the Converting Shares and the aggregate nominal value of the resulting Resulting Shares divided by the number of Deferred Shares so created; and
  - (ii) if the aggregate nominal value of the Converting Shares is less than the aggregate nominal value of the Resulting Shares which would arise upon such conversion:

- (a) the Converting Shares shall be consolidated, sub-divided and converted into Resulting Shares with a nominal value equal to the aggregate nominal value of such Converting Shares divided by the number of Resulting Shares thereby arising; and
  - (b) contemporaneously with the conversion of the Converting Shares, each share of the class into which the Converting Shares are being converted (other than the Resulting Shares arising on such conversion and any shares of that class which are Converting Shares) shall be sub-divided into Resulting Shares with a nominal value equal to the nominal value determined pursuant to paragraph 10(J)(ii)(a) and a Deferred Share with a nominal value equal to the difference between the nominal value of a Resulting Share immediately prior to such sub-division and the nominal value referred to in paragraph 10(J)(ii)(a).
- (K) The assets (which may comprise investments, cash or other current assets or any combination of investments, cash or other current assets) transferred in connection with any conversion of Converting Shares to Resulting Shares and the accounting treatment of such transfers shall be determined by or in accordance with guidelines set by the Board. The Board shall procure that all necessary transfers of assets and accounting entries are made so as to give effect to and record such conversions.
- (L) The Company will use its reasonable endeavours to procure that shares arising on conversion (other than Deferred Shares) are admitted to the Official List of the UK Listing Authority and admitted to trading by the Stock Exchange.
- (M) Shares arising on conversion (other than Deferred Shares) shall carry the right to receive all dividends and other distributions declared, paid or made on the shares having rights over the Resulting Pool by reference to a record date falling after the Conversion Calculation Time at which they arise, but not by reference to a record date falling before that Conversion Calculation Time and shall otherwise rank *pari passu* in all respects with the shares having rights over the Resulting Pool then in issue and fully paid.
- (N) Following the Board's determination pursuant to article 10(C), unless the Board otherwise determines, or unless the regulations and/or the rules of the relevant system concerned otherwise require, the shares arising on conversion shall be in uncertificated form (where the Converting Shares converted were in uncertificated form on the Conversion Date or Deferred Conversion Date, as the case may be, concerned) or in certificated form (where the Converting Shares converted were in certificated form on the Conversion Date or Deferred Conversion Date, as the case may be, concerned).
- (O) Any Deferred Shares arising on conversion will be in certificated form (unless the Board otherwise determines), and will (save as provided below) not be transferable. The Board may at any time resolve that any Deferred Shares shall be transferred for no consideration to a person nominated by it and for that purpose shall be entitled to nominate a person to execute any form of transfer or other document necessary to give effect thereto as attorney for the holder of any such Deferred Shares. Subject to the provisions of the Acts and to any relevant authority of the Company in general meeting required by the Acts, the Board shall be empowered, for the purpose of giving effect to any conversion, consolidation or sub-division of

Deferred Shares into any other class of shares of the Company, to authorise any person to execute any transfer of shares of any class (including but not limited to Deferred Shares) which may in the opinion of the Board be expedient for such purposes.

- (P) As soon as practicable:
- (i) the Company shall notify holders of Converting Shares of the Conversion Ratio;
  - (ii) the Company shall send to each holder of Converting Shares that are in certificated form, by post at his own risk, free of charge, a definitive certificate for the appropriate number in each case of fully-paid shares, arising on conversion and a new certificate for any unconverted shares comprised in any certificates surrendered by him. In the meantime, transfers by such holders of Shares in certificated form shall be certified against the Register; and
  - (iii) the Company shall announce the Conversion Ratio applicable on the Conversion Date or Deferred Conversion Date, as the case may be, and the number of Resulting Shares in accordance with the Listing Rules.
- (Q) The Board has set guidelines (which the Board may from time to time amend) for the determination of the value of investments, current assets and liabilities of the Company used in the calculation of the Conversion Ratio. These guidelines include the method of valuing quoted and unquoted investments, the treatment of any non-sterling denominated investments, assets or liabilities, the accrual policy for income and expenses and such other matters as the Board considers appropriate. The Board shall be entitled to make such changes to the guidelines as may be fair and reasonable, subject to the approval of the Auditors from time to time of the Company.
- (R) The Board may:
- (i) change the date or dates on which Conversion Dates fall;
  - (ii) set additional Conversion Dates;
  - (iii) change the period of days and the time specified in the definition of Conversion Notice Period and/or treat a Conversion Notice as effective in respect of a Conversion Date or Deferred Conversion Date, as the case may be, notwithstanding that the Conversion Notice is received outside the Conversion Notice Period relating to that Conversion Date or Deferred Conversion Date, as the case may be;
  - (iv) at any time prior to the completion of the matters set out in articles 10(H) and 10(J) in respect of a Conversion Date or Deferred Conversion Date, as the case may be, cancel or postpone to a later date set by the Board any conversions of Converting Shares due to occur on that Conversion Date or Deferred Conversion Date, as the case may be, if the Board determines that such a cancellation or postponement would be in the best interests of members; and

- (v) make such other changes to the procedure by which or the basis on which shares are to convert as the Board (after consultation with the Auditors) shall consider fair and reasonable.
- (S) The Board may, having consulted with the Auditors, dissolve the Managed Growth Pool or Managed Income Pool or Managed Cash Pool or Pools ("Dissolving Pool") if the net assets of the relevant Pool are less than £5 million. The Board shall discharge the Share Liabilities attributable to the Dissolving Pool from the assets attributable to that Pool. Any existing holders of Shares with rights over that Pool shall be deemed to have elected to convert their shareholding in accordance with article 10 and their Shares shall be converted into the Shares of another Pool, as determined by the Board in its absolute discretion, in accordance with articles 10(H) to 10(J). The Company shall comply with all legislation and regulations in force from time to time in dissolving such Pool and removing the shares attributable to the Dissolving Pool from the Official List of the UK Listing Authority and from trading on the Stock Exchange.
- (T) The Board may at any time set a maximum number of Managed Cash, Managed Growth or Managed Income Shares which may be converted on any Conversion Date and may change such maximum in their absolute discretion from time to time. On any Conversion Date on which the Board resolves to give effect to Conversion Notices, the Company will not give effect to Conversion Notices in respect of more than any such maximum number of Managed Cash, Managed Growth or Managed Income Shares. If on any Conversion Date the number of Managed Cash, Managed Growth or Managed Income Shares for which valid Conversion Notices have been delivered (accompanied by any relevant documents) would, if the same were given effect to, cause the limit described in this article 10(T) to be exceeded, the number of Managed Cash, Managed Growth or Managed Income Shares will be reduced pro rata according to the number of Managed Cash, Managed Growth or Managed Income Shares to which each such Conversion Notice relates and each such Conversion Notice will be deemed not to apply to the balance of the Managed Cash, Managed Growth or Managed Income Shares to which it would otherwise apply.
- (U)
  - (i) All calculations required to be carried out shall, so far as is reasonably practicable, be expressed to such number of decimal places as is necessary to ensure that no such conversion, sub division, redesignation, consolidation or other like transaction as is mentioned in and effected under this article 10 shall give rise to any change (including a fractional change) in the amount of the aggregate nominal capital of the Company.
  - (ii) Where any such calculation is a division the result of which is a recurring number, that number shall be rounded to five decimal places and any other calculation made contemporaneously shall be adjusted in such manner (in each case) as may be mathematically appropriate to secure compliance with the provisions of the preceding sub paragraph of this article 10(U).

Reclassification of managed cash shares and repurchase of managed cash shares and repurchase shares

11.

- (A) A request that Managed Cash Shares in certificated form be repurchased on any Repurchase Date may be effected by the holder delivering to the Company at its registered office (or to such other address or such other person as the Board may designate for the purpose) a duly completed Share Repurchase Notice within such time prior to such Repurchase Date as may be set by the Board in accordance with the procedures set out from time to time by the by the Board. A request that Managed Cash Shares in uncertificated form be repurchased on any Repurchase Date may be effected by delivery to the Company (or such other person as the Board may designate for the purpose) of a Share Repurchase Notice within such time prior to such Repurchase Date as may be set by the Board in accordance with, and otherwise in compliance with, the procedures prescribed by the Board. For the purposes of the provisions of these articles, the expression “Share Repurchase Notice” means a form of reclassification and repurchase in such form as the Board may from time to time prescribe and may in the case of Managed Cash Shares in uncertificated form mean an instruction sent by means of a relevant system (as defined in the Uncertificated Securities Regulations) in such form as the Board may from time to time prescribe. The Board may in its absolute discretion accept as valid a Share Repurchase Notice in respect of a Repurchase Date given at any time on or prior to such Repurchase Date and/or given otherwise than in accordance with these articles. A Share Repurchase Notice once given may not be withdrawn without the written consent of the Company.
- (B) The Company shall make available to holders of Managed Cash Shares the form of the Share Repurchase Notice.
- (C) The Managed Cash Shares may, at the complete discretion of the Board, on any Repurchase Date and in the manner and subject to the provisions of these articles, be reclassified as Repurchase Shares pursuant to this article 11, provided that no Managed Cash Share may be so reclassified unless the holder thereof has requested that their shares be repurchased in accordance with and subject to the provisions of these articles.
- (D) Where Managed Cash Shares are to be reclassified as Repurchase Shares pursuant to the provisions of these articles:
- (i) each such Managed Cash Share will be reclassified as a fully paid Repurchase Share with a nominal value equal to the nominal value of the Managed Cash Shares immediately before such reclassification;
  - (ii) the value of assets comprising that proportion of the Managed Cash Pool which the number of Managed Cash Shares to be so reclassified bears to the total number of Managed Cash Shares at the close of business on the day before the Repurchase Date (the “Applicable Repurchase Proportion”) less:
    - (1) the Applicable Repurchase Proportion of the liabilities (including accrued liabilities) of the Company which the Board is directed by article 5 to discharge primarily out of the Repurchase Pool;
    - (2) the costs, fees, expenses, duties, charges, taxes, commissions and spreads associated with the realignment of the assets to be transferred from the Managed Cash Pool to the Repurchase Pool;



- (3) any amounts due to the manager of the Managed Cash Pool pursuant to the relevant investment management agreement (to the extent not already taken into account); and
  - (4) any other costs incurred in the conversion of the Managed Cash Shares to the Repurchase Shares; and
- (iii) shall be segregated from the remainder of the assets comprising the Managed Cash Pool (such assets to be chosen by the Board in its absolute discretion), in the Repurchase Pool.
- (E) The Repurchase Shares to which a holder is entitled on reclassification of Managed Cash Shares will rank *pari passu* in all respects and form one class with any other Repurchase Shares issued on the same day. Unless the Board otherwise determines, Managed Cash Shares in certificated form will be reclassified as Repurchase Shares in certificated form and Managed Cash Shares in uncertificated form will be reclassified as Repurchase Shares in uncertificated form. The Board need not issue or despatch any certificate in respect thereof.
- (F) The Board may in its absolute discretion from time to time decide the manner in which Managed Cash Shares are to be reclassified as Repurchase Shares, subject to the provisions of these articles and the Statutes.
- (G) The Board has the discretion, but not the obligation to reclassify Managed Cash Shares pursuant to the receipt of a relevant Share Repurchase Notice and has the discretion, but not the obligation, to repurchase any such shares contained therein pursuant to the Statutes and the articles.
- (H) In making any determination or exercising any discretion under any of the provisions of these articles referred to in this article 11, the Board may act upon the basis of such information as may be known to them without any obligation to make special enquiries of any particular holder or holders of Managed Cash Shares.

## 12. Redeemable Shares

### 12.1

- (A) The Shares (excluding the Redeemable Shares) are liable, at the option of the Board on any Conversion Date and in the manner and subject to the provisions of the articles, to be converted into Redeemable Shares, provided that no Share may be so converted unless the holder thereof has requested that they be so converted in the manner and subject to the provisions of these articles.
- (B) Where Shares comprised in the holding of any holder are to be converted into Redeemable Shares pursuant to the provisions of these articles such Shares will be converted into such number of fully paid Redeemable Shares as have an aggregate nominal value equal to the aggregate Net Asset Value of the relevant Shares on the relevant Conversion Date of the Shares to be converted. For the purposes of this article 12.1, "Net Asset Value" means the net asset value of the relevant Shares, calculated in accordance with the guidelines from time to time published by the Association of Investment Trust Companies or on such other basis as the Board may determine.

