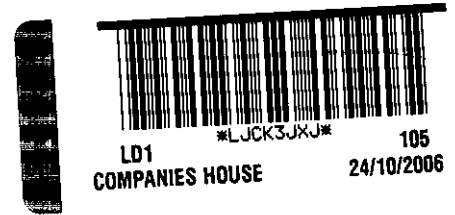


THE COMPANIES ACT 1985 to 1989

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF IMAGINATIK PLC



1. The company's name is Imaginatik plc.
2. The company is to be a public company.
3. The company's registered office is to be situated in England and Wales.
4. (a) (i) The object of the company is to carry on business as a general commercial company.  
  
(ii) Without prejudice to the generality of the objects and powers of the company derived from clause 3A of the Companies Act 1985 the company has the following objects.
  - (b) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.
  - (c) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter modify, use and turn to account and to manufacture under or grant licences, or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the company may acquire or propose to acquire.
  - (d) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidizing or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
  - (e) To improve, manage, consult, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, or turn to account, great licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the company.
  - (f) To invest and deal with the monies of the company not

immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.

- (g) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any other company associated in any way with, the company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).
- (h) To borrow or raise in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the company's property or assets (whether present or future), including its uncalled capital, and also by similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the company of any obligation or liability it may undertake or which may become binding on it.
- (i) To apply for, promote, and obtain any Act of Parliament, order or licence of the Department of Trade or other authority for enabling the company to carry any of its objects into effect, or for effecting any modification of the company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the company's interests.
- (j) To enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the company's objects, decrees, rights, privileges or concessions which the company may think desirable and to carry out, exercise and comply with any such charters, decrees, rights, privileges, and concessions.
- (k) To subscribe for, take, purchase, or otherwise acquire, hold, see deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities, issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.
- (l) To control, manage, finance, subsidise, co-ordinate, or otherwise assist any company or companies in which the company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other

arrangements which may seem desirable with respect of any business or operations of or generally with respect of any such company or companies.

- (m) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the company, or of undertaking any business or operations which may appear likely to assist or benefit the company or to enhance the value of any property or business for the purpose of acquiring the whole or any part of the business or property or business of the company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (n) To sell or otherwise dispose of the whole or any part of the business or property of the company, either together or in portions, for such consideration as the company may think fit, and in particular for shares, debentures, or securities of any such company as aforesaid.
- (o) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (p) To remunerate any person, firm or company rendering services to the company either by case payment, by the allotment to him or them of shares or other securities of the company credited as paid up in full or in part or otherwise as may be thought expedient.
- (q) To distribute among the members of the company in kind any property of the company of whatever nature.
- (r) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others from underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the company.
- (s) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the company or its directors or employees, or may be connected with any town or place where the company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of or who are to have been employed by, or who are serving or have served the company, or any company which is a subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) of the benefit of any of such persons and of their wives, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the company or of any such subsidiary, holding or

fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.

- (t) So far as permitted by law, to give, whether directly or indirectly, any kind of financial assistance (as defined in section 152(1)(a) of the Act) for any such purpose as is specified in section 151(1) and/or section 151(2) of the Act.
- (u) To procure the company to be registered or recognized in any part of the world.
- (v) To do all or any of the things or matters aforesaid in any part of the world and whether as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.
- (w) To do all such things as may be deemed incidental or conducive to the attainment of the company's objects or any of them.

AND so that:

1. None of the objects set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of this company.
2. None of the sub-clauses of this clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the company shall have as full a power to exercise each and every one of the object specified in each sub-clause of this clause as though each sub-clause contained the objects of a separate company.
3. The word "company" in this clause, except where used in reference to the company, shall be deemed to include any partnership or other body of persons, whether incorporated and whether domiciled in the United Kingdom or elsewhere.
4. In this clause the expression "the Act" means the Companies Act 1985, but so that any reference in this clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
5. The liability of the members is limited.
6. The company's authorised share capital is £312,500.00 divided into 500,000,000 Ordinary shares of £0.000625 each.

No:- 3936915

**THE COMPANIES ACTS 1985 to 1989**

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**PUBLIC COMPANY  
LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION  
OF  
IMAGINATIK PLC**

 **MARRIOTT  
HARRISON**  
SOLICITORS

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**THE COMPANIES ACTS 1985 TO 1989**

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**PUBLIC COMPANY  
LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**OF**

**IMAGINATIK PLC**

(as adopted by Special Resolution passed on 12 October 2006)

**EXCLUSION OF OTHER REGULATIONS**

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

**INTERPRETATION**

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

| <b>Expression</b>            | <b>Meaning</b>  |
|------------------------------|---|
| <b><i>the Act</i></b>        | the Companies Act 1985 (as amended from time to time);  |
| <b><i>these Articles</i></b> | these Articles of Association as altered from time to time;   |
| <b><i>the auditors</i></b>   | the auditors for the time being of the Company;   |
| <b><i>the Board</i></b>      | the Board of Directors of the Company or the Directors present at a duly convened meeting of the Directors at which a quorum is present;  |
| <b><i>clear days</i></b>     | in relation to the period of a notice, that period excluding the day when the notice is received or deemed to be received and the day for which it is given or on which it is to take effect; |
| <b><i>the Company</i></b>    | Imaginatik plc;   |
| <b><i>the Directors</i></b>  | the directors of the Company for the time being;  |
| <b><i>elected</i></b>        | elected or re-elected;  |

|   |  |
|---|--|
| <b><i>Electronic Communication</i></b>  | has the same meaning as in the Electronic Communications Act 2000;   |
| <b><i>the group</i></b>                 | the Company and its subsidiary undertakings for the time being and " <b><i>member of the group</i></b> " shall be construed accordingly;   |
| <b><i>the holder</i></b>                | in relation to shares, the member whose name is entered in the register as the holder of the shares;   |
| <b><i>the London Stock Exchange</i></b> | London Stock Exchange plc;   |
| <b><i>member</i></b>                    | a member of the Company;   |
| <b><i>month</i></b>                     | calendar month;  |
| <b><i>the office</i></b>                | the registered office for the time being of the Company;   |
| <b><i>Operator</i></b>                  | has the meaning ascribed to that expression in the Uncertificated Securities Regulations;  |
| <b><i>Ordinary Shares</i></b>           | ordinary shares of £0.000625 each in the capital of the Company;   |
| <b><i>paid up</i></b>                   | paid up or credited as paid up;  |
| <b><i>participating security</i></b>    | has the meaning ascribed to that expression in the Uncertificated Securities Regulations;  |
| <b><i>recognised person</i></b>         | a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange who is designated as mentioned in section 185(4) of the Act;  |
| <b><i>the register</i></b>              | the register of members of the Company;  |
| <b><i>relevant system</i></b>           | the CREST system or any other applicable system which is a "relevant system" for the purpose of the Uncertificated Securities Regulations;   |
| <b><i>the secretary</i></b>             | the secretary of the Company or any other person appointed to perform any of the duties of the secretary of the Company including a joint, temporary, assistant or deputy secretary;                                     |
| <b><i>the Statutes</i></b>              | the Act, the Companies Act 1989 and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning companies and affecting the Company; |
| <b><i>Uncertificated Securities</i></b> | the Uncertificated Securities Regulations 2001 (SI 2001 No.  |



**Regulations** 3755) including any modification thereof or any regulations in substitution therefor made under Section 207 of the Companies Act 1989 and for the time being in force;

**the United Kingdom** Great Britain and Northern Ireland; and

**year** calendar year.

- 2.2 References to writing include references to printing, typewriting, lithography, photography and any other mode or modes of presenting or reproducing words in a visible and non-transitory form.
- 2.3 Words importing one gender shall (where appropriate) include any other gender and words importing the singular shall (where appropriate) include the plural and vice versa.
- 2.4 Any words or expressions defined in the Act shall, if not inconsistent with the subject or context and unless otherwise expressly defined in these Articles, bear the same meaning in these Articles save that the word Company shall include any body corporate.
- 2.5 References to:-
- 2.5.1 **"mental disorder"** means mental disorder as defined in section 1 of the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984 (as the case may be) and **"mentally disordered"** shall be construed accordingly;
- 2.5.2 any section or provision of any statute, if consistent with the subject or context, include any corresponding or substituted section or provision of any amending, consolidating or replacement statute;
- 2.5.3 **"executed"** include any mode of execution;
- 2.5.4 an Article by number are to the particular Article of these Articles;
- 2.5.5 a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person;
- 2.5.6 a person include references to a body corporate and to an unincorporated body of persons;
- 2.5.7 doing something by electronic means includes doing it by an Electronic Communication;
- 2.5.8 a signature or other means of verifying the authenticity of an Electronic Communication which the board may from time to time approve, means a signature printed or reproduced by mechanical or other means, any stamp or other distinctive marking made by or with the authority of the persons required to sign the document or indicate it is approved by such person;
- 2.5.9 a share (or to a holding of shares) being in uncertificated form or in certificated form are references respectively to that share being an uncertificated unit of a security or a certificated unit of a security;
- 2.5.10 a **"cash memorandum account"** are to an account so designated by the Operator of the relevant system concerned; and

2.5.11 a **"Regulation"** are to a regulation of the Uncertificated Securities Regulations.

## SHARE CAPITAL

3.1 The authorised share capital of the Company is £312,500.00 divided into 500,000,000 Ordinary Shares.

3.2 (a) The Board shall be generally and unconditionally authorised pursuant to Section 80 of the 1985 Act to exercise for each prescribed period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the Section 80 Amount.

