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COMPANIES HOUSE

Company Number 4402178

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

PHOQUS PHARMACEUTICALS PLC (the "Company")

1 The name of the Company is PHOQUS PHARMAECUTICALS PLC [1]

2 The Company is to be a public company

3 The registered office of the Company will be situated in England

4 The objects for which the Company is established are

(A) (i) To make and hold and manage and realise investments in shares or securities or other assets of any nature whatsoever and to act as a holding company and to promote the interests of any businesses or companies or other enterprises in which the Company holds or is to acquire or has at any time held any direct or indirect economic or other interest

(ii) To carry on business as a general commercial company

(B) To carry on any other trade or business whatsoever which can, in the opinion of the Directors, be advantageously carried on by the Company in connection with or as ancillary to any of the above businesses or the business of the Company and/or any of its associated companies aforesaid for the time being

(C) To borrow or raise or secure the payment of money for the purposes of or in connection with the Company's business, and for the purposes of or in connection with the borrowing or raising of money by the Company to become a member of any building society

(D) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either

[1] The name of the Company was amended by Special Resolution passed on 18 September 2007

permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurance

(E) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or undertakings the Company is interested, whether directly or indirectly

(F) To receive money on deposit or loan upon such terms as the Company may approve, and to guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or part of the undertaking, property, assets and rights present and future and uncalled capital of the Company or by both such methods or by any other means whatsoever, the liabilities and obligations of and the payment of any monies whatsoever (including but not limited to capital, principal, premiums, interest, dividends, costs and expenses on any stocks, shares or securities) by any person, firm or company whatsoever including but not limited to any company which is for the time being the holding company or a subsidiary (both as defined by Section 736 of the Companies Act 1985 and as amended by Section 144 of the Companies Act 1989) of the Company or of the Company's holding company or is otherwise associated with the Company in its business

(G) To the extent permitted by law to provide financial assistance within the meaning of Section 151 of the Companies Act 1985

(H) To make experiments in connection with any business or proposed business of the Company, and to apply for or otherwise acquire in any part of the world any patents, patent rights, brevets d'invention, trade marks, licences, protections and concessions which may appear likely to be advantageous or useful to the Company, and to use and manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire

(I) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments

(J) To invest and deal with the monies of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined

(K) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or by any

securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine

(L) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid up shares of any company or corporation, with or without deferred or preferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities or any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired

(M) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire any hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company

(N) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company

(O) To purchase or otherwise acquire and undertake all or any part of the business, goodwill, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on

(P) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company shall think fit

(Q) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities, of this or any such other company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner

(R) 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 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 application which may seem calculated directly or indirectly to prejudice the Company's interests

(S) 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 or any of them, and to obtain from any such government or authority any charters, 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 or concessions

(T) To employ advisers to investigate and examine into the condition, prospects, value, character, and circumstances of any business concerns and undertakings and generally of any assets, property or rights

(U) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts

(V) To remunerate any person, firm or company rendering services to the Company either by cash payment or 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

(W) 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 for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company

(X) To contribute by donation, subscription, guarantee or otherwise to any charitable or public or political or useful object whatsoever and to support and subscribe to any institution, society or club which may in the opinion of the directors be for the benefit, directly or indirectly, of the Company or its directors or employees, or may be connected with any town or place where the Company carries on its 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 or, or who are to have been employed by, or who are serving or have served the Company, or of any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or of the predecessors in business of the Company or any such subsidiary, holding or fellow subsidiary company and to any 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) for the benefit of any such persons and of their wives, widows, children and other relatives and dependants, to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries, notwithstanding that the exercise of this power is not in the best interests of the Company, in connection with the cessation or the transfer to any person of the whole or part of the undertaking of 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, and to purchase and maintain for any persons who are directors, officers, employers, or agents of the Company or the auditors of the Company from time to time insurance against any liability

(Y) To procure the Company to be registered or recognised in any part of the world

(Z) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law

(AA) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise

(BB) To do all such other things as are incidental or conducive to the above objects or any of them

5 The liability of the members is limited

6 The share capital of the Company is £2,555,225 divided into

(a) 25,019,100,000 A Preferred Ordinary Shares,

(b) 17,500,000 Preferred Ordinary Shares,

(c) 40,750,000 A Ordinary Shares,

(d) 7,100,000 B Ordinary Shares,

(e) 1,500,000 C Ordinary Shares,

(f) 4,960,000 D Ordinary Shares,

(g) 1,000,000 E Ordinary Shares,

(h) 100,000 F Ordinary Shares, and

(i) 44 deferred shares of £1,046 each having the rights set out in Article 3 8 of the Articles of Association

Company Number: 04402178

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

PHOQUS PHARMACEUTICLS PLC

(Adopted by special resolution passed on 25 October 2005)

(Amended by special resolution passed on 18 September 2007)

OLSWANG
90 High Holborn
London WC1V 6XX
www.olswang.com
T +44 (0) 20 7067 3000
F +44 (0) 20 7067 3999
DX 37972 Kingsway
Regulated by the Law Society

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PRELIMINARY

1 **Exclusion of Table A**

The regulations in Table A in the Companies (Tables A to F) Regulations 1985 and any similar regulations in any other legislation concerning companies shall not apply to the Company

2 **Definitions and interpretation**

2 1 In these articles (if not inconsistent with the subject or context)

2 1 1 the words in the first column of the table below have the meanings set out opposite to them