- (C) If as a result of conversion relevant holders would otherwise become entitled to fractions of a Redeemable Share, such fractions will not be allotted and relevant holders' entitlements will be rounded down to the nearest whole number of Redeemable Shares. For the purposes of calculating the number of Redeemable Shares to which a holder of Shares is entitled on conversion, holdings of Shares in certificated form and of Shares in uncertificated form will be treated as separate holdings unless the Board otherwise determines.
- (D) The Board may at any time set a maximum number of Shares which may be converted into Redeemable Shares on any Conversion Date and may change such maximum in their absolute discretion from time to time. On any Conversion Date on which the Board resolves to give effect to Conversion Requests, the Company will not give effect to Conversion Requests in respect of more than any such maximum number of Shares. If on any Conversion Date the number of Shares for which valid Conversion Requests have been delivered (accompanied by any relevant documents) would, if the same were given effect to, cause the limit described in this article 12.1(D) to be exceeded, the number of Shares to be converted on such Conversion Date will be reduced pro rata according to the number of Shares to which each such Conversion Request relates and each such Conversion Request will be deemed not to apply to the balance of the Shares to which it would otherwise apply.
- (E) A request that Shares in certificated form be converted on any Conversion Date may be effected by the holder delivering to the Company at its registered office (or to such other address or such other person as the Board may designate for the purpose) a duly completed Conversion Request within such time prior to such Conversion Date as may be set by the Board, together with the certificate(s) in respect of the Shares to be converted and such other evidence as the Board may reasonably require to prove the title of the holder and the due execution by him of the Conversion Request or, if the Conversion Request is executed by some other person on his behalf, the authority of that other person to do so. A request that Shares in uncertificated form be converted on any Conversion Date may be effected by delivery to the Company (or such other person as the Board may designate for the purpose) of a Conversion Request within such time prior to such Conversion Date as may be set by the Board in accordance with, and otherwise in compliance with, the procedures prescribed by the Board. For the purposes of the provisions of the articles, the expression "Conversion Request" means a form of conversion request and notice of redemption in such form as the Board may from time to time prescribe and may in the case of Shares in uncertificated form mean an instruction sent by means of a relevant system (as defined in the Uncertificated Securities Regulations) in such form as the Board may from time to time prescribe. The Board may in their absolute discretion accept as valid a Conversion Request in respect of a Conversion Date given at any time on or prior to such Conversion Date and/or given otherwise than in accordance with these articles. A Conversion Request once given may not be withdrawn without the written consent of the Company.
- (F) In the case of holders of Shares in certificated form, the Board may at their option dispense with the requirement that a share certificate which has become lost or destroyed be produced together with a Conversion Request upon compliance by the holder of Shares with the like requirements to those applying in the case of an application by him for replacement of a lost or destroyed certificate.

- (G) The Redeemable Shares to which a holder is entitled on conversion of Shares will (save as regards ranking for dividend) rank pari passu in all respects and form one class with any other Redeemable Shares then in issue. Unless the Board otherwise determine, Shares in certificated form will be converted into Redeemable Shares in certificated form and Shares in uncertificated form will be converted into Redeemable Shares in uncertificated form.
- (H) Shares which are converted on a Conversion Date into Redeemable Shares will not rank for any dividend declared or paid on the Shares after the Conversion Date.
- (I) The Board may in their absolute discretion from time to time decide the manner in which Shares which are to be converted on any Conversion Date (“relevant shares”) are converted into Redeemable Shares, subject to the provisions of these articles and the Statutes.
- (J) Conversion will become effective on or within 10 business days after the relevant Conversion Date. A certificate for certificated new Redeemable Shares which have not previously been redeemed will be sent within two months of the relevant Conversion Date to each holder without charge, with a new certificate for any balance of unconverted Shares comprised in the surrendered certificate. To the extent that the Redeemable Shares are redeemed on the Conversion Date in accordance with article 12.2 below, the Board need not issue or despatch any certificate in respect thereof.
- (K) In making any determination or exercising any discretion under any of the provisions of these articles referred to in this article 12.1, the Board may act upon the basis of such information as may be known to them without any obligation to make special enquiries of any particular holder or holders of Shares.

## Rights as to Redemption

### 12.2

- (A) Each holder of Redeemable Shares may on any Redemption Date or, if later in the case of Redeemable Shares issued on conversion of Shares, the date on which such conversion became effective and in the manner and subject to the provisions of these articles redeem the whole or any number of Redeemable Shares comprised in his holding of Redeemable Shares at par together with the amount of accruals of the preferential dividend to be calculated down to and including the Redemption Date, to be payable whether or not the preferential dividend has been declared or earned. For this purpose the expression “Redemption Date” means each Conversion Date and any other date determined by the Directors.
- (B) The right to redeem Redeemable Shares in certificated form may be exercised by the holder delivering to the Company at its registered office (or to such other address or such other person as the Board may designate for the purpose) a duly completed Redemption Notice within such period prior to the relevant Redemption Date as may be set by the Board, together with the certificate(s) (if any have been issued) in respect of the Redeemable Shares to be redeemed and such other evidence as the Board may reasonably require to prove the title of the holder and the due execution by him of the Redemption Notice or, if the Redemption Notice is executed by some other person on his behalf, the authority of that other person to

do so. The right to redeem Redeemable Shares in uncertificated form may be exercised by delivery to the Company (or such other person as the Board may designate for the purpose) of a Redemption Notice within such period prior to Redemption Date as may be set by the Board in accordance with the procedures prescribed by the Board. For the purposes of the provisions of these articles described in this article 12.2, the expression "Redemption Notice" means a notice of redemption in such form as the Board may from time to time prescribe and may in the case of Redeemable Shares in uncertificated form mean an instruction sent by means of a relevant system (as defined in the Uncertificated Securities Regulations) in such form as the Board may from time to time prescribe, provided that in the case of Redeemable Shares issued on conversion of Shares, the Conversion Request in respect of such Shares will be deemed to be a valid Redemption Notice for the purposes of redemption of such Redeemable Shares on the Conversion Date to which such Conversion Request relates. The Board may in their absolute discretion accept as valid a Redemption Notice in respect of a Redemption Date given at any time on or prior to such Redemption Date and/or given otherwise than in accordance with these articles. A Redemption Notice once given may not be withdrawn without the written consent of the Company.

- (C) On 31 July 2050 (which will be deemed to be a Redemption Date), the Company will redeem at par any Redeemable Shares remaining in issue provide that this may not be done if it will mean there are not Shares in issue.
- (D) Redemption will become effective on or within 10 business days after the Redemption Date. The redemption moneys payable in respect of redemption of any certificated Redeemable Shares will be paid to the holder (or, in the case of joint holders, to the holder whose name stands first in the Register of the Redeemable Shares) by cheque despatched at his own risk within 10 business days after the Redemption Date or, if later, within five business days of the receipt of the certificate(s) (if any have been issued) or an indemnity in a form satisfactory to the Board in lieu of the certificate(s) in respect of the Redeemable Shares being redeemed. If a certificate includes Redeemable Shares not redeemable on that occasion, a new certificate for the balance of the certificated Redeemable Shares shall be issued to the holder without charge. If a holder whose certificated Redeemable Shares are to be redeemed fails to deliver the certificate(s) (if issued) for those Shares to the Company, the Company may retain the redemption moneys until such certificate is delivered. No person has a claim against the Company for interest of any uncertificated Redeemable Shares will be paid within 10 business days after the Redemption Date to the holder by such method as may be determined by the Board.
- (E) The Company shall not be liable for any loss or damage suffered or incurred by any holder of Shares or Redeemable Shares or any other person as a result of or arising out of late settlement, howsoever such loss or damage may arise.
- (F) As from the Redemption Date, the fixed preferential dividend ceases to accrue in respect of Redeemable Shares unless:
  - (i) in the case of certificated Redeemable Shares, on the presentation of the certificate (or certificates) for the shares to be redeemed and a receipt for the redemption moneys signed and authenticated in such manner as the Board require, payment of the redemption moneys is refused; or

- (ii) in the case of uncertificated Redeemable Shares, the procedures stated in the Redemption Notice have been complied with and payment of the redemption moneys is refused.
- (G) Redeemable Shares (save as regards ranking for dividend) will rank pari passu in all respects and form one class with any other Redeemable Shares then in issue.
- (H) The Board may, pursuant to the authority given by the adoption of the provisions of these articles, consolidate and sub-divide the share capital available for issue as a consequence of a redemption of Redeemable Shares pursuant to the provisions referred to in this article 12 into Shares, each of a like nominal amount as the shares of that class then in issue, or into unclassified shares of the same aggregate nominal amount as the Redeemable Shares. The Board may issue shares in anticipation of redemption to the extent permitted by the Statutes and these articles.

#### C Share issue rights and conversion

13.

(A) Definitions:

For the purpose of this article 13:

"business day" means any day on which banks are generally open for business in London other than a Saturday;

"C Fund" means either the Managed Income C Fund or the Managed Growth C Fund as the case may be;

"C Share Calculation Date" means in respect of any class of C Shares either the earlier of:

- (i) close of business on such date as the Board in its discretion shall determine in relation to the relevant C Shares;
- (ii) close of business on the day to be determined by the directors occurring not more than five business days after the day on which the Manager gives notice to the directors that at least 80 per cent. of the assets attributable to the relevant C Shareholders are invested in accordance with the investment policy of the Managed Income Pool or the Managed Growth Pool, as the case may be; and
- (iii) close of business on the day on which the directors resolve that Force Majeure Circumstances have arisen or are imminent;

"C Share Conversion" means conversion of the relevant C Shares in accordance with this article 13;

"C Share Conversion Date" in relation to a class of C Shares means the earlier of:

- (a) close of business on the date that is two business days after the C Share Calculation Date; and

- (b) close of business on the day selected by the directors following a resolution of the directors that Force Majeure Circumstances have arisen or are imminent;

"C Shareholders" means either holders of Managed Income C Shares or holders of Managed Growth C Shares as the case may be;

"C Shares" means either the Managed Income C Shares or the Managed Growth C Shares as the case may be;

"C Share Conversion Ratio" is  $\frac{A}{B}$  where:

$$A = \frac{C - D}{E}$$

and

$$B = \frac{F - G}{H}$$

and where:

- (i) "C" is the aggregate of:
- (a) the value of the assets comprising the relevant C Fund (other than assets which are subject to restrictions on transfer or a suspension of dealings which are to be valued in accordance with (b) below) which are listed or dealt in on a stock exchange or on a similar market calculated in accordance with the Company's normal valuation policies as adopted from time to time by the Board at close of business on the relevant C Share Calculation Date;
  - (b) the value of all other assets comprising the relevant C Fund calculated by the Board and in accordance with the Company's normal valuation policies as adopted from time to time by the Board and subject to such adjustments as the directors may deem appropriate to be made for any variations in the value of such assets between the date of acquisition and the relevant C Share Calculation Date; and
  - (c) the amount which in the directors' opinion in accordance with the Company's normal valuation policies as adopted from time to time by the Board fairly reflects, at the relevant C Share Calculation Date, the value of the current assets comprising the relevant C Fund (including cash and deposits with or balances at a bank and including any income and other items of a revenue nature);
- (ii) "D" is the amount (to the extent not otherwise deducted from the assets comprising the relevant C Fund) which in the directors' opinion fairly reflects the amount of the liabilities attributable to the relevant C Fund on the relevant C Share Calculation Date;

- (iii) "E" is the number of C Shares having rights over the relevant C Fund in issue on the relevant C Share Calculation Date;
- (iv) "F" is the aggregate of:
  - (a) the value of the assets comprising the relevant C Fund (other than assets which are subject to restrictions on transfer or a suspension of dealings which are to be valued in accordance with (b) below) which are listed or dealt in on a stock exchange or on a similar market calculated in accordance with the Company's normal valuation policies as adopted from time to time by the Board at close of business on the relevant C Share Calculation Date;
  - (b) the value of the assets attributable to the Existing Ordinary Share Pool at the valuations adopted by the directors as at the relevant C Share Calculation Date; and
  - (c) the amount which, in the directors' opinion, fairly reflects at the relevant C Share Calculation Date the value of the current assets attributable to the Existing Ordinary Share Pool of the Company (including cash and deposits with or balances at a bank and including any income and other items of a revenue nature);
- (v) "G" is the amount (to the extent not otherwise deducted from the assets of the Company) which in the directors' opinion fairly reflects the amount of the liabilities of the Company attributable to the Existing Ordinary Share Pool on the relevant C Share Calculation Date;
- (vi) "H" is the number of Shares having rights over the Existing Ordinary Share Pool,

provided that an amount equal to that which the directors reasonably estimate will be paid as the interim dividend in respect of the period ending on or about the C Share Conversion Date or such other date as the directors may determine, shall be included in the amount of "G" and that the directors shall make such other adjustments to the value or amount of "A" and "B" as the Auditors shall report to be appropriate having regard, inter alia, to the assets and liabilities attributable to the relevant C Shareholders on the relevant C Share Calculation Date, to the assets and liabilities attributable to the Existing Ordinary Shares on the relevant C Share Calculation Date and/or to the reasons for the issue of the C Shares referred to in the Circular;

"C Share Surplus" means the net assets of the Company attributable to the relevant C Fund (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less such proportion of the Company's liabilities (including the fees and expenses of the return of capital (as the case may be)) as the directors shall reasonably allocate to the assets of the Company attributable to the relevant C Fund;

"Circular" means the circular to shareholders of the Company dated 28 November 2003;

"Deferred C Shares" means redeemable deferred shares of 0.01p each in the capital of the Company arising on the relevant C Share Conversion;

"Existing Ordinary Shares" in the case of the Managed Income C Shares means the Managed Income Shares and in the case of the Managed Growth C Shares means the Managed Growth Shares in issue immediately prior to C Share Conversion;

"Existing Ordinary Share Pool" in the case of the Managed Income C Fund means the Managed Income Pool and in the case of the Managed Growth C Fund means the Managed Growth Pool;

"Force Majeure Circumstances" means any political and/or economic and/or market circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the directors, renders it necessary to bring the relevant C Share Conversion Date forward;

"Managed Growth C Fund" means the assets of the Company from time to time attributable to the Managed Growth C Shares;

"Managed Growth C Shares" means shares with rights over the Managed Growth C Fund, which shares shall have a nominal value of 100p;

"Managed Income C Fund" means the assets of the Company from time to time attributable to the Managed Income C Shares;

"Managed Income C Shares" means shares with rights over the Managed Income C Fund, which shares shall have a nominal value of 100p;

"Manager" means JPMorgan Asset Management (UK) Limited or such other person as is from time to time the manager of the Company's assets;

"New Ordinary Shares" means those new Ordinary Shares arising on the relevant C Share Conversion which, when issued, shall rank *pari passu* in all respects (save as provided in paragraph (B)(iii) below) and form a single class with the relevant class of Existing Ordinary Shares;

"Ordinary Shares" means, in the case of Managed Income C Shares, Managed Income Shares and in the case of Managed Growth C Shares means Managed Growth Shares;

"Ordinary Share Surplus" means the net assets of the Company less the C Share Surplus;

References to "Ordinary Shareholders", "C Shareholders" and "Deferred C Shareholders" shall be construed as references to holders from time to time of Ordinary Shares, C Shares and Deferred C Shares respectively.