(b) Pursuant to and within the terms of the said authority the Board shall be empowered during each prescribed period to allot equity securities wholly for cash:

(i) in connection with a rights issue; and

(ii) otherwise than in connection with a rights issue, up to an aggregate nominal amount equal to the Section 89 Amount

as if Section 89(1) of the 1985 Act did not apply to such allotment.

3.3 For the purpose of Article 3.2:

(a) **"rights issue"** means an offer of equity securities open for acceptance for a period fixed by the Board to holders of equity securities on the register on a date fixed by the Board in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto but subject to such exclusions or other arrangements as the Board may deem necessary or expedient to deal with:

(1) fractional entitlements; or

(2) directions from any holders of shares to deal in some other manner with their respective entitlements; or

(3) legal or practical problems arising in any overseas territory; or

(4) the requirements of any regulatory body or stock exchange;

(b) **"prescribed period"** means any period (not exceeding five years on any occasion) for which (i) any authority conferred pursuant to Article 3.3(a) is conferred or renewed by ordinary or special resolution stating the Section 80 Amount, and (ii) the power conferred pursuant to Article 3.3(b) is conferred or renewed by special resolution stating the Section 89 Amount;

(c) the **"Section 80 Amount"** shall for any prescribed period be that stated in the relevant ordinary or special resolution or any increased amount fixed by ordinary or special resolution;

(d) the **"Section 89 Amount"** shall for any prescribed period be that stated in the relevant special resolution;

(e) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the

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

- (f) the Company may before the expiry of any prescribed period make an offer or agreement which would or might require relevant or equity securities to be allotted after such expiry and the Board may allot relevant or equity securities in pursuance of any such offer or agreement as if the power to do so had not expired;
  - (g) any authority conferred pursuant to Article 3.3(a) shall be capable of revocation or variation by ordinary or special resolution and of renewal by ordinary or special resolution for a period not exceeding five years; and
  - (h) any power conferred pursuant to Article 3.3(b) shall be capable of revocation or variation by special resolution and of renewal by special resolution for a period not exceeding five years.
4. Subject to the provisions of the Statutes and without prejudice to the rights attaching to any existing share or class of shares, any share may be issued with such preferred, deferred, or other special rights or such restrictions as the Company may from time to time by ordinary resolution determine or, if the Company has not so determined, as the Directors may determine.
  5. Subject to the provisions of these Articles and to the Statutes the unissued shares in the capital of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot (with or without a right of renunciation), issue or grant options over such shares to such persons, at such time and for such consideration and upon such terms and conditions as the Board may determine. Without prejudice to any rights attached to any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by Ordinary Resolution determine or if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
  6. The Company may exercise the powers of paying commissions conferred by the Statutes. Subject to the provisions of the Statutes, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
  7. Subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares, shares may be issued on terms that they are, or at the option of the Company or a member are liable, to be redeemed on such terms and in such manner as may be provided by these Articles save that the date on or by which, or dates between which, any such shares are to be or may be redeemed may be fixed by the Board (and if so fixed, the date or dates must be fixed before the shares are issued).
  8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or compelled in any way to recognise any interest in any share, except an absolute right to the entirety thereof in the holder.

## **SHARE WARRANTS**

- 9.1 The Company may, with respect to any fully paid shares, issue a share warrant stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends or other monies on the shares included in a share warrant.
- 9.2 The powers referred to in this Article 9 may be exercised by the Board, which may determine and vary the conditions on which share warrants shall be issued, and in particular on which:
- (a) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out, lost or destroyed (provided that no new share warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed);
  - (b) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;
  - (c) dividends will be paid; and
  - (d) a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it.

Subject to such conditions and to these Articles, the bearer of a share warrant shall be deemed to be a member for all purposes. The bearer of a share warrant shall be subject to the conditions for the time being in force and applicable thereto, whether made before or after the issue of such share warrant.

## **VARIATION OF RIGHTS**

- 10.1 Subject to the provisions of the Statutes, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of not less than three-quarters in nominal amount of the issued shares of the affected class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of that class (but not otherwise).
- 10.2 All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every such separate general meeting, except that-
- (a) the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy;
  - (b) any holder of shares of the class in question present in person or by proxy may demand a poll; and
  - (c) the holder of shares of the class in question shall, on a poll, have one vote in respect of every share of such class held by him.

- 10.3 Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares in the capital of the Company shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by anything done by the Company pursuant to Article 46.
- 10.4 The provisions of Articles 10.1 to 10.3 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if such group of shares of the class differently treated formed a separate class.

#### **SHARES IN UNCERTIFICATED FORM**

- 11.1 The Directors shall have power to implement such arrangements as they may, in their absolute discretion, think fit in order for any class of share to be a participating security (subject always to the Uncertificated Securities Regulations and the facilities and requirements of the relevant systems concerned). Where they do so, Articles 11.2 and 11.3 shall commence to have effect immediately prior to the time at which the Operator of the relevant system concerned permits the class of share concerned to be a participating security.
- 11.2 In relation to any class of share which is, for the time being, a participating security, and for so long as such class remains a participating security, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with:-
- (a) the holding of shares of that class in uncertificated form;
  - (b) the transfer of title to shares of that class by means of a relevant system; or
  - (c) the Regulations.
- 11.3 Without prejudice to the generality of Article 11.2 and notwithstanding anything contained in these Articles, where any class of share is, for the time being, a participating security (such class being referred to hereinafter as the **"Relevant Class"**):-
- (a) the register relating to the Relevant Class shall be maintained at all times in the United Kingdom;
  - (b) shares of the Relevant Class may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Securities Regulations;
  - (c) unless the Directors otherwise determine, shares of the Relevant Class held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings;
  - (d) shares of the Relevant Class may be changed from uncertificated to certificated form and from certificated to uncertificated form, in accordance with and subject as provided in the Uncertificated Securities Regulations;
  - (e) title to shares of the Relevant Class which are recorded on the Register as being held in uncertificated form may be transferred by means of the relevant system concerned and accordingly (and in particular) Articles 31

to 34 (inclusive) shall not apply in respect of such shares to the extent that those Articles require or contemplate the effecting of a transfer by an instrument in writing and the production of a certificate for the shares to be transferred;

- (f) the Company shall comply with the provisions of Regulations 25 and 26 in relation to the Relevant Class and Article 37 in particular shall be read as subject to Regulation 26;
- (g) the provisions of these Articles with respect to meetings of or including holders of the Relevant Class, including notices of such meeting, shall have effect subject to the provisions of Regulation 41; and
- (h) Articles 12.1 to 12.5 (inclusive) shall not apply so as to require the Company to issue a certificate to any person holding shares of the Relevant Class in uncertificated form.

## **SHARE CERTIFICATES**

- 12.1 Every person (except a person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a holder of any share in the register shall be entitled without payment to receive one certificate in respect of each class of shares held by him or, with the consent of the Board and upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his shares.
- 12.2 Shares of different classes may not be included in the same certificate.
- 12.3 Where a holder of any share (except a stock exchange nominee) has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge.
- 12.4 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- 12.5 The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to the joint holder who is first named in the register shall be a sufficient delivery to all of them.
- 12.6 In the case of shares held jointly by several persons any such request mentioned in this Article may only be made by the joint holder who is first named in the register.
- 12.7 Every certificate shall be executed by the Company in such manner as the Board, having regard to the Statutes and the listing requirements of the London Stock Exchange, may authorise. Every certificate shall specify the number, class and distinguishing number (if any) of the shares to which it relates and the amount paid up thereon.
- 12.8 The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any certificates for shares or any other form of security at any time issued by the Company need not be automatic but may be applied to the certificate by some mechanical means or may be printed on them or that the certificates need not be signed by any person.

- 12.9 If a share certificate is worn out, defaced, lost or destroyed, it may be replaced without charge (other than exceptional out of pocket expenses including any charges levied by the Company's registrars) and otherwise on such terms (if any) as to evidence and/or indemnity (with or without security) as the Board may require. In the case where the certificate is worn out or defaced, it may be renewed only upon delivery of the certificate to the Company. In the case of loss or destruction, the person to whom the new certificate is issued shall pay to the Company any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity.

## **LIEN**

13. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all money (whether presently due or not) payable in respect of that share. The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
14. The Company may sell in such manner as the Board decides any shares on which the Company has a lien, if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice in writing has been served on the holder of the shares in question or the person entitled to such shares by reason of death or bankruptcy of the holder or otherwise by operation of law demanding payment of the sum presently payable and stating that if the notice is not complied with the shares may be sold.
15. To give effect to any such sale the Board may authorise some person to execute any instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale, and he shall not be bound to see to the application of the purchase money.
16. The net proceeds of the sale, after payment of the costs of such sale, shall be applied in or towards satisfaction of the liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold (where applicable) and subject to a like lien for any moneys not presently payable or any liability or engagement not likely to be presently fulfilled or discharged as existed upon the shares before the sale) be paid to the holder of (or person entitled by transmission to) the shares immediately before the sale.

## **CALLS ON SHARES**

17. Subject to the terms of allotment of any shares, the Board may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of the nominal value of the shares or by way of premium); provided that (subject as aforesaid) no call on any share shall be payable within one month from the date fixed for the payment of the last preceding call and that at least fourteen clear days' notice shall be given of every call specifying the time or times, place of payment and the amount called on the members' shares. A call may be revoked in whole or in part or the time fixed for its payment postponed in whole or in part by the Board at any time before receipt by the Company of the sum due thereunder.
18. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable by instalments.