For the purposes of this article, other than paragraph (C) below, assets attributable to a C Fund, C Shareholders or C Shares shall mean the net cash proceeds (after all expenses relating thereto) of the issue of the relevant C Shares as invested in or represented by investments or cash or other assets from time to time less such proportion of the expenses and liabilities of the Company incurred or accrued between the date the Company receives the net proceeds of the issue of the relevant C Shares and the C Share Calculation Date (both dates inclusive) as the directors fairly allocate to the relevant C Fund, C Shareholders or C Shares.



References in this article to the Auditors certifying any matter shall be construed to mean certification of their opinion as to such matter whether qualified or not.

(B) Dividends

- (i) The C Shareholders shall not be entitled to receive, in that capacity, and shall not be paid, any dividends.
- (ii) No dividend or other distribution shall be declared, made or paid by the Company on any of its Shares by reference to a record date falling between the relevant C Share Calculation Date and the relevant C Share Conversion Date, in each case inclusive.
- (iii) The New Ordinary Shares arising on C Share Conversion shall rank in full for all dividends and other distributions declared after the relevant C Share Conversion Date, and the Board shall have the discretion to determine the rankings relating to the New Ordinary Shares for such dividends as were declared before the relevant C Share Conversion Date.
- (iv) The relevant Deferred C Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a dividend at a fixed rate of 0.01 per cent. of the nominal amount thereof (the "Deferred C Share Dividend") on the date six months after the relevant C Share Conversion Date (the "Deferred C Share Dividend Date") payable to the holders thereof on the Register of members on that date as holders of Deferred C Shares but shall confer no other right on the holders thereof to share in the profits of the Company.

(C) Rights as to Capital

The capital and assets of the Company shall on a winding up or on a return of capital prior, in each case, to the relevant C Share Conversion, be applied as follows:

- (i) first, the relevant C Share Surplus shall be divided among the holders of the relevant C Shares pro rata according to their holdings of those C Shares;
- (ii) secondly, if there are for the time being Deferred C Shares in issue, in paying to the Deferred C Shareholders whichever is the lesser of (a) 1p per Deferred C Share or (b) the nominal value of each such Deferred C Share in respect of each Deferred C Share of which they are respectively the holders, payable (in either such case) only after the sum of £10,000 has been repaid in respect of each Ordinary Share, Managed Cash Share and Repurchase Share.

(D) Voting Rights

Except as provided in paragraph (G) of this article, the C Shares shall not carry any right to attend or vote at any general meeting of the Company. The Deferred C Shares shall not carry any right to receive notice of, to attend or vote at any general meeting of the Company. The voting rights of the Existing Ordinary Shares are not affected.

(E) Redemption

- (i) The C Shares are issued on terms that the Deferred C Shares, but not the New Ordinary Shares arising on the relevant C Share Conversion, shall be redeemable by the Company in accordance with the terms set out in these articles.
- (ii) The Company shall not be obliged to issue share certificates to the Deferred C Shareholders in respect of the Deferred C Shares and shall not be obliged to account to any Deferred C Shareholder for the redemption monies in respect of such shares unless the relevant holder applies to the Company in writing requesting payment of the said redemption monies.
- (iii) The Company may issue renounceable letters of allotment to the C Shareholders in respect of the C Shares but shall not be obliged to issue definitive certificates in respect of the C Shares.

(F) Conversion

C Shares shall be sub-divided and converted into Ordinary Shares and Deferred C Shares on the relevant C Share Conversion Date in accordance with the provisions of paragraph (I) of this article 13.

(G) Class Consents and Variation of Rights

Until the relevant C Share Conversion the consent of each of (i) the holders of each class of relevant C Shares as a class and (ii) the holders of each class of relevant Existing Ordinary Shares as a class shall be required to approve, and accordingly the special rights attached to the relevant C Shares and the relevant Existing Ordinary Shares shall be deemed to be varied, inter alia, by:

- (i) any alteration to the Memorandum of Association or these articles; or
- (ii) any alteration, increase, consolidation, division, sub-division, cancellation, reduction or purchase by the Company of any issued or authorised share capital of the Company other than (i) pursuant to article 10(ii), (ii) on the relevant C Share Conversion, and (iii) on repurchase of Deferred C Shares in accordance with the provisions of these articles; or
- (iii) any allotment or issue of any security convertible into or carrying a right to subscribe for any share capital of the Company or any other right to subscribe or acquire share capital of the Company; or
- (iv) the passing of any resolution to wind up the Company; or
- (v) the selection of any accounting reference date other than 31 August.

(H) Undertakings

Until the relevant C Share Conversion and without prejudice to its obligations under the Acts, the Company shall (i) procure that the Company's records and bank accounts shall be operated so that the assets attributable to the relevant C Fund can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to the Acts, procure that a separate cash pool account, investment settlement account and income account shall be created and maintained in the books of the Company for the assets attributable to the relevant C Fund, (ii)

allocate to the assets attributable to the relevant C Shareholders such proportion of the expenses and liabilities of the Company incurred or accrued between the date of issue of the C Shares and the relevant C Share Calculation Date (both dates inclusive) as the directors fairly consider to be allocable to the relevant C Fund and (iii) give appropriate instructions to the relevant manager to manage the Company's assets so that such undertakings can be complied with by the Company.

(I) The Conversion Process

The directors shall procure that:

- (i) within eight business days of the relevant C Share Calculation Date, both the relevant C Share Conversion Ratio as at the C Share Calculation Date and the numbers of New Ordinary Shares and Deferred C Shares to which each C Shareholder shall be entitled on the relevant C Share Conversion, shall be calculated; and
- (ii) the Auditors shall be requested to certify, within eight business days of the relevant C Share Calculation Date, that both the calculation of the relevant C Share Conversion Ratio and the total numbers of New Ordinary Shares and Deferred C Shares arising on the relevant C Share Conversion:
  - (a) have been performed in accordance with these articles; and
  - (b) are arithmetically accurate;

whereupon, subject to the proviso immediately after the definition of "H" in article 13(A)(vi) above, such calculations shall become final and binding on the Company and all shareholders.

- (iii) The directors shall procure that as soon as practicable following such certification a notice is sent to each C Shareholder advising such C Shareholder of the relevant C Share Conversion Date, the relevant C Share Conversion Ratio and the number of New Ordinary Shares to which such C Shareholder shall be entitled on the relevant C Share Conversion.
- (iv) On the relevant C Share Conversion Date, the C Shares held by each registered holder of such C Shares shall be converted into that number of New Ordinary Shares resulting from multiplying the number of such C Shares by the C Share Conversion Ratio but so that:
  - (a) if the aggregate nominal value of the C Shares is greater than the aggregate nominal value of the New Ordinary Shares which would arise upon such conversion:
    - (1) the C Shares shall be consolidated, sub-divided and converted into such number of New Ordinary Shares as aforesaid; and
    - (2) one Deferred C Share shall also arise in respect of each C Share with a nominal value equal to the difference between the aggregate nominal value of the C Shares and the aggregate nominal value of the resulting New

Ordinary Shares divided by the number of Deferred Shares so created; and

- (b) if the aggregate nominal value of the C Shares is less than the aggregate nominal value of the New Ordinary Shares which would arise upon such conversion:
  - (1) the C Shares shall be consolidated, sub-divided and converted into New Ordinary Shares with a nominal value equal to the aggregate nominal value of such C Shares divided by the number of New Ordinary Shares thereby arising; and
  - (2) contemporaneously with the conversion of the C Shares, each share of the class into which the C Shares are being converted (other than the New Ordinary Shares arising on such conversion and any shares of that class which are C Shares) shall be sub-divided into New Ordinary Shares with a nominal value equal to the nominal value determined pursuant to 13(I)(iv)(a) and a Deferred C Share with a nominal value equal to the difference between the nominal value of a New Ordinary Share immediately prior to such sub-division and the nominal value referred to in article 13(I)(iv)(a).
- (v) The New Ordinary Shares and Deferred C Shares arising upon the relevant C Share Conversion shall be divided among the former C Shareholders immediately prior to the relevant C Share Conversion pro rata according to their respective former holdings of the relevant C Shares (provided always that the directors may deal in such manner as they think fit with fractional entitlements to New Ordinary Shares and Deferred C Shares arising upon C Share Conversion including, without prejudice to the generality of the foregoing, selling any such shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).
- (vi) Forthwith upon the relevant C Share Conversion, the renounceable letters of allotment relating to the C Shares shall be cancelled and the Company shall issue to each former C Shareholder certificates in respect of the New Ordinary Shares which have arisen upon the relevant C Share Conversion or, in the case of Uncertificated Shares, the Board shall act in accordance with the procedures set out in the Uncertificated Securities Regulations.
- (vii) Forthwith upon the relevant C Share Conversion, the rights attaching to the relevant C Shares under these articles shall lapse and forthwith upon redemption of the Deferred C Shares the rights attaching to the Deferred C Shares under these articles shall lapse or in the case of Uncertificated Shares the Board shall act in accordance with the procedures set out in the Uncertificated Securities Regulations.
- (J) Any Deferred C Shares arising on the C Share Conversion will be in certificated form (unless the Board otherwise determines), and will (save as provided below) not be transferable. The Board may at any time resolve that any Deferred C Shares shall be transferred for no consideration to a person nominated by it and for that

purpose shall be entitled to nominate a person to execute any form of transfer or other document necessary to give effect thereto as attorney for the holder of any such Deferred C Shares. Subject to the provisions of the Acts and to any relevant authority of the Company in general meeting required by the Acts, the Board shall be empowered, for the purpose of giving effect to any conversion, consolidation or sub-division of Deferred C Shares into any other class of shares of the Company, to authorise any person to execute any transfer of shares of any class (including but not limited to Deferred Shares) which may in the opinion of the Board be expedient for such purposes.

14. Further issues and rights attaching to shares on issue

- (1) Without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, if the Company has not so determined, as the directors may determine.
- (2) In the event that rights and restrictions attaching to shares are determined by ordinary resolution pursuant to this article, those rights and restrictions shall apply, in particular in place of any rights or restrictions that would otherwise apply by virtue of the Companies Act 2006 in the absence of any provisions in the articles of a company, as if those rights and restrictions were set out in the articles.

Redeemable shares

15. (1) Any share may be issued which is or is to be liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such share.
- (2) In the event that rights and restrictions attaching to shares are determined by the directors pursuant to this article, those rights and restrictions shall apply, in particular in place of any rights or restrictions that would otherwise apply by virtue of the Companies Act 2006 in the absence of any provisions in the articles of a company, as if those rights and restrictions were set out in the articles.

Payment of commissions

16. The Company may exercise the powers of paying commissions conferred by the Acts. 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 and may be in respect of a conditional or an absolute subscription.

Trusts not recognised

17. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust. Except as otherwise provided by these articles or by law, the Company shall not be bound by or recognise (even if having notice of it) any equitable, contingent, future, partial or other claim or any interest in any share other than the holder's absolute ownership of it and all the rights attaching to it.

## Uncertificated shares

18. Without prejudice to any powers which the Company or the directors may have to issue, allot, dispose of, convert, or otherwise deal with or make arrangements in relation to shares and other securities in any form:
- (a) the holding of shares in uncertificated form and the transfer of title to such shares by means of a relevant system shall be permitted; and
  - (b) the Company may issue shares in uncertificated form and may convert shares from certificated form to uncertificated form and vice versa.

If and to the extent that any provision of these articles is inconsistent with such holding or transfer as is referred to in paragraph (a) of this article or with any provision of the Uncertificated Securities Regulations, it shall not apply to any share in uncertificated form.

## Separate holdings of shares in certificated and uncertificated form

19. Notwithstanding anything else contained in these articles, where any class of shares is, for the time being, a participating security, unless the directors otherwise determine, shares of any such class held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings.