19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.
20. Each member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
21. If a sum called in respect of a share shall not be paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day fixed for payment to the time of actual payment at such rate, not exceeding 15 per cent. per annum, as the Board may decide, together with all expenses that may have been incurred by the Company by reason of such non-payment, but the Board may waive payment of interest and such expenses wholly or in part. No dividend or other payment or distribution in respect of any such share shall be paid or distributed and no other rights which would otherwise normally be exercisable in accordance with these Articles may be exercised by a holder of any such share so long as any such sum or any interest or expenses payable in accordance with this Article in relation thereto remains due.
22. Any sum which becomes payable by the terms of allotment of a share whether on allotment or on any other fixed date, or as an instalment of a call and whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of allotment or in the notice of the call, it becomes payable. In the case of non-payment all the provisions of these Articles relating to payment of interest and expenses, forfeiture and otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
23. The Board may, if it thinks fit, receive from any member willing to advance it all or any part of the money (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon any shares held by him, and may pay upon all or any of the money so advanced (until it would but for the advance become presently payable) interest at such rate (if any) not exceeding 15 per cent. per annum, as the Board may decide. No sum paid in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend or other payment or distribution subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.
24. The Board may on the allotment of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

#### **FORFEITURE**

25. If a member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.
26. The notice shall fix a further day (not being less than seven clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time and at the place specified, the shares on which the



call was made will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

27. If the requirements of the notice are not complied with, any share in respect of which the notice has been given may, at any time before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited shares and not paid or distributed before forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Board.
- 28.1 Subject to the provisions of the Statutes, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board decides, either to the person who was before the forfeiture the holder or to any other person, and at any time before sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the Board decides. The Company shall not exercise any voting rights in respect of such a share. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the share.
- 28.2 When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder, or the person entitled to the share by transmission, and an entry of the forfeiture, with the date of the forfeiture, shall be entered in the register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry.
29. A person any of whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all money which at the date of forfeiture was then payable by him to the Company in respect of the shares, with interest on such money at such rate, not exceeding 15 per cent. per annum, as the Board may decide from the date of forfeiture until payment. The Board may, if it thinks fit, waive the payment of all or part of such money and/or the interest payable thereon.
30. A statutory declaration by a Director or the secretary that a share has been duly forfeited or surrendered on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The statutory declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### **DISCLOSURE OF INTERESTS IN SHARES**

31. Where, in respect of any shares of the Company, any holder or any other person appearing to be interested in such shares held by a member has been issued with a notice pursuant to section 212 of the Act (a "**statutory notice**") and has failed in relation to any shares (the "**default shares**") to comply with the statutory notice and to give the Company the information required by such notice within the prescribed period from the date of the statutory notice, then the Board may

serve on the holder of such default shares a notice (a "**disenfranchisement notice**") whereupon the following sanctions shall apply:-

- (a) such holder shall not with effect from the service of the disenfranchisement notice be entitled in respect of the default shares to be present or to vote (either in person or by representative or by proxy) either at any general meeting or at any separate general meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and
- (b) where such shares represent not less than 0.25 per cent. in nominal value of the issued shares of their class:-
  - (i) any dividend or other moneys payable in respect of the default shares shall be withheld by the Company which shall not be under any obligation to pay interest on it and the holder shall not be entitled under Article 147 to elect to receive shares instead of that dividend; and
  - (ii) no transfer, other than an excepted transfer, of any shares held by the holder shall be registered unless:-
    - (1) the holder is not himself in default as regards supplying the information required; and
    - (2) the holder proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

31.2 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 provided that any sanctions applying to, or to a right to, new shares by virtue of this Article shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled) and provided further that Article 31.1 shall apply to the exclusion of this Article if the Company gives a separate notice under section 212 of the Act in relation to the new shares.

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

31.4 Unless and until a withdrawal notice is duly served in relation thereto or a disenfranchisement notice in relation thereto is deemed to have been withdrawn or the shares to which a disenfranchisement notice relates are transferred by means of an excepted transfer, the sanctions referred to in Articles 31.1 and 31.2 shall continue to apply.

31.5 Where, on the basis of information obtained from a holder in respect of any share held by him, the Company issues a notice pursuant to section 212 of the Act to any other person and such person fails to give the Company the information thereby required within the prescribed period and the Board serves a

disenfranchisement notice upon such person, it shall at the same time send a copy of the disenfranchisement notice to the holder of such share, but the accidental omission to do so, or the non-receipt by the holder of the copy, shall not invalidate or otherwise affect the application of Articles 31.1 and 31.2.

31.6 For the purpose of these Articles: -

- (a) a person other than the holder of a share shall be treated as appearing to be interested in that share if the holder has informed the Company that the person is, or may be, so interested or if (after taking into account the said notification and any other relevant notification pursuant to section 212 of the Act) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share;
- (b) **"interested"** shall be construed as it is for the purpose of section 212 of the Act;
- (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;
- (d) the **"prescribed period"** means:-
  - (i) in a case where the default shares represent at least 0.25 per cent. of their class, fourteen days; and
  - (ii) in any other case, twenty-eight days;
- (e) an **"excepted transfer"** means, in relation to any share held by a holder:-
  - (i) a transfer pursuant to acceptance of an offer made to all the holders (or all the holders other than the person making the offer and his nominees) of the shares in the Company to acquire those shares or a specified proportion of them, or to all the holders (or all the holders other than the person making the offer and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them; or
  - (ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
  - (iii) a transfer which is shown to the satisfaction of the Board to be made in consequence of a bona fide sale of the whole of the beneficial interest in the share to a person who is unconnected with the holder and with any other person appearing to be interested in the share.

- 31.7 Nothing contained in these Articles shall prejudice or affect the right of the Company to apply to the court for an order under section 216 of the Act and in connection with such an application or intended application or otherwise to require information on shorter notice than the prescribed period.

## **TRANSFER OF SHARES**

32. The instrument of transfer of a share may be in any usual form or in any other form which the Board may approve. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder until the name of the transferee is entered in the register.
33. The Board may, in its absolute discretion, and without assigning any reason therefor, refuse to register any transfer of shares all or any of which are not fully paid provided that, where any such shares are admitted to the Official List of the United Kingdom Listing Authority or traded on the AIM Market of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Board may also decline to register any transfer of a share (not being a fully paid share) on which the Company has a lien.
34. The Board may also refuse to register any transfer of shares, unless-
- (a) the instrument of transfer is lodged (duly stamped if the Statutes so require) at the office or at such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates and such other evidence (if any) as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so) provided that in the case of a transfer by a recognised person where a certificate has not been issued in respect of the share, the lodgement of share certificates shall not be necessary; and
  - (b) the instrument of transfer is in respect of only one class of share; and
  - (c) in the case of a transfer to joint holders, they do not exceed four in number.
35. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register (except in the case of fraud) shall be returned to the person lodging it when notice of the refusal is given.
36. If the Board refuses to register a transfer, it shall within two months after the date on which the instrument of transfer was lodged with the Company send to the transferee notice of the refusal.
37. The registration of transfers of shares or of any class of shares may be suspended and the register closed at such times and for such periods as the Board may from time to time decide, provided that it shall not be closed for more than thirty days in any calendar year.
38. No fee shall be payable to the Company for the registration of any transfer or any other document relating to or affecting the title to any share or for making any entry in the register affecting the title to any share.

39. 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**

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

### **ALTERATION OF SHARE CAPITAL**

43. The Company may by ordinary resolution:
- (a) increase its share capital by such sum to be divided into shares of such amount and having such rights as the resolution shall prescribe;
  - (b) consolidate all or any of its share capital into shares of a larger amount than its existing shares;
  - (c) subject to the provisions of the Statutes, sub-divide its shares, or any of them, into shares of a smaller amount (provided that the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived) and the resolution may determine that as between the holders of such shares resulting from the sub-division any of

them may have any preference or advantage or be subject to any restriction as compared with the others; and

- (d) cancel any shares which, at the date of the passing of the resolution, have not been subscribed for, or agreed to be subscribed for, by any person, and diminish the amount of its authorised share capital by the amount of the shares so cancelled.
- 44. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share the Board may deal with the fractions as it thinks fit and in particular may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale (subject to retention by the Company of amounts not exceeding £3 the cost of distribution of which would be disproportionate to the amounts involved) in due proportion among those members, and the Board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.
- 45. Subject to the provisions of the Statutes, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account and/or any other non-distributable reserves in any way.

#### **PURCHASE OF OWN SHARES**

- 46. Subject to the provisions of the Statutes and to the rights attaching to any class of shares, the Company may purchase or may enter into a contract under which it will or may purchase all or any of its own shares of any class (including any redeemable shares). Every contract providing for the purchase by the Company of shares in the Company or under which the Company may (subject to any conditions) become entitled or obliged to purchase shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes.
- 47. Neither the Company nor the Board shall be required to select the shares to be purchased rateably or in any other manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

#### **STOCK**

- 48.1 The Company may from time to time in general meeting convert any fully paid up shares into stock and may reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class in the capital of the Company into stock, any shares of that class that subsequently become fully paid up and rank pari passu in all other respects with such shares shall, by virtue of this Article and such resolution, be converted into stock transferable in the same units as the shares already converted.
- 48.2 The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as the shares from which the stock

arose might, prior to conversion, have been transferred or as near thereto as circumstances admit. The Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of such minimum but the minimum shall not, without the sanction of any ordinary resolution of the Company, exceed the nominal amount of each of the shares from which the stock arose.