## VARIATION OF RIGHTS

### Variation of rights

20. Subject to articles 9(D) and 13(G) of these articles, all or any of the rights attached to any existing class of shares may from time to time (whether or not the Company is being wound up) be varied either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued Shares of that class or, in the case of Shares with rights over a Pool, not less than three-fourths of the Net Asset Value (as defined in article 9) of that Pool (excluding any shares of that class held as treasury shares) or with the sanction, subject to article 9, of a special resolution passed at a separate general meeting of the holders of those shares. Subject to article 9, all the provisions of these articles as to general meetings of the Company shall, with any necessary modifications, apply to any such separate general meeting of holders of Shares which do not have rights over a Pool, but so that the necessary quorum shall be two persons entitled to vote and holding or representing by proxy not less than one-third in nominal value or, in the case of Shares with rights over a Pool, not less than one-third of the Net Asset Value (as defined in article 9) of that Pool of the issued shares of the class (excluding any shares of that class held as treasury shares), (but so that at any adjourned meeting one holder entitled to vote and present in person or by proxy (whatever the number of Shares held by him) shall be a quorum), that every holder of Shares of the class present in person or by proxy and entitled to vote shall be entitled on a poll in the case of holders of Shares which do not have rights over a Pool to one vote for every share of the class held by him (subject to any rights or restrictions attached to any class of shares) and, in the case of holders of Shares which have rights over a Pool as such voting rights as are described in article 9. Any holder of shares of the class present in person or by proxy and entitled to vote may demand a poll. The foregoing provisions of this article shall apply to the variation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class and their special rights were to be varied.

## Rights deemed not varied

21. Unless otherwise expressly provided by the rights attached to any class of shares, those rights shall be deemed not to be varied by the purchase by the Company of any of its own shares or the holding of such shares as treasury shares.

## SHARE CERTIFICATES

### Rights to share certificates

22. (1) On becoming the holder of any share other than a share in uncertificated form, every person (other than a financial institution in respect of whom the Company is not required by law to complete and have ready a certificate) shall be entitled, without payment, to have issued to him within two months after allotment or lodgement of a transfer (unless the terms of issue of the shares provide otherwise) one certificate for all the shares of each class registered in his name or, upon payment for every certificate after the first of such reasonable sum as the directors may determine, several certificates each for one or more of his shares.
- (2) Every certificate shall be issued under the seal or under such other form of authentication as the directors may determine (which may include manual or facsimile signatures by one or more directors), and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on them.
- (3) Where a member (other than a financial institution) has transferred part only of the shares comprised in a certificate, the member is entitled, without payment, to have issued to him a certificate in respect of the balance of shares held by him or, upon payment for every certificate after the first of such reasonable sum as the directors may determine, several certificates each for one or more of his shares.
- (4) When a member's (other than a financial institution's) holding of shares of a particular class increases, the Company may issue that member with a single consolidated certificate in respect of all the shares of a particular class which that member holds or a separate certificate in respect of only those shares by which that member's holding has increased.
- (5) A member (other than a financial institution) may request the Company, in writing, to replace the member's separate certificates with a consolidated certificate or the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify, provided that any certificate(s) which it is (or they are) to replace has first been returned to the Company for cancellation. When the Company complies with such a request it may charge such reasonable sum as the directors may determine for doing so.
- (6) The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to the senior shall be a sufficient delivery to all of them, and seniority shall be determined in the manner described in article 74.

- (7) If a certificate issued in respect of a member's shares is damaged or defaced or said to be lost, stolen or destroyed, then that member is entitled to be issued with a replacement certificate in respect of the same shares. A member exercising the right to be issued with such a replacement certificate:
- (a) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - (b) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors may determine.

## LIEN

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

23. The Company has a lien over every share which is partly paid for all amounts (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien over a share takes priority over any third party's interest in that share, and extends to any dividend or other money payable by the Company in respect of that share (and, if the lien is enforced and the share is sold by the Company, the proceeds of sale of that share).

### Enforcing lien by sale

24. The Company may sell, in such manner as the directors determine, any share on which the Company has a lien if an amount in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the holder of the share, or the person entitled to it in consequence of the death or bankruptcy of the holder or otherwise, demanding payment and stating that if the notice is not complied with the shares may be sold.

### Giving effect to a sale

25. To give effect to the sale:
- (a) in the case of a share in certificated form, the directors may authorise any person to execute an instrument of transfer of the share to the purchaser or a person nominated by the purchaser; and
  - (b) in the case of a share in uncertificated form, the directors may:
    - (i) to enable the Company to deal with the share in accordance with the provisions of this article, require the Operator of a relevant system to convert the share into certificated form; and
    - (ii) after such conversion, authorise any person to execute an instrument of transfer and/or take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as they think fit to effect the transfer.

The title of the transferee to the share shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.



## Application of proceeds of sale

26. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the amount for which the lien exists as is presently payable. Any residue shall (upon surrender to the Company for cancellation of the certificate for the share sold, in the case of a share in certificated form, and subject to a like lien for any amount not presently payable as existed upon the share before the sale) be paid to the person entitled to the share at the date of the sale.

## CALLS ON SHARES AND FORFEITURE

### Calls

27. Subject to the terms of allotment, the directors may make calls upon the members in respect of any amounts unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of an amount due under it, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
28. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

### Joint and several liability in respect of calls

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

### Interest

30. If a call or an instalment of a call remains unpaid after it has become due and payable the person from whom it is due shall pay interest on the amount unpaid, from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the shares in question or fixed in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined in the Acts). The directors may, however, waive payment of the interest wholly or in part.

### Sums treated as calls

31. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid these articles shall apply as if that sum had become due and payable by virtue of a call.

#### Power to differentiate

32. Subject to the terms of allotment, the directors may differentiate between the holders in the amounts and times of payment of calls on their shares.

#### Payment of calls in advance

33. The directors may receive from any member willing to advance it all or any part of the amount unpaid on the shares held by him (beyond the sums actually called up) as a payment in advance of calls, and such payment shall, to the extent of it, extinguish the liability on the shares in respect of which it is advanced. The Company may pay interest on the amount so received, or so much of it as exceeds the sums called up on the shares in respect of which it has been received, at such rate (if any) as the member and the directors agree.

#### Notice if call not paid and forfeiture

34. If a call or an instalment of a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. If the notice is not complied with, any shares in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends and other amounts payable in respect of the forfeited shares and not paid before the forfeiture.

#### Sale of forfeited shares

35. A forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and, at any time before the disposition, the forfeiture may be cancelled on such terms as the directors determine. Where for the purposes of its disposal a forfeited share is to be transferred to any person:
- (a) in the case of a share in certificated form, the directors may authorise any person to execute an instrument of transfer; and
  - (b) in the case of a share in uncertificated form, the directors may:
    - (i) to enable the Company to deal with the share in accordance with the provisions of this article, require the Operator of a relevant system to convert the share into certificated form; and
    - (ii) after such conversion, authorise any person to execute an instrument of transfer and/or take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as they think fit to effect the transfer.

## Cessation of membership and continuing liability

36. A person whose shares have been forfeited shall cease to be a member in respect of the shares forfeited and shall surrender to the Company for cancellation any certificate for the shares forfeited. However, such person shall remain liable to the Company for all amounts which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those amounts before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Acts) from the date of forfeiture until payment. The directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

## Statutory declaration as to forfeiture

37. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary, in the case of a share in certificated form) constitute good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings relating to the forfeiture or disposal of the share.

## TRANSFER OF SHARES

### Transfer of shares in certificated form

38. The instrument of transfer of a share in certificated form may be in any usual form or in any other form which the directors approve and shall be executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee.

### Transfer of shares in uncertificated form

39. Where any class of shares is, for the time being, a participating security, title to shares of that class which are recorded on an Operator register of members as being held in uncertificated form may be transferred by means of the relevant system concerned. The transfer may not be in favour of more than four transferees.

## Refusal to register transfers

40. (1) The directors may, in their absolute discretion, refuse to register the transfer of a share in certificated form which is not fully paid provided that if the share is listed on the Official List of the UK Listing Authority such refusal does not prevent dealings in the shares from taking place on an open and proper basis. They may also refuse to register a transfer of a share in certificated form (whether fully paid or not) unless the instrument of transfer:
- (a) 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 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) is in respect of only one class of share; and
- (c) is in favour of not more than four transferees.

- (2) The directors may refuse to register a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form in any case where the Company is entitled to refuse (or is excepted from the requirement) under the Uncertificated Securities Regulations to register the transfer.

#### Notice of and reasons for refusal

- 41. If the directors refuse to register a transfer of a share, they shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company (in the case of a transfer of a share in certificated form) or the date on which the Operator-instruction was received by the Company (in the case of a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form) send to the transferee notice of the refusal together with reasons for the refusal. The directors shall send such further information about the reasons for the refusal to the transferee as the transferee may reasonably request.

#### No fee for registration

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

#### Retention or return of instrument of transfer

- 43. 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 the case of fraud) be returned to the person lodging it when notice of the refusal is given.

#### Recognition of renunciation

- 44. 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.

### TRANSMISSION OF SHARES

#### Transmission on death

- 45. If a member dies the survivor or survivors where he 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 persons recognised by the Company as having any title to his interest. However, nothing in this article shall release the estate of a deceased member from any liability in respect of any share which had been solely or jointly held by him.

## Election of person entitled by transmission

46. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall transfer title to the share to that person. All the provisions of these articles relating to the transfer of shares shall apply to the notice or instrument of transfer (if any) as if it were an instrument of transfer signed by the member and the death or bankruptcy of the member had not occurred.

## Rights of person entitled by transmission

47. A person becoming entitled to a share by reason of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any general meeting or at any separate meeting of the holders of any class of shares.

## DISCLOSURE OF INTERESTS

### Disclosure of interests

48. (1) If a member, or any other person appearing to be interested in shares held by that member, has been given a notice under section 793 of the Companies Act 2006 and has failed in relation to any shares (the "default shares") to give the Company the information thereby required within 14 days from the date of giving the notice, the following sanctions shall apply, unless the directors otherwise determine:
- (a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll; and
  - (b) where the default shares represent at least 0.25 per cent of their class (calculated exclusive of treasury shares):
    - (i) any dividend payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to these articles, to receive shares instead of that dividend; and
    - (ii) no transfer, other than an excepted transfer, of any shares held by the member in certificated form shall be registered unless:
      - (A) the member is not himself in default as regards supplying the information required; and
      - (B) the member proves to the satisfaction of the directors that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer;

- (iii) for the purposes of sub-paragraph (1)(b)(ii) of this article, in the case of shares held by the member in uncertificated form, the directors may, to enable the Company to deal with the shares in accordance with the provisions of this article, require the Operator of a relevant system to convert the shares into certificated form.
- (2) Where the sanctions under paragraph (1) of this article apply in relation to any shares, they shall cease to have effect at the end of the period of seven days (or such shorter period as the directors may determine) following the earlier of:
  - (a) receipt by the Company of the information required by the notice mentioned in that paragraph; and
  - (b) receipt by the Company of notice that the shares have been transferred by means of an excepted transfer,
 and the directors may suspend or cancel any of the sanctions at any time in relation to any shares.
- (3) Any new shares in the Company issued in right of default shares shall be subject to the same sanctions as apply to the default shares, and the directors may make any right to an allotment of the new shares subject to sanctions corresponding to those which will apply to those shares on issue, provided that:
  - (a) any sanctions applying to, or to a right to, new shares by virtue of this paragraph shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled); and
  - (b) paragraph (1) of this article shall apply to the exclusion of this paragraph (3) if the Company gives a separate notice under section 793 of the Companies Act 2006 in relation to the new shares.
- (4) Where, on the basis of information obtained from a member in respect of any share held by him, the Company gives a notice under section 793 of the Companies Act 2006 to any other person, it shall at the same time send a copy of the notice to the member. The accidental omission to do so, or the non-receipt by the member of the copy, shall, however, not invalidate or otherwise affect the application of paragraph (1) of this article.
- (5) For the purposes of this article:
  - (a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a notice under section 793 of the Companies Act 2006, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
  - (b) "interested" shall be construed as it is for the purpose of section 793 of the Companies Act 2006;

- (c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes (i) reference to his having failed or refused to give all or any part of it and (ii) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular; and
- (d) an "excepted transfer" means, in relation to any shares held by a member:
  - (i) a transfer pursuant to acceptance of a takeover offer (within the meaning of section 974 of the Companies Act 2006) in respect of shares in the Company; or
  - (ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
  - (iii) a transfer which is shown to the satisfaction of the directors to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.
- (6) Nothing in this article shall limit the powers of the Company under section 794 of the Companies Act 2006 or any other powers of the Company whatsoever.

#### UNTRACED MEMBERS

##### Untraced members

49. (1) The Company shall be entitled to sell at the best price reasonably obtainable any share held by a member, or any share to which a person is entitled by transmission, if:
- (a) for a period of 12 years no cheque or warrant or other method of payment for amounts payable in respect of the share sent and payable in a manner authorised by these articles has been cashed or effected and no communication has been received by the Company from the member or person concerned;
  - (b) during that period the Company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the member or person concerned;
  - (c) the Company has, after the expiration of that period, by advertisement in a national newspaper published in the United Kingdom and in a newspaper circulating in the area of the registered address or last known address of the member or person concerned, given notice of its intention to sell such share, and the advertisements, if not published on the same day, shall have been published within 30 days of each other; and

- (d) the Company has not during the further period of three months following the date of publication of the advertisements (or, if published on different dates, the later or latest of them) and prior to the sale of the share received any communication from the member or person concerned.
- (2) The Company shall also be entitled to sell at the best price reasonably obtainable any additional share issued during the said period of 12 years in right of any share to which paragraph (1) of this article applies (or in right of any share so issued), if the criteria in sub-paragraphs (a), (c) and (d) of that paragraph are satisfied in relation to the additional share (but as if the words "for a period of 12 years" were omitted from sub-paragraph (a) and the words ", after the expiration of that period," were omitted from sub-paragraph (c)).
- (3) To give effect to the sale of any share pursuant to this article:
  - (a) in the case of a share in certificated form, the directors may authorise any person to execute an instrument of transfer of the share to the purchaser or a person nominated by the purchaser; and
  - (b) in the case of a share in uncertificated form, the directors may:
    - (i) to enable the Company to deal with the share in accordance with the provisions of this article, require the Operator of a relevant system to convert the share into certificated form; and
    - (ii) after such conversion, authorise any person to execute an instrument of transfer and/or take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as it thinks fit to effect the transfer.

The purchaser shall not be bound to see to the application of the proceeds of sale, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale. The Company shall be indebted to the member or other person entitled to the share for an amount equal to the net proceeds of the sale, but no trust or duty to account shall arise and no interest shall be payable in respect of the proceeds of sale.

## ALTERATION OF CAPITAL

### Consolidation and sub-division

50. The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) sub-divide its shares, or any of them, into shares of smaller amount than its existing shares; and
- (c) determine that, as between the shares resulting from such a sub-division, any of them may have any preference or advantage as compared with the others,

and where any difficulty arises in regard to any consolidation or division, the directors may settle such difficulty as they see fit. In particular, without limitation, the directors may sell



to any person (including the Company) the shares representing the fractions for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion among those members or retain such net proceeds for the benefit of the Company and:

- (i) in the case of shares in certificated form, the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- (ii) in the case of shares in uncertificated form, the directors may, to enable the Company to deal with the share in accordance with the provisions of this article, require the Operator of a relevant system to convert the share into certificated form; and after such conversion, authorise any person to execute an instrument of transfer and/or take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as they think fit to effect the transfer.

The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

## NOTICE OF GENERAL MEETINGS

### Calling general meetings

51. The directors may call general meetings. If there are not sufficient directors to form a quorum in order to call a general meeting, any director may call a general meeting. If there is no director, any member of the Company may call a general meeting.

### Notice of annual general meetings and other general meetings

52. An annual general meeting and all other general meetings of the Company shall be called by at least such minimum period of notice as is prescribed or permitted under the Acts. The notice shall specify the place, the date and the time of meeting and the general nature of the business to be transacted, and in the case of an annual general meeting shall specify the meeting as such. Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting. Subject to the provisions of these articles and to any rights or restrictions attached to any shares, notices shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors of the Company.

### Omission or failure to give notice and non-receipt of notice

53. The accidental omission to give notice of a meeting to, or the failure to give notice due to circumstances beyond the Company's control to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

### Quorum

54. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member (including for this purpose two persons who are proxies or corporate representatives of the same member), shall be a quorum.

### Procedure if quorum not present

55. If a quorum is not present within five minutes after the time appointed for holding the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned in accordance with article 63(1).

### Chairing general meetings

56. The chairman (if any) of the board of directors, or in his absence the senior independent director, or in the absence of both of them some other director nominated prior to the meeting by the directors, shall preside as chairman of the meeting. If neither the chairman nor the senior independent director nor such other director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number present and willing to act to be chairman of the meeting, and if there is only one director present he shall be chairman of the meeting.
57. If no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.

### Security arrangements and orderly conduct

58. The directors or the chairman of the meeting may direct that any person wishing to attend any general meeting should submit to and comply with such searches or other security arrangements (including without limitation, requiring evidence of identity to be produced before entering the meeting and placing restrictions on the items of personal property which may be taken into the meeting) as they or he consider appropriate in the circumstances. The directors or the chairman of the meeting may in their or his absolute discretion refuse entry to, or eject from, any general meeting any person who refuses to submit to a search or otherwise comply with such security arrangements.
59. The directors or the chairman of the meeting may take such action, give such direction or put in place such arrangements as they or he consider appropriate to secure the safety of the people attending the meeting and to promote the orderly conduct of the business of the meeting. Any decision of the chairman of the meeting on matters of procedure or matters arising incidentally from the business of the meeting, and any determination by the chairman of the meeting as to whether a matter is of such a nature, shall be final.

## Directors entitled to attend and speak

60. Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are members. The chairman of the meeting may permit other persons who are not members of the Company or otherwise entitled to exercise the rights of members in relation to general meetings to attend and, at the chairman of the meeting's discretion, speak at a general meeting or at any separate class meeting.

## Attendance and participation at different places and by electronic means

61. In the case of any general meeting, the directors may, notwithstanding the specification in the notice convening the general meeting of the place at which the chairman of the meeting shall preside (the "Principal Place"), make arrangements for simultaneous attendance and participation by electronic means allowing persons not present together at the same place to attend, speak and vote at the meeting (including the use of satellite meeting places). The arrangements for simultaneous attendance and participation at any place at which persons are participating using electronic means may include arrangements for controlling or regulating the level of attendance at any particular venue provided that such arrangements shall operate so that all members and proxies wishing to attend the meeting are able to attend at one or other of the venues.
62. The members or proxies at the place or places at which persons are participating via electronic means shall be counted in the quorum for, and be entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that the members or proxies attending at the places at which persons are participating via electronic means are able to:
- (a) participate in the business for which the meeting has been convened; and
  - (b) see and hear all persons who speak (whether through the use of microphones, loud speakers, audiovisual communication equipment or otherwise) in the Principal Place (and any other place at which persons are participating via electronic means).

For the purposes of all other provisions of these articles (unless the context requires otherwise), the members shall be treated as meeting at the Principal Place.

If it appears to the chairman of the meeting that the facilities at the Principal Place or any place at which persons are participating via electronic means have become inadequate for the purposes set out in sub-paragraphs (a) and (b) above, the chairman of the meeting may, without the consent of the meeting, interrupt or adjourn the general meeting. All business conducted at the general meeting up to the point of the adjournment shall be valid. The provisions of article 63(3) shall apply to that adjournment.

## Adjournments

63. (1) If a quorum is not present within five minutes after the time appointed for holding the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to such date, time and place as (subject to the provisions of the Acts) the directors may determine. If at the adjourned meeting a quorum is

not present within five minutes after the time appointed for holding the meeting, the meeting shall be dissolved.

- (2) Without prejudice to any other power of adjournment he may have under these articles or at common law:
- (a) the chairman of the meeting may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place; and
  - (b) the chairman of the meeting may, without the consent of the meeting, adjourn the meeting before or after it has commenced, to another date, time or place which the chairman of the meeting may decide, if the chairman of the meeting considers that:
    - (i) there is not enough room for the number of members and proxies who wish to attend the meeting;
    - (ii) the behaviour of anyone present prevents, or is likely to prevent, the orderly conduct of the business of the meeting;
    - (iii) an adjournment is necessary to protect the safety of any person attending the meeting; or
    - (iv) an adjournment is otherwise necessary in order for the business of the meeting to be properly carried out.
- (3) Subject to the provisions of the Acts, it shall not be necessary to give notice of an adjourned meeting except that when a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. No business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place.

## AMENDMENTS TO RESOLUTIONS

### Amendments to special and ordinary resolutions

64. (1) A special resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - (b) the amendment does not go beyond what is necessary to correct a clear error in the resolution.
- (2) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) written notice of the terms of the proposed amendment and of the intention to move the amendment have been delivered to the Company at the Office at least 48 hours before the time for holding the meeting or the

adjourned meeting at which the ordinary resolution in question is proposed and the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution; or

- (b) the chairman of the meeting, in his absolute discretion, decides that the proposed amendment may be considered or voted on.

#### Withdrawal and ruling amendments out of order

65. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is voted on. If an amendment proposed to any resolution under consideration is ruled out of order by the chairman of the meeting, the proceedings on the resolution shall not be invalidated by any error in the ruling.

#### POLLS

##### Demand for a poll

66. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is validly demanded. A poll on a resolution may be demanded either before a vote on a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

A poll on a resolution may be demanded by:

- (a) the chairman of the meeting;
- (b) a majority of the directors present at the meeting;
- (c) not less than five members having the right to vote at the meeting;
- (d) a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting (excluding any voting rights attached to any shares in the Company held as treasury shares); or
- (e) a member or members holding shares conferring a right to vote on the resolution 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 (excluding any shares in the Company conferring a right to vote at the meeting which are held as treasury shares).

##### Chairman's declaration

67. Unless a poll is duly demanded and the demand is not subsequently 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 in respect of such declaration in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

### Withdrawal of demand for a poll

68. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

### Polls to be taken as chairman directs

69. Polls at general meetings shall, subject to articles 70 and 71 below, be taken when, where and in such manner as the chairman of the meeting directs. The chairman of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared. The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

### When poll to be taken

70. A poll on the election of the chairman of the meeting or on a question of adjournment must be taken immediately. Any other polls must be taken either immediately or within 30 days of the poll being demanded. A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

### Notice of poll

71. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice must be given specifying the time and place at which the poll is to be taken.

## VOTES OF MEMBERS

### Voting rights

72. Subject to the provisions relating to voting in article 9 and article 20 and to any other special terms as to voting upon which any shares may be issued or may at the relevant time be held and to any other provisions of these articles:
- (a) on a show of hands:
    - (i) every member who is present in person has one vote;
    - (ii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one member entitled to vote on the resolution and is instructed by one or more of those members to vote for the resolution and by one or more others to vote against it, or is instructed by one or more of those members to vote in one way and is given discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way) he has one vote for and one vote against the resolution; and

- (iii) every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to;
- (b) on a poll every member present in person or by duly appointed proxy or corporate representative has one vote for every share of which he is the holder or in respect of which his appointment as proxy or corporate representative has been made.

A member, proxy or corporate representative entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.

#### Voting record date

- 73. For the purposes of determining which persons are entitled to attend or vote at a general meeting and how many votes such persons may cast, the Company may specify in the notice convening the meeting a time, being not more than 48 hours before the time fixed for the meeting (and for this purpose no account shall be taken of any part of a day that is not a working day), by which a person must be entered on the register in order to have the right to attend or vote at the meeting.

#### Votes of joint holders

- 74. In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members.

#### Votes on behalf of an incapable member

- 75. 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, on a show of hands or on a poll, by any person authorised in that behalf by that court and the person so authorised may exercise other rights in relation to general meetings, including appointing a proxy. Evidence to the satisfaction of the directors of the authority of the person claiming the right to vote shall be delivered to the Office, or such other place as is specified in accordance with these articles for the delivery or receipt of appointments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.

#### No right to vote where sums overdue

- 76. No member shall have the right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

#### Objections and validity of votes

- 77. (1) Any objection to the qualification of any person voting at a general meeting or on a poll or to the counting of, or failure to count, any vote, must be made at the meeting or adjourned meeting or at the time the poll is taken (if not taken at the meeting or adjourned meeting) at which the vote objected to is tendered. Any

objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive. If a vote is not disallowed by the chairman of the meeting it is valid for all purposes.

- (2) The Company shall not be bound to enquire as to whether any proxy or corporate representative votes in accordance with the instructions given to him by the member he represents and if a proxy or corporate representative does not vote in accordance with the instructions of the member he represents the vote or votes cast shall nevertheless be valid for all purposes.

## PROXIES AND CORPORATE REPRESENTATIVES

### Appointment of proxies

78. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. The appointment of a proxy shall be deemed also to confer authority to demand or join in demanding a poll. Delivery of an appointment of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it. A proxy need not be a member. 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 shares held by him. References in these articles to an appointment of proxy include references to an appointment of multiple proxies.
79. Where two or more valid appointments of proxy are received in respect of the same share in relation to the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others. If the Company is unable to determine which is last sent, the one which is last received shall be so treated. If the Company is unable to determine either which is last sent or which is last received, none of such appointments shall be treated as valid in respect of that share.

### Form of proxy appointment

80.
  - (1) Subject to article 81 an appointment of proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor which in the case of a corporation may be either under its common seal or under the hand of a duly authorised officer or other person duly authorised for that purpose. The signature on the appointment of proxy need not be witnessed.
  - (2) Where the appointment of a proxy is expressed to have been or purports to have been executed by a duly authorised person on behalf of a member:
    - (i) the Company may treat the appointment as sufficient evidence of that person to execute the appointment of proxy on behalf of that member; and
    - (ii) the member shall, if requested by or on behalf of the Company, send or procure the sending of any authority under which the appointment of proxy has been executed, or a certified copy of any such authority to such address and by such time as required under article 82 and, if the request is not complied with in any respect, the appointment of proxy may be treated as invalid.



### Proxies sent or supplied in electronic form

81. The directors may (and shall if and to the extent that the Company is required to do so by the Acts) allow an appointment of proxy to be sent or supplied in electronic form subject to any conditions or limitations as the directors may specify. Where the Company has given an electronic address in any instrument of proxy or invitation to appoint a proxy, any document or information relating to proxies for the meeting (including any document necessary to show the validity of, or otherwise relating to, an appointment of proxy, or notice of the termination of the authority of a proxy) may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

### Receipt of appointments of proxy

82. An appointment of proxy may:
- (a) in the case of an appointment of proxy in hard copy form, be received at the Office or such other place in the United Kingdom as is specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting to which it relates; or
  - (b) in the case of an appointment of proxy in electronic form, be received at the electronic address specified in the notice convening the meeting, or in any instrument of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting to which it relates; or
  - (c) in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid not less than 24 hours (or such shorter time as the directors may determine) before the time appointed for the taking of the poll.