- 48.3 The holders of stock shall, according to the amount of the stock held by them, have the same rights as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right (except as to participation in dividends and in assets on a reduction of capital or a winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right.
- 48.4 All provisions of these Articles which are applicable to paid up shares shall apply to stock, and the words "**share**" and "**shareholder**" herein shall include "**stock**" and "**stockholder**" respectively.

### **GENERAL MEETINGS**

49. The Company shall hold annual general meetings which shall be convened by the Board in accordance with the Statutes. All general meetings other than annual general meetings shall be called extraordinary general meetings.
50. The Board may call an extraordinary general meeting whenever it thinks fit, and, on the requisition of members in accordance with the Act, it shall forthwith proceed to convene an extraordinary general meeting for a date not more than twenty-eight days after the date of the notice convening the meeting. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or, if there is no Director within the United Kingdom, any member of the Company may call a general meeting.

### **NOTICE OF GENERAL MEETINGS**

- 51.1 An annual general meeting and an extraordinary general meeting where such extraordinary general meeting is called for the passing of a special resolution shall be called by at least twenty-one clear days' notice in writing. All other extraordinary general meetings shall be called by at least fourteen clear days' notice in writing. The notice shall specify:-
- (a) whether the meeting is an annual general meeting or an extraordinary general meeting;
  - (b) the day, time and place of the meeting;
  - (c) in the case of special business, the general nature of the business to be transacted;
  - (d) if the meeting is convened to consider a special or extraordinary resolution, the intention to propose the resolution as such;
  - (e) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.

- 51.2 Subject to the provisions of these Articles, to the rights attaching to any class of shares and to any restriction imposed on any holder, notice shall be given to all members, the Directors and the auditors.
52. The accidental omission to send a notice of any meeting, or (where forms of proxy are sent out with notices) to send a form of proxy with a notice to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

53. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting with the exception of sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports of the Directors and auditors and any other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise, the appointment of auditors where special notice of such appointment is not required by the Statutes, and the fixing of, or the determining of the method of fixing, the remuneration of the auditors and the giving, variation or renewal of any authority of the Board for the purposes of section 80 of the Act or any power pursuant to section 95 of the Act.
54. No business shall be transacted at any general meeting unless a quorum is present but the absence of a quorum shall not preclude the choice or appointment of a chairman in accordance with these Articles (which shall not be treated as part of the business of the meeting). Subject to Article 55 two members present in person or by representative (in the case of a corporate member) or by proxy and entitled to vote shall be a quorum for all purposes.
55. If within fifteen minutes from the time fixed for the meeting a quorum is not present or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and such other time and place as the Directors may determine.
- 56.1 The chairman of the Board or in his absence the deputy chairman shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or if neither is willing to act as chairman of the meeting, the Directors present shall choose one of themselves or if no Director is present, or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of themselves to be chairman of the meeting.
- 56.2 The Board may implement, at general meetings of the Company, such security arrangements as it shall think appropriate to which members, representatives (in the case of corporate members) and their proxies shall be subject. The Board shall be entitled to refuse entry to the meeting to any such member, representative or proxy who fails to comply with such security arrangements.
- 56.3 The chairman of each general meeting of the Company may take such action as he considers appropriate to permit the orderly conduct of the business of the meeting as set out in the notice of the meeting.



57. Without prejudice to any other power of adjournment which he may have under these Articles or at common law, the chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or indefinitely) and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for an indefinite period the time and place for the adjourned meeting shall be fixed by the Board. Whenever a meeting is adjourned for fourteen days or more or for an indefinite period, seven clear days' notice at the least, specifying the place, the day and the time of the adjourned meeting and the general nature of the business to be transacted shall be given in the same manner as in the case of an original meeting. Save as provided in these Articles it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
58. If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that any member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere, and to be heard and seen by all other persons so present in the same manner.
- 59.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands or on the withdrawal of any other due demand for a poll, a poll is duly demanded. Subject to the provisions of the Statutes, a poll may be demanded:-
- (a) by the chairman of the meeting; or
  - (b) by at least five members present in person or by proxy and entitled to vote at the meeting; or
  - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - (d) by a member or members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- 59.2 Unless a poll is so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 60.1 If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The chairman may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 60.2 A poll demanded as respects the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the poll is taken. If a poll is demanded before the declaration of the result of a show of hands and the demand is subsequently duly withdrawn, the meeting shall continue as if the demand had not been made. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
61. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a further or casting vote in addition to the votes to which he may be entitled as a member or as a representative or proxy of a member.
62. All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every separate meeting of the holders of any class of share in the Company, except as provided in Article 10.1 when the provisions of Article 10.2 shall apply.
63. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

## **VOTES OF MEMBERS**

64. Subject to any terms as to voting upon which any shares may be issued or may for the time being be held and to the provisions of these Articles, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote on a show of hands, and on a poll every member present in person or by representative (in the case of a corporate member) or by proxy shall have one vote for each share of which he is the holder. On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
65. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
66. A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court, and any such guardian, receiver, curator bonis or other person may, on a poll, vote by proxy provided that evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with

these Articles for the deposit of instruments of proxy, not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

67. No member shall, unless the Board otherwise determines, be entitled to vote at any general meeting or at any separate general meeting of the holders of any class of shares in the Company unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
68. If any objection shall be raised as to the qualification of any voter or if any votes have been counted which should not have been counted or it shall be alleged that any votes have not been counted which ought to have been counted the objection or allegation shall not vitiate the decision on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the alleged error occurs. Any objection or allegation made in due time shall be referred to the chairman of the meeting, and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the objection or allegation is justified and that the decision of the meeting may have been affected. The decision of the chairman shall be final and conclusive.
69. Forms of instrument of proxy shall be in any usual form or in such other form as the Board may approve. Forms of instrument of proxy shall be sent by the Company to all persons entitled to notice of and to attend and vote at any meeting, and shall provide for voting both for and against all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting. The accidental omission to send an instrument of proxy or the non-receipt thereof by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting. The instrument of proxy shall be executed by or on behalf of the appointor and shall be deemed to confer authority to demand, or concur in demanding, a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. A corporation may appoint a corporate representative in accordance with Article 70 or execute an instrument of proxy either under seal or under the hand of two Directors, a director and the secretary or a duly authorised officer. A proxy need not be a member of the Company.
70. Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and (except as otherwise provided in these Articles) the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. A certified copy of such a resolution shall be deposited at the office not less than forty-eight hours before the time appointed for holding the meeting or first meeting at which the person so authorised is to act, or, in the case of a poll taken subsequent to the meeting or first meeting, not less than twenty-four hours before the time appointed for the taking of the poll, and unless such certified copy of such resolution is so deposited the authority granted by such resolution shall not be treated as valid. Where certified copies of two or more valid but differing resolutions authorising any person or persons to act as the representative of any corporation pursuant to this Article at the same meeting in relation to the same share are deposited at the office, the resolution, a certified copy of which is deposited with the Company (in accordance with this Article) last in time (regardless of the date of such certified copy or of the date upon which the resolution set out there was passed), shall be treated as revoking

and replacing all other such authorities as regards that share but if the Company is unable to determine which of any such two or more valid but differing resolutions was the one so deposited last in time, none of them shall be treated as valid in respect of that share. The authority granted by any such resolution shall, unless the contrary is stated in the certified copy thereof deposited with the Company pursuant to this Article, be treated as valid for any adjournment of any meeting at which such authority may be used as well as at such meeting. A corporation which is a member of the Company may authorise more than one person to act as its representative pursuant to this Article in respect of any meeting or meetings and such a member who holds different classes of shares may so authorise one or more different persons for each class of share held.

71. The instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 or the Enduring Powers of Attorney Act 1986 (or any statutory modification or re-enactment thereof for the time being in force) of any such power or written authority, shall be deposited at the office (or at such other place as shall be specified in the notice of meeting or in any instrument of proxy or other document accompanying the same) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the meeting or adjourned meeting, not less than twenty-four hours before the time appointed for taking the poll, and (save as otherwise provided in this Article) unless so deposited the instrument of proxy shall not be treated as valid. Where a poll is not taken forthwith but is taken less than forty-eight hours after it was demanded, the instrument of proxy together with any other documents required to be deposited pursuant to the preceding sentence of this Article shall be deemed to have been duly deposited if handed to the chairman of the meeting at which the poll is to be taken at any time prior to the commencement of such meeting and if so delivered the instrument of proxy shall be treated as valid. The deposit or delivery of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjourned meeting. When two or more valid but differing instruments of proxy are deposited or delivered in respect of the same share for the use at the same meeting, the one which is deposited or delivered with the Company (in accordance with the provisions of this Article) last in time (regardless of its date or of the date of its execution) shall be treated as replacing and revoking any others as regards that share and if the Company is unable to determine which of any such two or more valid but differing instruments of proxy was so deposited or delivered last in time, none of them shall be treated as valid in respect of that share. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution. The instrument of proxy shall, unless the contrary is stated, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
72. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid, notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of the determination shall have been received by the Company at the office (or other place at which the instrument of proxy was duly deposited) before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used or, in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting, the time appointed for taking the poll.

#### **AMENDMENTS TO RESOLUTIONS**

- 73.1 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings relating to such resolution shall not be invalidated by any error in such ruling.
- 73.2 In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment thereto (other than a clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 73.3 In the case of a resolution duly proposed as an ordinary resolution, no amendment (other than a clerical amendment to correct a patent error) may in any event be considered or voted upon unless written notice of the proposed amendment and the intention to move it has been left at the office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for the holding of the meeting or the adjourned meeting at which the ordinary resolution is to be considered.

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

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

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

### **BORROWING POWERS**

- 78.1 Subject as herein provided and to the provisions of the Act, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital, and, subject to the Statutes, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
- 78.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in respect of its subsidiary undertakings so as to secure (and as regards its subsidiary undertakings in so far as it can secure by such exercise) that the aggregate principal amount at any one time outstanding in respect of moneys borrowed by the group (exclusive of moneys borrowed by one member of the group from another and after deducting cash deposited) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed the greater of £25 million and an amount equal to 4 times the Adjusted Capital and Reserves.
- 78.3 For the purposes of this Article 78:
- (a) the **"Adjusted Capital and Reserves"** means a sum equal to the aggregate from time to time of:
    - (i) the amount paid up (or credited as or deemed to be paid up) on the issued share capital of the Company; and
    - (ii) the amount outstanding to the credit of the capital and revenue reserves of the group, whether or not distributable (including without limitation any share premium account, capital redemption reserve fund, or revaluation reserve and credit or debit balance on any other reserve) after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account of the group;  
  
all as shown in the relevant balance sheet of the group but after:
      - (iii) making such adjustments as may be appropriate to reflect:

- (A) any variation in the amount of the paid up share capital, the share premium account or the capital redemption reserve or any such reserves since the date of the relevant balance sheet and so that for the purpose of making such adjustments:
    - if any issue or proposed allotment of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been allotted and the amount (including the premium) of the subscription monies payable in respect thereof (not being monies payable later than six months after the date of allotment) shall be deemed to have been paid up to the extent so underwritten on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, the date on which it became unconditional); and
    - subject as aforesaid, share capital (including any premium) shall be deemed to have been paid up as soon as it has been unconditionally agreed to be subscribed or taken up (within six months of such agreement) by any person;
  - (B) any variation since the date of the relevant balance sheet in the interests of the Company in its subsidiary undertakings or of the companies comprising the group; and
  - (C) where the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary undertaking, such adjustments as would be appropriate if such transactions had been carried into effect;
- (iv) excluding (so far as not already excluded):
- (A) amounts attributable to the proportion of the issued equity share capital of any subsidiary undertaking which is not attributable directly indirectly to the Company;
  - (B) any sum set aside for taxation (including deferred taxation); and
- (v) deducting:
- (A) sums equivalent to the book values of goodwill (other than goodwill arising on consolidation) and other tangible assets shown in the relevant balance sheet; and
  - (B) the amount of any distribution declared, recommended or made by any member of the group to a person other than a member of the group out of profits accrued up to and including the date of (and not provided for in) the relevant balance sheet;
- (b) **"cash deposited"** means an amount equal to the aggregate of the amounts beneficially owned by members of the group which are deposited for the time being with any bank or other person (not being a member of

the group) and which are repayable to any member of the group on demand or within three months of such demand subject, in the case of amounts deposited by a partly-owned subsidiary, to the exclusion of a proportion thereof equal to the proportion of its issued equity share capital which is not attributable, directly or indirectly to the Company;

(c) **"moneys borrowed"** include not only moneys borrowed but also the following except in so far as otherwise taken into account:

- (i) the nominal amount of any issued and paid up share capital and the principal amount of any debenture or borrowings of any person together with any fixed or minimum premium payable on redemption, the beneficial interest in which or right to repayment which is not for the time being owned by a member of the group but the payment or repayment of which is the subject of a guarantee or indemnity by a member of the group or is wholly (or to the extent part secured, partly) secured on the assets or the undertaking of a member of the group;
- (ii) the principal amount raised by any member of the group by acceptances or under any acceptance credit opened on its behalf by any bank or acceptance house (not being a member of the group) other than acceptances and acceptance credits relating to the purchase of goods or services in the ordinary course of trading and outstanding for six months or less;
- (iii) the principal amount of any debenture (whether secured or unsecured) of any member of the group beneficially owned otherwise than by a member of the group;
- (iv) the nominal amount of any preference (or other non-equity) share capital of any subsidiary beneficially owned otherwise than by a member of the group;
- (v) any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing (but any premium payable on final repayment of an amount not to be taken into account as moneys borrowed shall not be taken into account); and
- (vi) any fixed amount in respect of a hire purchase agreement or of a finance lease payable in either case by a member of the group which would be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant balance sheet (and for the purpose of this sub-paragraph (vi) **"finance lease"** means a contract between a lessor and a member of the group as lessee or sub-lessee where substantially all the risks and rewards of that ownership of the asset leased or sub-leased are to be borne by that company and **"hire purchase agreement"** means a contract of hire purchase between a hire purchase lender and a member of the group as hirer);

but do not include:

- (vii) moneys borrowed by any member of the group for the purpose of repaying within six months of being first borrowed the whole or any part of any moneys borrowed and then outstanding (including



any premium payable on final repayment) of that or any other member of the group pending their application for such purpose within that period;

- (viii) moneys borrowed by any member of the group for the purpose of *financing any contract in respect of which any other payment of the price receivable under the contract by that or any other member of the group is guaranteed or insured by the Export Credits Guarantee Department or by any other institution fulfilling a similar function up to an amount equal to but not exceeding that part of the price receivable under the contract which is so guaranteed or insured;*
- (ix) an amount equal to the moneys borrowed of any company outstanding immediately after it becomes a member of the group provided that it became a member of the group during the six months preceding the calculation;
- (x) an amount equal to the amount secured on an asset immediately after it was acquired by a member of the group provided that it was acquired during the six months preceding the calculation;
- (xi) notwithstanding sub-paragraphs (i) to (vi) above, the proportion of moneys borrowed by a member of the group (and not owing to another member of the group) which is equal to the proportion of its issued equity share capital not attributable directly or indirectly to the Company;
- (xii) amounts borrowed or raised which are for the time being deposited with H M Revenue & Customs or any other body designated by any relevant legislation or order in connection with import deposits or any similar government scheme to the extent that a member of the group retains an interest therein;

and in sub-paragraphs (vii) to (xii) above references to amounts of moneys borrowed include references to amounts which, but for the exclusion under those sub-paragraphs, would fail to be included;

- (d) there shall be credited against the amount of any moneys borrowed any cash deposited with any bank or other person (whether on current account or otherwise) not being a member of the group and which is repayable to any member of the group on demand or within three months of any demand;
- (e) for the avoidance of doubt it is hereby expressly provided that for the purposes of the limit set out in Article 78.2 the following sums shall be deemed not to be moneys borrowed of the group:
  - (i) any and all sums retained by any member of the group (or their agent or nominee) under the terms of any contract or other arrangement relating to the construction of capital projects where the retention is made for the purposes of securing satisfactory completion and entry into service of the project for so long as and to the extent that any member of the group is entitled to retain such sums under the relevant contract or arrangement;
  - (ii) sums advanced or paid to any member of the group (or their agent

or nominee) by customers of any member of the group as pre-payments or progress payments or payments on account or by way of deposit or security in respect of any products or services or any guarantees or indemnities given by any member of the group or under any sales contracts or settlements; and

- (iii) sums which otherwise would fall to be treated as borrowed moneys of any member of the group which were treated with the concurrence of the auditors and in accordance with any current Statement of Standard Accounting Practice or other accountancy principle or practice generally accepted for the time being in the United Kingdom in the latest audited balance sheet of the relevant member of the group on which such consolidation was based as otherwise than borrowed moneys of that member of the group or sums which were incurred after the date of the latest audited balance sheet and, in the reasonable opinion of the Board, would have been so treated had they been outstanding at that date.

- (f) **"relevant balance sheet"** means the latest published audited consolidated balance sheet of the group, but where the Company has no subsidiaries it means the balance sheet and profit and loss account of the Company and, where the Company has subsidiaries but there are no consolidated accounts of the group, it means the respective balance sheets and profit and loss accounts of the companies comprising the group;

- (g) **"equity share capital"** shall be construed in relation to a subsidiary undertaking without a share capital in the same manner as "shares" are defined in relation to an undertaking without a share capital under section 259(2)(b) and (c) of the Act.

78.4 When the aggregate amount borrowed required to be taken into account for the purposes of this Article 78 on any particular day is being ascertained any of such moneys denominated or repayable in a currency other than sterling shall if not subject to a contract or arrangement determining the rate of exchange be converted for the purpose of calculating the sterling equivalent either:

- (a) with the exception of Excepted Foreign Currency Borrowings (as hereinafter defined), at the rate of exchange prevailing at the material time in London provided that the moneys comprising such borrowing shall be translated (if thereby such sterling amount would be less) at the option of the Company at the rate of exchange prevailing in London six months before such time. For the purposes of this sub-paragraph the rate of exchange shall be taken as the middle market rate as at the close of business in London on the relevant day or, if such day is not a business day, on the last business day before the day in question;
- (b) in the case of any Excepted Foreign Currency Borrowings, at the rate of exchange which would be applicable to the moneys comprising such borrowing on their repayment to the extent that such rate of exchange is fixed under any Exchange Cover Scheme (as hereinafter defined) in connection with such moneys borrowed provided that where it is not possible to determine the rate of exchange applicable at the time of repayment of any such moneys borrowed they shall be translated into sterling under the terms of the applicable Exchange Cover Scheme on such basis as may be agreed with or determined by the auditors or, if this is

agreed by the auditors not to be practicable, in accordance with the provisions of sub-paragraph (a) above;

For the purpose of this Article 78.4:

- (i) **"Excepted Foreign Currency Borrowings"** means moneys borrowed denominated or repayable in a currency other than sterling which have the benefit of an Exchange Cover Scheme and **"Exchange Cover Scheme"** means any exchange cover scheme, forward currency contract, currency option, back to back loan, swap or other arrangement taken out or entered into to reduce the risks associated with fluctuations in exchange rates; and
- (ii) where under the terms of any borrowing the amount of money which would be required to discharge the principal amount of moneys borrowed in full if it failed to be repaid (whether at the option of the company borrowing the same or by reason of default) at such material time is less than the amount which would otherwise be taken into account in respect of such moneys borrowed for the purposes of this Article, the amount of such moneys borrowed to be taken into account shall be such lesser amount.