The directors may specify in the notice convening the meeting that in determining the time for delivery of proxies pursuant to this article, no account shall be taken of any part of a day that is not a working day. An appointment of proxy which is not received or delivered in a manner so permitted shall be invalid.

### Termination of appointments of proxy

83. A vote given or poll demanded by proxy shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll, unless notice of the termination was delivered in writing to the Company at such place or address at which an appointment of proxy may be duly received under article 82 not later than the last time at which an appointment of proxy should have been received under article 82 in order for it to be valid.

### Availability of appointments of proxy

84. The directors may at the expense of the Company send or make available appointments of proxy or invitations to appoint a proxy to the members by post or by electronic means or otherwise (with or without provision for their return prepaid) for use at any general

meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the directors or any other person. If for the purpose of any meeting, appointments of proxy or invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission, or the failure due to circumstances beyond the Company's control, to send or make available such an appointment of proxy or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

#### Corporations acting by representatives

85. (1) Subject to the provisions of the Acts, any corporation (other than the Company itself) which is a member of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company, or at any separate meeting of the holders of any class of shares. The corporation shall for the purposes of these articles be deemed to be present in person at any such meeting if a person or persons so authorised is present at it. The Company may require such person or persons to produce a certified copy of the resolution before permitting him to exercise his powers.
- (2) A vote given or poll demanded by a corporate representative shall be valid notwithstanding that he is no longer authorised to represent the member unless notice of the termination was delivered in writing to the Company at such place or address and by such time as is specified in article 82 for the receipt of an appointment of proxy.

#### APPOINTMENT AND RETIREMENT OF DIRECTORS

##### Number of directors

86. Unless otherwise determined by the Company by ordinary resolution the number of directors (disregarding alternate directors) shall not be less than two nor more than fifteen.

##### Power of Company to appoint a director

87. Subject to the provisions of these articles, the Company may by ordinary resolution appoint a person who is willing to act as a director, and is permitted by law to do so, to be a director, either to fill a vacancy or as an additional director.

##### Procedure for appointment or reappointment at a general meeting

88. No person other than a director retiring at the meeting shall be appointed or reappointed a director at any general meeting unless:
- (a) he is recommended by the directors; or
  - (b) not less than seven nor more than 35 days before the date appointed for holding the meeting, notice executed by a member qualified to vote on the appointment or reappointment has been given to the Company of the intention to propose that

person for appointment or reappointment, stating the particulars which would, if he were appointed or reappointed, be required to be included in the Company's register of directors, together with notice executed by that person of his willingness to be appointed or reappointed.

#### Election of two or more directors

89. At a general meeting a motion for the appointment of two or more persons as directors by a single resolution shall not be made, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. For the purposes of this article a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

#### Power of directors to appoint a director

90. The directors may appoint a person who is willing to act as a director, and is permitted by law to do so, to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed as the maximum number of directors. A director so appointed shall retire at the next annual general meeting and shall then be eligible for reappointment.

#### Number and identity of directors to retire by rotation

91. (1) At the annual general meeting in every year there shall retire from office by rotation:
- (a) all directors who held office at the time of each of the two preceding annual general meetings and who did not retire at either of them; and
  - (b) if the number of directors retiring under )a) above is less than one-third of the Relevant Directors (or, if the number of Relevant Directors is not three or a multiple of three, is less than the number which is nearest to but does not exceed one-third of the Relevant Directors), such additional number of directors as shall, together with the directors retiring under )a) above, equal one-third of the Relevant Directors (or, if the number of Relevant Directors is not three or a multiple of three, the number which is nearest to but does not exceed one-third of the Relevant Directors).
- (2) Subject to the provisions of this article the directors, if any, to retire by rotation under paragraph (1)(b) of this article shall be those other Relevant Directors who have been longest in office since their last appointment or reappointment, but, as between persons who became or were last reappointed directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- (3) Any director who is to retire at or prior to the annual general meeting for any reason other than retirement by rotation under this article shall be an "Excluded Director". An Excluded Director shall not be taken into account in determining the number or identity of the directors to retire by rotation at that meeting pursuant to this article 91.

- (4) The number and identity of the directors to retire at an annual general meeting pursuant to this article 91 shall be determined by reference to the number and identity of the directors, other than any Excluded Director, at 9.00 am (London time) on the date of the notice convening the annual general meeting (the "Relevant Directors") notwithstanding any change in the number or identity of such directors after that time but before the close of that annual general meeting.

#### Annual retirement of non-executive director who has served nine years or more

92. Any non-executive director (other than the chairman) who has held office as a non-executive director for nine years or more shall retire from office at each annual general meeting and shall be eligible for reappointment.

#### Filling of vacancy

93. If the Company, at the meeting at which a director retires under any provision of these articles, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or a resolution for the reappointment of the director is put to the meeting and lost.

#### Director not reappointed at annual general meeting

94. A director who retires at an annual general meeting may be reappointed. If he is not reappointed or deemed to have been reappointed, he shall retain office until the meeting elects someone in his place or, if it does not do so, until the close of the meeting.

### DISQUALIFICATION AND REMOVAL OF DIRECTORS

#### Removal of director

95. In addition to any power of removal under the Acts, the Company may, by special resolution, remove a director before the expiration of his period of office and, subject to these articles, may, by ordinary resolution, appoint another person who is willing to act as a director, and is permitted by law to do so, to be a director instead of him. A person so appointed shall be treated, for the purposes of determining the time at which he or any other director is to retire, as if he had become a director on the day on which the director in whose place he is appointed was last appointed or reappointed a director.

#### Termination of a director's appointment

96. A person ceases to be a director as soon as:
- (a) that person ceases to be a director by virtue of any provision of the Acts or is prohibited from being a director by law; or
  - (b) a bankruptcy order is made against that person; or
  - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts; or

- (d) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (e) notification is received by the Company from that person that he is resigning or retiring from his office as director, and such resignation or retirement has taken effect in accordance with its terms; or
- (f) in the case of a director who holds any executive office, his appointment as such is terminated or expires and the directors resolve that he should cease to be a director; or
- (g) that person is absent without the permission of the other directors from meetings of the directors for more than six consecutive months and the other directors resolve that he should cease to be a director; or
- (h) a notice in writing is served upon him personally, or at his residential address provided to the Company for the purposes of section 165 of the Companies Act 2006, signed by all the other directors stating that that person shall cease to be a director with immediate effect (and such notice may consist of several copies each signed by one or more directors, but a notice executed by an alternate director need not also be executed by his appointor and, if it is executed by a director who has appointed an alternate director, it need not also be executed by the alternate director in that capacity).

## ALTERNATE DIRECTORS

### Appointment and removal of an alternate director

97. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act and permitted by law to do so, to be an alternate director and may remove an alternate director appointed by him from his appointment as alternate director.

### Rights of an alternate director

98. An alternate director shall be entitled to receive notices of meetings of the directors and of committees of the directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not present, and generally to perform all the functions of his appointor as a director in his absence. An alternate director shall not (unless the Company by ordinary resolution otherwise determines) be entitled to any fees for his services as an alternate director, but shall be entitled to be paid such expenses as might properly have been paid to him if he had been a director.

### Termination of an alternate director's appointment

99. An alternate director shall cease to be an alternate director if his appointor ceases to be a director. However, if a director retires, by rotation or otherwise, but is reappointed or deemed to have been reappointed 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 reappointment.

100. An alternate director shall cease to be an alternate director on the occurrence in relation to the alternate director of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's appointment as a director.

#### Method of appointment or removal of an alternate director

101. An appointment or removal of an alternate director shall be by notice in writing to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.

#### Other provisions regarding alternate directors

102. Save as otherwise provided in these articles, an alternate director shall:
- (a) be deemed for all purposes to be a director;
  - (b) alone be responsible for his own acts and omissions;
  - (c) in addition to any restrictions which may apply to him personally, be subject to the same restrictions as his appointor; and
  - (d) not be deemed to be the agent of or for the director appointing him.

### POWERS OF DIRECTORS

#### General powers of the Company vested in the directors

103. The business of the Company shall be managed by the directors who, subject to the provisions of these articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company. No alteration of these articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by these articles and a meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

#### Borrowing powers and restrictions

104. (1) The directors shall restrict the borrowings of the Company and exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (as regards subsidiary undertakings so far as by such exercise they can secure) that:
- (a) the aggregate principal amount (including any premium payable on final repayment) outstanding of all money borrowed by the Group (excluding amounts borrowed by any member of the Group from any other member of the Group, other than amounts to be taken into account under paragraph (3)(c) and (d) of this article) shall not at any time, save with the previous sanction of an ordinary resolution of the Company, exceed the Borrowing Limit; and
  - (b) the aggregate principal amount (including any premium payable on final repayment) outstanding of all money borrowed in respect of any Pool

(excluding amounts borrowed by any member of the Group from any other member of the Group, other than amounts to be taken into account under paragraph (3)(c) and (d) of this article) shall not at any time, save with the previous sanction of an ordinary resolution of the Company, exceed that proportion of the Borrowing Limit that the Net Asset Value (as defined in article 9) of the relevant Pool bears to the Net Asset Value of the Company as a whole,

and for the purposes of this article the "Borrowing Limit" shall be an amount equal to two times the aggregate of:

- (c) the amount paid up, or credited as paid up, on the share capital of the Company (excluding any share capital presented as debt); and
- (d) the total of any credit balance on the distributable and undistributable reserves of the Group, but excluding amounts attributable to outside shareholders in subsidiary undertakings of the Company and deducting any debit balance on any reserve,

all as shown in the then latest audited consolidated balance sheet of the Group, but adjusted as may be necessary in respect of any variation in the paid up share capital or share premium account or capital redemption reserve of the Company since the date of that balance sheet and further adjusted as the directors may reasonably consider to be appropriate to reflect any change since that date in the companies comprising the Group and, for the avoidance of doubt any balance representing the Company's own shares (whether held pursuant to an employees' share scheme (within the meaning of section 1166 of the Companies Act 2006) or as treasury shares) shall reduce the reserves of the Group for the purposes of paragraph (1)(d) of this article.

(2) In this article:

- (a) "the Group" means the Company and its subsidiary undertakings (if any); and
- (b) "subsidiary undertaking" means a subsidiary undertaking which falls to be treated as such in the audited accounts of the Group.

(3) For the purposes of this article, but without prejudice to the generality of the terms "borrowing" and "borrowed":

- (a) amounts borrowed for the purpose of repaying the whole or any part of any amounts previously borrowed and then outstanding (including any premium payable on final repayment) and to be applied for that purpose within six months of the borrowing shall not, pending such application, be taken into account as money borrowed;
- (b) the principal amount (including any premium payable on final repayment) of any debentures issued in whole or in part for consideration other than cash shall be taken into account as money borrowed by the member of the Group issuing them;
- (c) money borrowed by a partly-owned subsidiary undertaking and not owing to another member of the Group shall (notwithstanding sub-

paragraph (b) of this paragraph) be taken into account subject to the exclusion of a proportion of it equal to the minority proportion, and money borrowed and owing to a partly-owned subsidiary undertaking by another member of the Group shall (subject to sub-paragraph (d) of this paragraph) be taken into account to the extent of a proportion of it equal to the minority proportion (and for the purpose of this sub-paragraph "minority proportion" means the proportion of the issued equity share capital of the partly-owned subsidiary undertaking which is not attributable, directly or indirectly, to the Company);

- (d) in the case of money borrowed and owing to a partly-owned subsidiary undertaking by another partly-owned subsidiary undertaking the proportion which would otherwise be taken into account under sub-paragraph (c) of this paragraph shall be reduced by excluding such part of it as is equal to the proportion of the issued equity share capital of the borrowing subsidiary undertaking which is not attributable, directly or indirectly, to the Company;
  - (e) the amount of any share capital presented as debt in the audited accounts of the Group shall be taken into account as money borrowed by the member of the Group issuing such share capital; and
  - (f) the amount of moneys borrowed shall be reduced by any cash balances as shown in the audited consolidated balance sheet of the Group.
- (4) In calculating the aggregate amount of borrowings for the purpose of this article, money borrowed by any member of the Group which is denominated or repayable in a currency other than the Group's presentational currency shall be treated as converted into that presentational currency:
- (a) at the rate of exchange used for the conversion of that currency in the latest audited balance sheet of that member; or
  - (b) if no rate was so used, at the middle market rate of exchange prevailing in London at the close of business on the date of that balance sheet, but if the amount in the Group's presentational currency resulting from conversion at that rate would be greater than that resulting from conversion at the middle market rate prevailing in London at the close of business on the business day immediately preceding the day on which the calculation falls to be made, the latter rate shall apply instead.
- (5) No debt incurred or security given in respect of money borrowed or to be taken into account as money borrowed in excess of the above limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.
- (6) In this article references to a consolidated balance sheet of the Group are to be taken:



- (a) in a case where the Company had no subsidiary undertakings at the relevant time, as references to the balance sheet of the Company;
- (b) in a case where the Company had subsidiary undertakings at the relevant time but there are no consolidated accounts of the Group, as references to the respective balance sheets of the companies comprising the Group; and
- (c) in a case where the Company had subsidiary undertakings at the relevant time, one or more of which has, in accordance with the Acts, been excluded from consolidation, as references to the consolidated balance sheet of the Company and those of its subsidiary undertakings included in the consolidation.