78.5 A report or certificate of the auditors as to the amount of the Adjusted Capital and Reserves or the amount of moneys borrowed falling to be taken into account for the purposes of this Article 78 or to the effect that the limit imposed by this Article 78 has not been or will not be exceeded at any particular time or times or as a result of any particular transaction or transactions shall be conclusive evidence of the amount or of that fact.

78.6 Nevertheless for the purposes of this Article the Directors at any time act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves and if in consequence the limit set out in Article 78.2 is inadvertently exceeded, an amount borrowed equal to the excess may be disregarded until the expiration of three months after the date on which by reason of a determination of the auditors or otherwise the Directors become aware that such a situation has or may have arisen.

79.7 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this Article 78 shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would thereby be exceeded but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

## **NUMBER AND QUALIFICATION OF DIRECTORS**

79. The minimum number of Directors shall be two and unless and until otherwise determined by ordinary resolution of the Company, there shall be no maximum number of Directors.

80. A Director shall not be required to hold any shares of the Company by way of qualification.

81. No person shall be or become incapable of being appointed or reappointed a Director by reason of his having attained the age of seventy or any other age, nor shall any special notice be required in connection with the appointment or

reappointment or the approval of the appointment or reappointment of such person and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age and section 293 of the Act shall not apply to the Company. Where any general meeting of the Company is convened at which, to the knowledge of the Board, a Director will be proposed for appointment or reappointment who will at the date of the meeting be seventy or more, the Board shall give notice of his age in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings or any appointment or reappointment of that Director at that meeting.

82. If the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the Directors for the time being may act for the purpose of filling up vacancies in their number or of calling a general meeting of the Company, but not for any other purpose. If there are no Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.
83. No person other than a Director retiring (or, if appointed by the Board, vacating office) at the meeting shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting, unless not less than seven nor more than 28 clear days before the day fixed for the meeting there shall have been left at the office addressed to the secretary notice in writing by a member entitled to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. The notice shall give the particulars in respect of that person which would (if he were elected) be required to be included in the Company's register of Directors.

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

84. Subject to the provisions of Articles 79 to 83 and without prejudice to the power of the Board under Article 82 the Company may by ordinary resolution elect a person who is willing to act to be a Director either to fill a vacancy or as an additional Director, and may also determine the rotation in which any additional Directors are to retire; but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles.
85. A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void. For the purposes of this Article a motion for approving a person's appointment or for nominating for appointment shall be treated as a motion for his appointment.
86. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for election, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under the provisions in that behalf contained in these Articles, and unless so elected shall vacate office at the conclusion of such meeting.
87. At each annual general meeting, subject as provided below, one-third of the Directors who are subject to retirement by rotation (or, if their number is not a

multiple of three, then the number nearest to but not exceeding one-third), shall retire from office by rotation. If there is only one Director who is subject to retirement by rotation, he shall retire Provided that such Director shall retire at least once every three years.

88. Without prejudice to Article 84, the Directors to retire by rotation shall be those who have been longest in office since their last election; as between persons who became or were last elected Directors on the same day, those to retire by rotation shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire (both as to number and as to identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors or the appointment of him or any of them to be an executive Director after the date of such notice but before the close of the meeting.
89. A retiring Director shall be eligible for re-election. If he is not re-elected or deemed to be re-elected he shall hold office until the meeting elects someone in his place, or if it does not do so, until the end of the meeting.
90. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

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

91. A Director may resign his office by notice in writing submitted to the Board.
92. The Company may by ordinary resolution of which special notice has been given in accordance with section 379 of the Act remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company.

#### **DISQUALIFICATION OF DIRECTORS**

93. Without prejudice to the other provisions of these Articles, the office of a Director shall be vacated if the Director:-
  - (a) becomes bankrupt or the subject of an interim receiving order or makes any arrangement or composition with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
  - (b) is or may be suffering from mental disorder and either:-
    - (i) is admitted to hospital pursuant to an application for admission for treatment under the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984; or
    - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) on the ground (howsoever formulated) of mental disorder for his detention or for the

appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

- (c) is absent from meetings of the Board for six consecutive months without permission of the Board and the Board resolves that his office be vacated;
- (d) ceases to be a Director by virtue of any provision of the Statutes or becomes prohibited by law from being a Director;
- (e) receives written notice signed by all the other Directors removing him from office without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company; or
- (f) in the case of a Director who holds any executive office, ceases to hold such office (whether because his appointment is terminated or expires) and the majority of the other Directors resolve that his office be vacated.

94. A resolution of the Board declaring a Director to have vacated office under the terms of Article 93 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

#### **REMUNERATION OF DIRECTORS**

95. The Directors of the Company (other than alternate Directors) shall be paid such remuneration (by way of fee) for their services as may be determined by the Board.
96. Each Director shall be entitled to be repaid all travelling, hotel and other expenses of travelling to and from Board meetings, committee meetings, general and other meetings and shall be paid all expenses properly and reasonably incurred by him while engaged on the business of the Company or in the discharge of his duties as a Director.
97. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, commission, percentage of profits or otherwise as the Board may decide.

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

98.1 The Board may from time to time:-

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

- 98.2 A Director (other than a chief executive, managing director or joint managing director) holding any such other office or employment is referred to in these Articles as an "**Executive Director**".
- 98.3 A Director appointed to the office of chief executive, managing director or joint managing director shall not, while holding that office, be subject to retirement by rotation or be taken into account in deciding the number of Directors to retire by rotation on any particular occasion, but shall (subject to the provisions of any contract between himself and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall cease to be a chief executive, managing director or joint managing director (but without prejudice to any rights or claims which he may have against the Company by reason of such cessation).
- 98.4 An Executive Director shall not be exempt from retirement by rotation, and shall not cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.
- 99.1 The remuneration of any chief executive, managing director, joint managing director or Executive Director (whether by way of salary, commission, participation in profit or otherwise) shall be decided by the Board and may be either in addition to or in lieu of any remuneration as a Director.
- 99.2 The Board may entrust to and confer upon a chief executive, managing director, joint managing director or Executive Director any of the powers, authorities and discretions vested in or exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and, in the case of a chief executive, managing director or joint managing director, either collaterally with or to the exclusion of its own powers authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

#### **ASSOCIATE AND OTHER DIRECTORS**

100. The Directors may from time to time, and at any time, pursuant to this Article appoint any other persons to any post with such descriptive title including that of Director (whether as associate, executive, group, divisional, departmental, deputy, assistant, local or advisory director or otherwise) as the Directors may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties, and subject to any contract between him and the Company may remove from such post any person so appointed. A person so appointed shall not be a Director of the Company for any of the purposes of these Articles or of the Statutes, and accordingly shall not be member of the Board or (subject to Article 77) of any committee hereof nor shall he be entitled to be present at any meeting of the Board or of any such committee, except at the request of the Board or of such committee, and if present at such request he shall not be entitled to vote thereat.

#### **DIRECTORS' GRATUITIES AND PENSIONS**

101. The Board may exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held, but no longer holds, any executive office or employment with the Company or with any body corporate which is or has been a subsidiary undertaking of the Company or a predecessor in business of the Company or of any such subsidiary undertaking, and for any member of his

family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

#### **ALTERNATE DIRECTORS**

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

#### **PROCEEDINGS OF THE BOARD**

108. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any such meetings shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote and an alternate Director who is appointed by two or more Directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence. A



Director may, and the secretary on the requisition of a Director shall, call a meeting of the Board and notice of such meeting shall be deemed to be duly given to each Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom save in respect of any Director whose duties and role in relation to the Company requires him to be based outside of the United Kingdom in which case notice of such meeting shall be given to him provided that he shall have given the Company details in writing at which any such notice may be sent, in which case such notice shall be deemed to have been duly given.

109. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be two. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say, as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for quorum purposes unless at least one other Director or alternate Director is also present.
110. Any Director or alternate Director may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Statutes, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
111. The Board may appoint from their number, and remove, a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting or, if neither of them is willing to act as chairman, the Directors present may choose one of their number to act as chairman of such meeting.
112. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) or by all the members of a committee of the Board for the time being shall be as valid and effective as a resolution passed at a meeting of the Board or committee duly convened and held. A resolution signed by an alternate Director need not be signed by his appointor and, if it is executed by a Director who has appointed an alternate Director, it need not also be executed by the alternate Director in that capacity. The resolution may consist of one document or several documents in like form each signed by one or more Directors or alternate Directors.
113. All acts done by any meeting of the Board, or of a committee of the Board, or by any person acting as a Director or by an alternate Director, shall as regards all persons dealing in good faith with the Company, notwithstanding it be afterwards

discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person so acting, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or an alternate Director and had been entitled to vote.

#### **DIRECTORS' INTERESTS**

114. Subject to the provisions of the Statutes, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director notwithstanding his office:-

- (a) may be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be or become a member or director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director of the Company.

115. Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has, directly or indirectly, an interest (other than by virtue of his interests in shares or debentures or other securities of or in or otherwise through the Company) which is material or a duty which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because one of the following Articles applies (in which case he may vote and be counted in the quorum):-

- (a) the resolution relates to the giving to him or any other person of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him or by any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
- (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) his interest arises by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares, debentures, or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange;

- (d) the resolution relates to any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he does not hold an interest in shares (as that term is used in Part VI of the Act) representing one per cent. or more of either any class of the equity share capital of such company or of the voting rights available to members of such company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (e) the resolution relates to any arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
- (f) the resolution relates to any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors of the Company or for persons who include Directors of the Company provided that for the purposes of this Article, "insurance" means only insurance against liability incurred by a Director in respect of any act or omission by him as is referred to in Article 169 or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including Directors.

116. For the purposes of Articles 114 and 115:-

- (a) an interest of a person who is, for any purpose of the Act (excluding any such modification thereof not in force when these Articles became binding on the Company), connected (within the meaning of section 346 of the Act) with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has;
- (b) a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (c) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

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

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

119. 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 the proviso to Article 115(d) or for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

120. If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting (or if the Director concerned is the chairman, to the other Directors at the meeting) and his ruling in relation to any Director (or, as the case may be, the ruling of the majority of the other Directors in relation to the chairman) shall be final and conclusive.

## **SECRETARY**

121. Subject to the Statutes, the secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit., and any secretary appointed by the Board may at any time be removed by it.
122. Any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the secretary.

## **MINUTES**

- 123.1 The Board shall cause minutes to be kept:-

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

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

## **THE SEAL**

124. In addition to its powers under section 36A of the Act, the Company may have a seal and the Board shall provide for the safe custody of such seal. The seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board. The Board shall determine who may sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and shall be countersigned by the secretary or by a second Director or by some other person appointed by the Board for the purpose. An instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.
125. All forms of certificates for shares or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued executed by the Company but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such

certificates by some mechanical or other means or may be printed on them or that such certificates need not bear any signature.

126. The Company may have:-

- (a) an official seal kept by virtue of section 40 of the Act; and
- (b) an official seal for use abroad under the provisions of the Act, where and as the Board shall determine,

and the Company may by an instrument executed by the Company appoint any agent or committee abroad to be the duly authorised agent or committee of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use thereof as it may think fit.

### **ACCOUNTING RECORDS, BOOKS AND REGISTERS**

- 127. The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provisions of the Statutes and subject to the provisions of the Statutes, the Directors may cause the Company to keep an overseas or local or other register in any place, and the Directors may make and vary such directions as they may think fit respecting the keeping of the registers.
- 128. The accounting records shall be kept at the office or (subject to the provisions of the Statutes) at such other place in Great Britain as the Board thinks fit, and shall always be open to inspection by the Directors. No member of the Company (other than a Director) shall have any right of inspecting any accounting record or book or document except as conferred by law or authorised by the Board or by the Company in general meeting.
- 129. The Board shall in accordance with the Statutes cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes. The Board shall in its report state the amount which it recommends to be paid by way of dividend.
- 130. A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and auditors' reports shall, at least twenty-one clear days previously to the meeting, be delivered or sent by post to every member and to every debenture holder of the Company of whose address the Company is aware, or, in the case of joint holders of any share or debenture, to the joint holder who is first named in the register and to the auditors provided that if and to the extent that the Statutes so permit and without prejudice to Article 132 the Company need not send copies of the documents referred to above to members but may send such members summary financial statements or other documents authorised by the Statutes.

### **AUDIT**

- 131. Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes.
- 132. The auditors' report to the members made pursuant to the statutory provisions as to audit shall be laid before the Company in general meeting and shall be open to inspection by any member, and in accordance with the Statutes every member

shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and auditors' report.

#### **AUTHENTICATION OF DOCUMENTS**

133. Any Director or the secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Board and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the office the officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.
134. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the Board or of any committee of the Board which is certified as such in accordance with Article 133 shall be conclusive evidence in favour of all persons dealing with the Company on the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of proceedings at a duly constituted meeting.

#### **RECORD DATES**

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

#### **DIVIDENDS**

136. Subject to the Statutes, the Company may by ordinary resolution declare that out of profits available for distribution there be paid dividends to members in accordance with their respective rights and priorities; but no dividend shall exceed the amount recommended by the Board.
137. Except as otherwise provided by these Articles or the rights attached to any shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or Article 139 as paid on the share.
138. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividends accordingly.
139. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of fully paid shares or debentures of any other Company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates (or ignore fractions) and fix the value for distribution of such specific assets or any part

thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the members entitled to the dividend, as may seem expedient to the Board.

140. Subject to the Statutes, the Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company available for distribution and the position of the Company, and the Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates whenever such profits in the opinion of the Board justify that course. In particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes the Board may pay interim dividends on shares in the capital of the Company which confer deferred or non-preferential rights as well as in respect of shares which confer preferential rights with regard to dividend but no interim dividend shall be paid on shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrear. Provided the Board acts in good faith the Board shall not incur any liability to the holders of shares conferring any preferential rights for any loss that they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferential rights.
141. The Board may deduct from any dividend payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.
- 142.1 All dividends and interest shall belong to and be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
- 142.2 The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.
143. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise expressly provided by the rights attached to the share. All dividends, interest and other sums payable which are unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until such time as they are claimed. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee of the same. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company.
- 144.1 The Company may pay any dividend, interest or other moneys payable in cash in respect of shares, by direct debit, bank or other electronic transfer, cheque, dividend warrant or money order. 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 Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other monies by such other method as the Directors may in their absolute discretion think fit

(subject always to the facilities and requirements of the relevant system concerned) and the making of such a payment by such method shall be a good discharge to the Company. Without prejudice to the generality of the foregoing in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders, or if permitted by the Company, of such person as the holder or joint holders may direct. Where an authority in that behalf shall have been received by the Company in such form as the Company shall consider sufficient the Company may pay the amount distributable to such member or person to his bankers or other agents and payment in accordance with such authority shall constitute a good discharge therefor.

- 144.2 Every such cheque, warrant or order may be remitted by post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the joint holder whose name stands first in the register, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque, warrant or order shall be made payable to or to the order of the person to whom it is sent, or to such other person as the holder or joint holders may in writing direct.
- 144.3 Every such payment made by direct debit or bank transfer shall be made to the holder or joint holders or to or through such other person as the holder or joint holders may in writing direct.
- 144.4 The Company shall not be responsible for any loss of any such cheque, warrant or order and any payment made by direct debit, bank transfer or such other method shall be at the sole risk of the holder or joint holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or order has or shall be alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled thereto, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors may think fit.
- 144.5 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 in accordance with the facilities and requirements of the relevant system concerned, shall in each case be a good discharge to the Company.
145. If several persons are entered in the register as joint holders of any share, any one of them, being joint holders, may give effectual receipts for any moneys paid or property distributed, dividends or other moneys payable in respect of the share held by him as a joint holder.
146. The Board may, if authorised by an ordinary resolution of the Company, offer the holders of ordinary shares the right to elect to receive additional ordinary shares, credited as fully paid, instead of cash in respect of any dividend or any part (to be determined by the Board) of any dividend specified by the ordinary resolution. The following provisions shall apply:-
- (a) an ordinary resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth Annual General Meeting following the date of the meeting at which the ordinary resolution is passed;



- (b) the Board, after determining the basis of allotment, may notify the holders of ordinary shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective. The basis of allotment shall be such that no shareholder may receive a fraction of a share;
- (c) the Board may exclude from any offer any holders of Ordinary Shares where the Board believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them;
- (d) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary Shares in respect of which an election has been made ("**the Elected Ordinary Shares**") and instead additional Ordinary Shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated. For such purpose the Board shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including share premium account, any capital reserve and the profit and loss account) or otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the Elected Ordinary Shares on that basis;
- (e) the additional Ordinary Shares when allotted shall rank pari passu in all respects with fully-paid Ordinary Shares then in issue except that they will not be entitled to participate in the relevant dividend (including the share election in lieu of such dividend); and
- (f) the Board may do such acts and things which it considers necessary or expedient to give effect to any such capitalisation and may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation and any incidental matters and any agreement so made shall be binding on all concerned.

## RESERVES

147. The Board may, before recommending any dividend (whether preferential or otherwise) set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied; and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

## CAPITALISATION OF RESERVES AND PROFITS

- 148.1 The Company may, upon the recommendation of the Board, resolve by ordinary resolution that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be

authorised and directed to appropriate the profits so resolved to be capitalised to the members on the date specified in the relevant resolution or determined as therein provided who would be entitled thereto if distributed by way of dividend and in the same proportions.

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

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

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

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

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

and any agreement made under such authority shall be effective and binding on all such members.

148.4 The Company in general meeting may resolve that any shares allotted pursuant to this Article to holders of any partly paid ordinary shares shall, so long as such ordinary shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends.