#### Delegation to persons or committees

105. (1) Subject to the provisions of these articles, the directors may delegate any of the powers which are conferred on them under the articles:
- (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions,
- as they think fit.
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or in part, or alter its terms and conditions.
- (4) The power to delegate under this article includes power to delegate the determination of any fee, remuneration or other benefit which may be paid or provided to any director.
- (5) Subject to paragraph (6) of this article, the proceedings of any committee appointed under paragraph (1)(a) of this article with two or more members shall be governed by such of these articles as regulate the proceedings of directors so far as they are capable of applying.
- (6) The directors may make rules regulating the proceedings of such committees, which shall prevail over any rules derived from these articles pursuant to paragraph (5) of this article if, and to the extent that, they are not consistent with them.

## DIRECTORS' REMUNERATION, GRATUITIES AND BENEFITS

### Directors' remuneration

106. (1) Until otherwise determined by the Company by ordinary resolution, there shall be paid to the directors (other than alternate directors) such fees for their services in the office of director as the directors may determine and, subject to paragraph (2) of this article, not exceeding in the aggregate an annual sum of £200,000 or such larger amount as the Company may by ordinary resolution decide, divided between the directors as they may determine, or, failing such determination, equally. The fees shall be deemed to accrue from day to day and shall be distinct from and additional to any remuneration or other benefits which may be paid or provided to any director pursuant to any other provision of these articles.
- (2) Any director who performs, or undertakes to perform, services which the directors consider go beyond the ordinary duties of a director may be paid such additional remuneration (whether by way of fixed sum, bonus, commission, participation in profits or otherwise) as the directors may determine.

### Expenses

107. The directors may also be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of the directors or of committees of the directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company and any reasonable expenses properly incurred by them otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

### Directors' gratuities and benefits

108. The directors may (by the establishment of, or maintenance of, schemes or otherwise) provide benefits, whether by the payment of allowances, gratuities or pensions, or by insurance or death, sickness or disability benefits or otherwise, for any director or any former director of the Company or of any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse or civil partner or a former spouse or former civil partner) or any person who is or was dependent on him and may (before as well as after he ceases to hold such office) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

### Executive directors

109. The directors may appoint one or more of their number to the office of managing director or to any other executive office of the Company and any such appointment may be made for such term, at such remuneration and on such other conditions as the directors think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and the Company.

## DIRECTORS' APPOINTMENTS AND INTERESTS

### Other interests and offices

110. (1) Provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and
  - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested,

and (i) he shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate; (ii) he shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any such body corporate; (iii) he shall not be required to disclose to the Company, or use in performing his duties as a director of the Company, any confidential information relating to such office or employment if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with such office or employment; (iv) he may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to such office, employment, transaction, arrangement or interest; and (v) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

- (2) For the purposes of this article:
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;
  - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his;
  - (c) a director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of any subsidiary undertaking of the Company;
  - (d) a director need not disclose an interest if it cannot be reasonably regarded as likely to give rise to a conflict of interest; and
  - (e) a director need not disclose an interest 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).

111. (1) The directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:

- (a) any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and
- (b) a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and, without prejudice to the generality of paragraph (1)(a) of this article, may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that the authorisation is effective only if (i) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and (ii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

(2) If a matter, or office, employment or position, has been authorised by the directors in accordance with this article then (subject to such terms and conditions, if any, as the directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below):

- (a) the director shall not be required to disclose to the Company, or use in performing his duties as a director of the Company, any confidential information relating to such matter, or such office, employment or position if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;
- (b) the director may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to that matter, or that office, employment or position; and
- (c) a director shall not, by reason of his office as a director of the Company, be accountable to the Company for any benefit which he derives from any such matter, or from any such office, employment or position.

## PROCEEDINGS OF DIRECTORS

### Procedures regarding board meetings

112. (1) Subject to the provisions of these articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.
- (2) A director may, and the secretary at the request of a director shall, call a meeting of the directors.
- (3) Notice of a board meeting may be given to a director personally, or by telephone, or sent in hard copy form to him at a postal address in the United Kingdom notified by him to the Company for this purpose, or sent in electronic form to such electronic address (if any) as may for the time being be notified by him to the Company for that purpose. It shall not be necessary to give notice of a board meeting to a director who is for the time being absent from the United Kingdom unless he has requested that notices of board meetings shall during his absence be given in hard copy form or in electronic form to him at a postal address or electronic address notified by him to the Company for that purpose. Such notices, however, need not be given any earlier than notices given to directors not so absent. A director may waive notice of any board meeting and any such waiver may be retrospective.
- (4) Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall (unless he is not entitled to vote on the resolution in question) have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote; and an alternate director who is appointed by two or more directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence.
- (5) A meeting of the directors may consist of a conference between directors some or all of whom are in different places provided that each director who participates in the meeting is able:
- (a) to hear each of the other participating directors addressing the meeting; and
  - (b) if he so wishes, to address each of the other participating directors simultaneously,
- whether directly, by conference telephone or by any other form of communication equipment (whether in use when this article is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number of directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates at the start of the meeting.

#### Number of directors below minimum

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

#### Election and removal of chairman and senior independent director

114. The directors may elect from their number, and remove, a chairman and a senior independent director of the board of directors. The chairman, or in his absence the senior independent director, shall preside at all meetings of the directors, but if there is no chairman or senior independent director, or if at the meeting neither the chairman nor the senior independent director is present within five minutes after the time appointed for the meeting, or if neither of them is willing to act as chairman, the directors present may choose one of their number to be chairman of the meeting.

#### Resolutions in writing

115. A resolution in writing agreed to by all the directors entitled to receive notice of a meeting of the directors and who would be entitled to vote (and whose vote would have been counted) on the resolution at a meeting of the directors shall (if that number is sufficient to constitute a quorum) be as valid and effectual as if it had been passed at a meeting of the directors, duly convened and held. A resolution in writing is adopted when all such directors have signed one or more copies of it or have otherwise indicated their agreement to it in writing. A resolution agreed to by an alternate director, however, need not also be agreed to by his appointor and, if it is agreed to by a director who has appointed an alternate director, it need not also be agreed to by the alternate director in that capacity.

#### Quorum

116. No business shall be transacted at any meeting of the directors unless a quorum is present. The quorum may be fixed by the directors. If the quorum is not fixed by the directors, the quorum shall be two. A director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote (or when his vote cannot be counted) but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate director who is not himself a director shall if his appointor is not present, be counted in the quorum.

#### Permitted interests and voting

117. (1) Subject to the provisions of these articles, a director shall not vote at a meeting of the directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company), unless his interest arises only because the case falls within one or more of the following sub-paragraphs:
- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiary undertakings;

- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiary undertakings for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
  - (c) the resolution relates to the giving to him of any other indemnity which is on substantially the same terms as indemnities given or to be given to all of the other directors and/or to the funding by the Company of his expenditure on defending proceedings or the doing by the Company of anything to enable him to avoid incurring such expenditure where all other directors have been given or are to be given substantially the same arrangements;
  - (d) the resolution relates to the purchase or maintenance for any director or directors of insurance against any liability;
  - (e) his interest arises by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares in or debentures or other securities of the Company for subscription, purchase or exchange;
  - (f) the resolution relates to an arrangement for the benefit of the employees and directors and/or former employees and former directors of the Company or any of its subsidiary undertakings, and/or the members of their families (including a spouse or civil partner or a former spouse or former civil partner) or any person who is or was dependent on such persons, including but without being limited to a retirement benefits scheme and an employees' share scheme, which does not accord to any director any privilege or advantage not generally accorded to the employees and/or former employees to whom the arrangement relates;
  - (g) the resolution relates to a transaction or arrangement with any other company in which he is interested, directly or indirectly, provided that he is not the holder of or beneficially interested in 1 per cent. or more of any class of the equity share capital of that company (or of any other company through which his interest is derived) and not entitled to exercise 1 per cent. or more of the voting rights available to members of the relevant company (and for the purpose of calculating the said percentage there shall be disregarded (i) any shares held by the director as a bare or custodian trustee and in which he has no beneficial interest; (ii) any shares comprised in any authorised unit trust scheme in which the director is interested only as a unit holder; and (iii) any shares of that class held as treasury shares).
- (2) Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each director separately and (provided he is not by virtue of paragraph (1)(g) of this article, or otherwise under that paragraph, or for any other reason, precluded from voting) each of the directors concerned shall be entitled to vote and be counted in

the quorum in respect of each resolution except that concerning his own appointment.

#### Suspension or relaxation of prohibition on voting

118. The Company may by ordinary resolution suspend or relax to any extent, in respect of any particular matter, any provision of these articles prohibiting a director from voting at a meeting of the directors or of a committee of the directors.

#### Questions regarding director's rights to vote

119. If a question arises at a meeting of the directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting (or, if the director concerned is the chairman, to the other directors at the meeting), and his ruling in relation to any director other than himself (or, as the case may be, the ruling of the majority of the other directors in relation to the chairman) shall be final and conclusive.

### DIVIDENDS

#### Declaration of dividends by the Company

120. Subject to article 9 of these articles, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.

#### Payment of interim dividends

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

#### Payment according to amount paid up

122. Except as otherwise provided by these articles or the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case (and except as aforesaid), dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this article, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount. Dividends may be declared or paid in any currency and the Board may decide the basis of conversion



for any currency conversions that may be required and how any costs involved are to be met.

#### Non-cash distribution

123. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of specific assets and in particular of fully paid shares or debentures of any other company. Where any difficulty arises in regard to the distribution, the directors may settle the same as they think fit and in particular (but without limitation) may:
- (a) issue fractional certificates or other fractional entitlements (or ignore fractions) and fix the value for distribution of such specific assets or any part thereof;
  - (b) determine that cash shall be paid to any member on the basis of the value so fixed in order to adjust the rights of those entitled to participate in the dividend; and
  - (c) vest any such specific assets in trustees.

#### Dividend payment procedure

124. Any dividend or other money payable in respect of a share may be paid by cheque or warrant sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may by notice direct. Any such dividend or other money may also be paid by any other method (including direct debit or credit and bank transfer or, in respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the directors may from time to time consider sufficient, by means of a relevant system) which the directors consider appropriate. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other money payable in respect of the share. Every cheque or warrant shall be made payable to the order of or to the person or persons entitled or to such other person as the person or persons entitled may by notice direct. Payment of such cheque, warrant or order, the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank transfer or, in respect of shares in uncertificated form, the making of payment by means of a relevant system, shall be a good discharge to the Company.

#### Right to cease sending payment

125. The Company may cease to send any cheque or warrant (or to use any other method of payment) for any dividend payable in respect of a share if:
- (a) in respect of at least two consecutive dividends payable on that share the cheque or warrant has been returned undelivered or remains uncashed (or that other method of payment has failed); or
  - (b) following one such occasion, reasonable enquiries have failed to establish any new address or account of the person entitled to the payment,

but, subject to the provisions of these articles, may recommence sending cheques or warrants (or using another method of payment) for dividends payable on that share if the person or persons entitled so request and have supplied in writing a new address or account to be used for that purpose.

#### No interest on dividends

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

#### Forfeiture of unclaimed dividends

127. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

#### Scrip dividends

128. The directors may, with the authority of an ordinary resolution of the Company, subject to article 9 of these articles, offer any holders of Shares the right to elect to receive Managed Cash, Managed Growth or Managed Income Shares respectively, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the directors) of any dividend specified by the ordinary resolution. The following provisions shall apply:
- (a) The resolution may specify a particular dividend (whether or not declared), or may specify all or any dividends declared or payable within a specified period, but such period may not end later than the beginning of the fifth annual general meeting next following the date of the meeting at which the ordinary resolution is passed.
  - (b) The entitlement of each holder of shares to new shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) that such holder would have received by way of dividend. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the relevant class of the Company's shares as derived from the London Stock Exchange Daily Official List, for the day on which the shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount.
  - (c) No fraction of a share shall be allotted and the directors may make such provision for fractional entitlements as they think fit, including provision:
    - (i) for the whole or part of the benefit of fractional entitlements to be disregarded or to accrue to the Company; or
    - (ii) for the value of fractional entitlements to be accumulated on behalf of a member (without entitlement to interest) and applied in paying up new shares in connection with a subsequent offer by the Company of the right to receive shares instead of cash in respect of a future dividend.

- (d) The directors shall, after determining the basis of allotment, notify the holders of shares of the right of election offered to them, and (except in the case of any holder from whom the Company has received written notice in such form as the directors may require which is effective for the purposes of the relevant dividend that such holder wishes to receive shares instead of cash in respect of all future dividends in respect of which a right of election is offered) shall send with, or following, such notification, forms of election and specify the procedure to be followed and place at which, and the latest time by which, elections must be received in order to be effective.
- (e) The directors may on any occasion decide that rights of election shall only be made available subject to such exclusions, restrictions or other arrangements as they shall in their absolute discretion deem necessary or desirable in order to comply with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or stock exchange in, any territory.
- (f) The dividend (or that part of the dividend in respect of which a right of election has been given) shall not be payable on shares in respect of which an election has been duly made ("the elected shares"). Instead, additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose the directors shall capitalise out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash, as the directors may determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on that basis and apply it in paying up in full the appropriate number of shares for allotment and distribution to the holders of the elected shares on that basis.
- (g) The directors shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined.
- (h) The additional shares when allotted shall rank pari passu in all respects with the fully paid shares of the same class then in issue except that they will not be entitled to participation in the dividend in lieu of which they were allotted.
- (i) The directors may do all acts and things which they consider necessary or expedient to give effect to any such capitalisation, and may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation and incidental matters and any agreement so made shall be binding on all concerned.

## CAPITALISATION OF PROFITS

### Capitalisation of profits

129. (1) The directors may with the authority of an ordinary resolution of the Company:
- (a) subject as provided in this article, resolve to capitalise any profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the Company (including any share premium

account, capital redemption reserve, merger reserve or revaluation reserve);

- (b) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would (or in the case of treasury shares, which would if such shares were not held as treasury shares) entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full shares or debentures of the Company of a nominal amount equal to that sum, and allot such shares or debentures credited as fully paid to those members or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up shares to be allotted to members credited as fully paid;
  - (c) resolve that any shares so allotted 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;
  - (d) make such provision by the issue of fractional certificates or other fractional entitlements (or by ignoring fractions) or by payment in cash or otherwise as they think fit in the case of shares or debentures becoming distributable in fractions (including provision whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned);
  - (e) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any further shares to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members; and
  - (f) generally do all acts and things required to give effect to such resolution as aforesaid.
- (2) Where, pursuant to an employees' share scheme (within the meaning of section 1166 of the Companies Act 2006) the Company has granted options to subscribe for shares on terms which provide (inter alia) for adjustments to the subscription price payable on the exercise of such options or to the number of shares to be allotted upon such exercise in the event of any increase or reduction in or other reorganisation of the Company's issued share capital and an otherwise appropriate adjustment would result in the subscription price for any share being less than its nominal value, then the directors may, on the exercise of any of the options concerned and payment of the subscription price which would have applied had such adjustment been made, capitalise any such profits or other sum as is mentioned in paragraph (1)(a) above to the extent necessary to pay up the unpaid

balance of the nominal value of the shares which fall to be allotted on the exercise of such options and apply such amount in paying up such balance and allot shares fully paid accordingly. The provisions of paragraphs (1)(a) to (f) above shall apply with the necessary alterations to this paragraph (but as if the authority of an ordinary resolution of the Company were not required).

## CAPITAL RESERVE

### Capital Reserve

130.

- (1) The Board shall establish a reserve to be called the “capital reserve” and shall either carry to the credit of such reserve from time to time or apply in providing for depreciation or contingencies, all capital profits arising on the sale, transfer, conversion, payment of or realisation of any investments or other capital assets of the Company in excess of the book value thereof, all other capital profits, and all unrealised appreciation of investments or other assets representing, or in the nature of accretion to, capital assets. Any losses realised on the sale, transfer, conversion, payment of or realisation of any investment or other capital assets and provisions in respect of the diminution in value or depreciation in the value of capital assets shall be carried to the debit of the capital reserve except in so far as the Board may in its discretion decide to make good the same out of other funds of the Company.
- (2) The Board may determine whether any amount received by the Company is to be dealt with as income or capital or partly one and partly the other. The Board may determine whether any cost, liability or expense (including any costs incurred or sums expended in connection with the management of the assets of the Company or any interest charge) is to be treated as a cost, liability or expense chargeable to capital or to revenue or partly one and partly the other, having regard, inter alia, to the investment objectives of the Company, and to the extent the Board determines that any such cost, liability or expense should reasonably and fairly be apportioned to capital the Board may debit or charge the same to the capital reserve.
- (3) All sums carried and standing to the capital reserve may be applied for any of the purposes to which sums standing to any revenue reserve of the Company are applicable.

## RECORD DATES

### Company or directors may fix record dates for payment or distribution

131. Notwithstanding any other provision of these articles, but without prejudice to the rights attached to any shares, the Company or the directors may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made. Where such a record date is fixed, references in these articles to a holder of shares or member to whom a dividend is to be paid or a distribution, allotment or issue is to be made shall be construed accordingly.

## NOTICES AND OTHER COMMUNICATIONS

### Requirements for writing

132. Any notice to be given to or by any person pursuant to these articles shall be in writing other than a notice calling a meeting of the directors which need not be in writing.

### Methods of sending or supplying

133. (1) Any notice, document or information may (without prejudice to articles 137 and 138) be sent or supplied by the Company to any member either:
- (a) personally; or
  - (b) by sending it by post in a prepaid envelope addressed to the member at his registered address or postal address given pursuant to article 133(4), or by leaving it at that address; or
  - (c) by sending it in electronic form to a person who has agreed (generally or specifically) that the notice, document or information may be sent or supplied in that form (and has not revoked that agreement); or
  - (d) by making it available on a website, provided that the requirements in paragraph (2) of this article and the provisions of the Acts are satisfied.
- (2) The requirements referred to in paragraph (1)(d) of this article are that:
- (a) the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);
  - (b) the member is sent a notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed ("notification of availability");
  - (c) in the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, time and date of the meeting, and states whether it will be an annual general meeting; and
  - (d) the notice, document or information continues to be published on that website, in the case of a notice of meeting, throughout the period beginning with the date of the notification of availability and ending with the conclusion of the meeting and in all other cases throughout the period specified by any applicable provision of the Acts, or, if no such period is

specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

- (3) In the case of joint holders of a share:
  - (a) it shall be sufficient for all notices, documents and other information to be sent or supplied to the joint holder whose name stands first in the register of members in respect of the joint holding (the "first named holder") only; and
  - (b) the agreement of the first named holder that notices, documents and information may be sent or supplied in electronic form or by being made available on a website shall be binding on all the joint holders.
- (4) A member whose registered address is not within the United Kingdom shall not be entitled to receive any notice, document or information from the Company unless he gives to the Company an address (not being an electronic address) within the United Kingdom at which notices, documents or information may be sent or supplied to him.
- (5) For the avoidance of doubt, the provisions of this article are subject to article 53.
- (6) The Company may at any time and at its sole discretion choose to send or supply notices, documents and information only in hard copy form to some or all members.

#### Deemed receipt of notice

- 134. 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.

#### Notice by reference to register of members

- 135. (1) Any notice to be given to a member may be given by reference to the register of members as it stands at any time within the period of 15 days before the notice is given; and no change in the register after that time shall invalidate the giving of the notice.
- (2) Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title; but this paragraph does not apply to a notice given under section 793 of the Companies Act 2006.

#### Notice when post not available

- 136. Where, by reason of any suspension or curtailment of postal services, the Company is unable effectively to give notice of a general meeting, the board may decide that the only

persons to whom notice of the affected general meeting must be sent are: the directors; the Company's auditors; those members to whom notice to convene the general meeting can validly be sent by electronic means and those members to whom notification as to the availability of the notice of meeting on a website can validly be sent by electronic means. In any such case the Company shall also:

- (a) advertise the general meeting in at least two national daily newspapers published in the United Kingdom; and
- (b) send or supply a confirmatory copy of the notice to members in the same manner as it sends or supplies notices under article 133 if at least seven clear days before the meeting the posting of notices again becomes practicable.

#### Other notices and communications advertised in national newspaper

137. Any notice, document or information to be sent or supplied by the Company to the members or any of them, not being a notice of a general meeting, shall be sufficiently sent or supplied if sent or supplied by advertisement in at least one national daily newspaper published in the United Kingdom.

#### When notice or other communication deemed to have been received

138. Any notice, document or information sent or supplied by the Company to the members or any of them:
- (a) by post, shall be deemed to have been received 24 hours after the time at which the envelope containing the notice, document or information was posted unless it was sent by second class post, or there is only one class of post, or it was sent by air mail to an address outside the United Kingdom, in which case it shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;
  - (b) by being left at a member's registered address or postal address given pursuant to article 133(4), shall be deemed to have been received on the day it was left;
  - (c) by electronic means, shall be deemed to have been received 24 hours after it was sent. Proof that a notice, document or information in electronic form was addressed to the electronic address provided by the member for the purpose of receiving communications from the Company shall be conclusive evidence that the notice, document or information was sent;
  - (d) by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with this article or, if later, the date on which it is first made available on the website;
  - (e) by means of a relevant system, shall be deemed to have been received 24 hours after the Company or any sponsoring system-participant acting on the Company's behalf, sends the issuer-instruction relating to the notice, document or information;



- (f) by advertisement, shall be deemed to have been received on the day on which the advertisement appears.

#### Communications sent or supplied to persons entitled by transmission

139. Any notice, document or information may be sent or supplied by the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending or supplying it in any manner authorised by these articles for the sending or supply of notice to a member addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or by any like description, at the address, if any, within the United Kingdom supplied for that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice may be sent or supplied in any manner in which it might have been given if the death or bankruptcy had not occurred.

#### Power to stop sending communications to untraced members

140. If on three consecutive occasions notices, documents or information sent or supplied to a member have been returned undelivered, the member shall not be entitled to receive any subsequent notice, document or information until he has supplied to the Company (or its agent) a new registered address, or a postal address within the United Kingdom, or (without prejudice to article 133(4)) shall have informed the Company, in such manner as may be specified by the Company, of an electronic address. For the purposes of this article, references to notices, documents or information include references to a cheque or other instrument of payment; but nothing in this article shall entitle the Company to cease sending any cheque or other instrument of payment for any dividend, unless it is otherwise so entitled under these articles.

#### Validation of documents in electronic form

141. Where a document is required under these articles to be signed by a member or any other person, if the document is in electronic form, then in order to be valid the document must either:
- (a) incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form as the directors may approve; or
  - (b) be accompanied by such other evidence as the directors may require in order to be satisfied that the document is genuine.

The Company may designate mechanisms for validating any such document and a document not validated by the use of any such mechanisms shall be deemed as having not been received by the Company. In the case of any document or information relating to a meeting, an instrument of proxy or invitation to appoint a proxy, any validation requirements shall be specified in the relevant notice of meeting in accordance with articles 52 and 81.

## ADMINISTRATION

### Making and retention of minutes

142. The directors shall cause minutes to be made in books kept for the purpose:

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

Minutes shall be retained for at least ten years from the date of the appointment or meeting and shall be kept available for inspection in accordance with the Acts.

### Inspection of accounts

143. Except as provided by statute or by order of the court or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

### Appointment of secretary

144. The secretary shall be appointed by the directors for such term, at such remuneration and upon such other conditions as they think fit; and any secretary so appointed may be removed by them.

### Use of the seal

145. The seal shall be used only by the authority of a resolution of the directors or of a committee of the directors. The directors may determine whether any instrument to which the seal is affixed shall be signed and, if it is to be signed, who shall sign it. Unless otherwise determined by the directors:

- (a) share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under the seal in respect of any debentures or other securities, need not be signed and any signature may be applied to any such certificate by any mechanical or other means or may be printed on it; and
- (b) every other instrument to which the seal is affixed shall be signed by at least one authorised person in the presence of a witness who attests the signature and for this purpose an authorised person is any director of the Company or the secretary of the Company, or any person authorised by the directors for the purpose of signing instruments to which the seal is affixed.

### Official seal for use abroad

146. The Company may have an official seal for use in any place abroad. Such a seal shall be used only by the authority of a resolution of the directors or of a committee of the directors.

## Destruction of documents

147. (1) The Company may destroy:
- (a) any instrument of transfer, after six years from the date on which it is registered;
  - (b) any dividend mandate or notification of change of name or address, after two years from the date on which it is recorded;
  - (c) any share certificate, after one year from the date on which it is cancelled; and
  - (d) any other document on the basis of which an entry in the register of members is made, after six years from the date on which it is made.
- (2) Any document referred to in paragraph (1) of this article may be destroyed earlier than the relevant date authorised by that paragraph, provided that a copy of the document (whether made electronically, by microfilm, by digital imaging or by any other means) has been made which is not destroyed before that date.
- (3) It shall be conclusively presumed in favour of the Company that every entry in the register of members purporting to have been made on the basis of a document destroyed in accordance with this article was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was duly cancelled, and that every other document so destroyed was valid and effective in accordance with the particulars in the records of the Company, provided that:
- (a) this article shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant;
  - (b) nothing in this article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document otherwise than in accordance with this article which would not attach to the Company in the absence of this article; and
  - (c) references in this article to the destruction of any document include references to the disposal of it in any manner.

## Change of name

148. The Company may change its name by resolution of the directors.

## WINDING UP

### Winding up

149. If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different

classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he may with the like sanction determine, but no member shall be compelled to accept any assets upon which there is a liability.

## INDEMNITY

### Power to indemnify directors

150. Subject to the provisions of the Acts, the Company may:

- (a) indemnify to any extent any person who is or was a director, or a director of any associated company, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company; and/or
- (b) indemnify to any extent any person who is or was a director of an associated company that is a trustee of an occupational pension scheme, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any liability incurred by him in connection with the company's activities as trustee of an occupational pension scheme; and/or
- (c) purchase and maintain insurance for any person who is or was a director, or a director of any associated company, against any loss or liability or any expenditure he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company.