148.5 The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying the fixed dividends on any preference shares or other shares issued on special conditions and shall also be deemed to include:-

- (a) any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- (b) any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve or to share premium or other special account.

## **FORM OF RECORDS**

- 149.1 Any register, index, minute book or other book or accounting records required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.
- 149.2 The Board shall cause the Company to comply with the requirements of the Statutes with regard to the keeping of any registers and the inspection and production and furnishing of copies in such registers. The Board shall be entitled to charge such fee as if from time to time permitted under the Statutes for inspections and the production and furnishing of copies of such registers.

## **NOTICES**

- 150.1 Every Director of the Company and every alternate Director shall, upon supplying the Company with an address for the giving of notice therefore, be entitled to receive notices of general meetings except where otherwise expressly stated in writing or, to the extent permitted by the Act contained in an Electronic Communication, provided always that non receipt of any such notice by any Director or alternate Director will not invalidate the proceedings at the general meeting convened by such notice.
- 150.2 Any notice if sent by electronic means shall be deemed to have been given on the day following that on which the Electronic Communication was sent by or on behalf of the company.
- 150.3 The Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of Electronic Communications, and may prescribe such procedures as it thinks fit for verifying the authenticity or integrity of any such Electronic Communications. A notice may be given to the Company by electronic means only if it is given in accordance with the comments specified by the Board.
151. Any notice or document may be served by the Company on any member either personally or by sending it by first class post in a prepaid letter addressed to such member at his address as appearing in the register. In the case of joint holders of a share all notices shall be given to the joint holder who is first named in the register, and notice so given shall be sufficient notice to all the joint holders. Any notice to be given to a member may be given by reference to the register as it stands at any time within the period of fifteen days before the notice is given and no change in the register after that time shall invalidate the giving of the notice.
152. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. If a notice is served by post it shall be deemed to be given at the expiration of twenty-four hours after the envelope containing it was posted.

153. Any member whose address in the register is not within the United Kingdom, who gives to the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address; but, otherwise, no member other than a member whose address in the register is within the United Kingdom shall be entitled to receive any notice from the Company.
154. Every person who becomes entitled to a share:-
- (a) except as mentioned in Article 154(b) below, shall be bound by any notice in respect of that share which, before his name is entered in the register has been duly given to a person from whom he derives his title; but
  - (b) shall not be bound by any such notice given by the Company under section 212 of the Act or under Article 31.
155. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same date in at least one national newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven clear days prior to the meeting the posting of notices to addresses throughout the United Kingdom becomes practicable.
156. A person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member on supply to the Company of such evidence as the Board may reasonably require to show his title to that share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served on or delivered to him at such address any notice or document to which the member but for his death, mental disorder or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the last registered address of any member pursuant to these Articles shall (notwithstanding that such member be then dead or bankrupt or in liquidation or that a receiver has been appointed for him under the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984) be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first named joint holder.
157. Any member present, either personally or by proxy or (in the case of a corporate member) by representative, at any general meeting of the Company or of the holders of any class of shares in the Company shall for all purposes be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was called.

#### **UNTRACED MEMBERS**

- 158.1 The Company shall be entitled to sell at the best price reasonably obtainable the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:-

- (a) during the period of twelve years prior to the date of the publication of the advertisements referred to in Article 158.1(b) below (or, if published on different dates, the earlier or earliest thereof) at least three dividends in respect of the shares have become payable and no dividend has been claimed during that period in respect of such shares;
- (b) the Company shall on or after the expiry of the said twelve years have inserted advertisements, both in a national newspaper and in a newspaper circulating in the area of the last known address of such member or other person (or the address at which service of notices may be effected in accordance with these Articles) giving notice of its intention to sell the said shares;
- (c) the said advertisements, if not published on the same day, shall be published within thirty days of each other;
- (d) during the said period of twelve years and the period of three months following the date of publication of the said advertisements (or, if published on different dates, the later or latest thereof) and prior to the exercise of the power of sale the Company shall have not received indication either of the whereabouts or of the existence of such member or person;
- (e) if shares of the class concerned are listed or dealt in on the London Stock Exchange, the Company shall have given notice to the London Stock Exchange of its intention to make such sale.

158.2 If, during the period referred to in Article 158.1(a) any additional shares have been issued by way of rights in respect of shares held at the commencement of such period or in respect of shares so issued previously during such period, the Company may, if the requirement of Articles 158.1(a) to 158.1(e) have been satisfied, also sell such additional shares.

159. To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the holder of or person entitled by transmission to such shares. The title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto.

160. The net proceeds of sale shall belong to the Company which shall:-

- (a) be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds; and
- (b) (until the Company has so accounted) enter the name of such former member or other person in the books of the Company as a creditor for such amount.

161. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding Company if any) as the Board may think fit.

## **DESTRUCTION OF DOCUMENTS**

162.1 The Company shall be entitled to destroy:-

- (a) at any time after the expiration of six years from the date of registration thereof or on which an entry in respect thereof shall have been made (as the case may be), all instruments of transfer of shares of the Company which shall have been registered and all letters of request, renounced allotment letters, renounceable share certificates, forms of acceptance and transfer and applications for allotment in respect of which an entry in the register shall have been made;
- (b) at any time after the expiration of one year from the date of cancellation thereof, all registered certificates for shares of the Company (being certificates for shares in the name of a transferor and in respect whereof the Company has registered a transfer) and all mandates and other written directions as to the payment of dividends (being mandates or directions which have been cancelled); and
- (c) at any time after the expiration of one year from the date of the recording thereof, all notifications of change of name or address.

162.2 It shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned was in accordance with the recorded particulars thereof in the books or records of the Company Provided always that:-

- (a) the foregoing provisions shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- (c) references herein to the destruction of any document include references to its disposal in any manner;
- (d) any document referred to in Articles 162.1(a), 162.1(b) and 162.1(c) above may be destroyed at a date earlier than that authorised by this Article provided that a permanent copy of such document shall have been made which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Board shall take adequate precautions for guarding against falsification and shall provide adequate means for its reproduction.

163. The Board shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

164. The power of sale of a liquidator shall include a power to sell wholly or partially for shares or debentures, or other obligations of another Company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.

165. On any winding up of the Company, whether the liquidation is voluntary, under supervision, or by the Court, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Statutes, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division shall be in accordance with the existing rights of the members. The liquidator may, with the like sanction, vest the whole or any part of the assets of the Company in trustees on such trusts for the benefit of the members as he with the like sanction, shall determine but no member shall be compelled to accept any assets on which there is a liability.

#### **PROVISIONS FOR EMPLOYEES**

166. The Company may, pursuant to a resolution of the Board, make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

#### **SECRECY**

167. No member or general meeting or other meeting of members shall be entitled to require discovery of or any information respecting any detail of the Company's trading, or any matter that is or may be in the nature of a trade secret, mystery of trade or secret process, or that may relate to the conduct of the business of the Company that in the opinion of the Board it would be inexpedient in the interest of the Company to communicate to the public.

#### **INDEMNITY**

168. Insofar as permitted under the Act and subject to the provisions of this Article, every Director or other officer of the Company (save for an officer who is employed as auditor of the Company) shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of his duties of his office or otherwise in relation thereto, in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company save that a Director shall not be entitled to be indemnified against any costs, charges, losses, expenses or liabilities incurred:
- (a) to the Company or an associated company (as defined in Section 309A(6) of the Act;
  - (b) to pay a fine imposed in criminal proceedings;
  - (c) to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature, however arising;
  - (d) in defending any criminal proceedings in which he is convicted;
  - (e) in defending any civil proceedings brought by the Company or an associated company (as defined in Section 309A(6) of the Act) in which judgment is given against him;
  - (f) in connection with an application under Section 144(3) or (4) of the Act in which the court refuses to grant him relief; or

- (g) in connection with an application under Section 727 of the Act in which the court refuses to grant him relief.
169. No officer of the Company other than a Director shall be liable for any loss, damage or misfortune, which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.
170. The Company shall have power to purchase and maintain for any Director or officer of the Company or any associated company (as defined in Section 309A(6) of the Act) insurance against any liability referred to in Section 309A(1) of the Act.
171. The Company shall have power to purchase and maintain for an auditor of the Company or any associated company (as defined in Section 309A(6) of the Act) insurance against any liability referred to in Section 310(1) of the Act.
172. The Company may provide any Director with funds to meet expenditure incurred or to be incurred by him:
- (a) in defending any civil or criminal proceedings brought against him in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company; or
  - (b) in connection with any application to the court for relief from liability under Section 144(3) or (4) of the Act for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company;

and the Company shall be permitted to do anything which would otherwise be prohibited under Section 330 of the Act to enable a Director to avoid incurring such expenditure, provided that if the Director is convicted or judgment is given against him or if the court refused to grant relief, and upon such conviction or judgment or refusal becoming final (within the meaning of the Act), the Director shall become liable to repay to the Company the full amount of any such funds provided to him and any liability incurred by the Company to avoid a director incurring any such expenditure shall fall to be discharged.

## **INSURANCE**

173. Subject to the provisions of the Act, the Board shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company, or of any Company or body which is its holding Company or in which the Company or such holding Company has an interest whether direct or indirect or which is in any way allied to or associated with the Company or who were at any time trustees of any pension fund in which any employees of the Company or of any other such Company or body are interested including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and/or any such other Company, body or pension fund. For the purposes of this Article "holding company" shall have the meaning ascribed thereto in the Companies Act 1989.