AIM	AIM, a market of the London Stock Exchange,
these articles	these articles of association, as from time to time altered,
auditors	the auditors for the time being of the Company,
board	the board of directors for the time being of the Company or the directors present at a duly convened meeting of the directors at which a quorum is present,
Company	Phoqus Pharmaceuticals plc,
director	a director for the time being of the Company,
employees' share scheme	employees' share scheme as defined in section 743 of the 1985 Act,
holder	in relation to any shares, the member whose name is entered in the register as the holder of those shares,
London Stock Exchange	London Stock Exchange plc,
Listing Rules	the Listing Rules made by the Financial Services Authority under Part VI of the Financial Services and Markets Act 2000,

month	calendar month,
office	the registered office for the time being of the Company,
Official List	the official list maintained by the Financial Services Authority acting in its capacity as the competent authority under Part VI of the Financial Services and Markets Act 2000,
paid	paid or credited as paid,
parent undertaking	parent undertaking as defined in section 258 of the 1985 Act,
market nominee	a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange within the meaning of section 185(4) of the 1985 Act,
register	the register of members to be kept under section 352 of the 1985 Act and regulation 20 of the Uncertificated Securities Regulations 2001,
seal	any common or official seal that the Company may be permitted to have under the Statutes,
secretary	the secretary of the Company or (where there are joint secretaries) any of the joint secretaries, and includes any deputy secretary, assistant secretary and any other person appointed by the board to perform any of the duties of the secretary,
securities seal	an official seal kept by the Company by virtue of section 40 of the 1985 Act,
the 1985 Act	the Companies Act 1985,
the Statutes	the 1985 Act, the Companies Act 1989, the Uncertificated Securities Regulations and every other act, statute, statutory instrument, regulation or order for the time being in force concerning companies and affecting the Company,

transmission event	death, bankruptcy or any other event giving rise to the transmission of a person's entitlement to a share by operation of law,
treasury share	any share held by the Company for the time being as a treasury share within the meaning of section 162A(3) of the 1985 Act,
Uncertificated Securities Regulations	the Uncertificated Securities Regulations 2001 as amended from time to time and any Statutes which supplement or replace such Regulations,
undertaking	undertaking as defined in section 259 of the 1985 Act,
the United Kingdom	Great Britain and Northern Ireland, and
year	calendar year

2 1 2 any reference to an **uncertificated share**, or to a share being held in **uncertificated form** shall (subject to regulation 42(11)(a) of the Uncertificated Securities Regulations) mean a share in the capital of the Company which is for the time being recorded on the Operator Register of Members (as defined in regulation 20(1) of the Uncertificated Securities Regulations) and any reference to a **certificated share**, or to a share being held in **certificated form**, shall mean any share other than an uncertificated share,

2 1 3 the expressions **debenture** and **debenture-holder** shall include debenture stock and debenture stockholder respectively,

2 1 4 the expression **member present in person** shall be deemed to include a member present by proxy or, in the case of a corporate member, by a duly authorised representative and cognate expressions shall be construed accordingly,

2 1 5 any reference to **days** of notice shall be construed as meaning clear days,

2 1 6 words denoting the singular shall include the plural and vice versa, words denoting one gender shall include the other gender and words denoting persons shall be construed as including bodies corporate and unincorporated associations,

2 1 7 any other words or expressions defined in the 1985 Act or the Uncertificated Securities Regulations or, if not defined in that Act or those Regulations, in any other Statute (in each case as in force on the date of the adoption of these articles or any part of these articles), shall bear the same meaning in these articles or that part (as the case may be) except that the word company includes any body corporate,

2 1 8 subject to article 2 1 7, references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force,

2 1 9 Any reference to

2 1 9 1 a **document** includes reference to an electronic communication,

2 1 9 2 an **electronic communication** means an electronic communication (as defined in the 1985 Act) comprising writing,

2 1 9 3 a document being **executed** includes references to it being executed under hand or seal or, in the case of an electronic communication, by electronic signature or such other means of verifying the authenticity of the communication that the board may from time to time approve,

2 1 9 4 **an instrument** means a written document having tangible form (e g on paper) and not comprised in an electronic communication,

2 1 9 5 **in writing** and **written** means the representation or reproduction of words, numbers or symbols in a legible and non-transitory form by any method or combination of methods whether comprised in an electronic communication (as defined in the 1985 Act) or otherwise and including (without limitation) by telex, telegram, facsimile and e-mail,

2 1 9 6 **address** in relation to electronic communications, includes any number or address (including, in the case of any Uncertificated Proxy Instruction permitted by article 58 2, an identification number or a participant in the relevant system concerned) used for the purposes of such communications

2 1 10 references to 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 1 11 powers of delegation shall have the widest interpretation and (a) the word **board** in the context of the exercise of any power includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated, (b) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation, and (c) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these articles or under another delegation of the power,

2 1 12 in relation to a share, any reference to a **relevant system** is a reference to the relevant system in which that share is a participating security

2 2 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under these articles, and a special resolution shall be effective for any purpose for which an extraordinary resolution is so expressed to be required

2 3 Headings are inserted for convenience only and shall not affect construction of these articles

SHARE CAPITAL

3 **Authorised share capital**

3 1 The authorised share capital of the Company at the date of the adoption of these articles is £8,055,225 divided into 80,092,010 ordinary shares of £0 10 each and 44 deferred shares of £1046 each

3 2 Except as expressly provided below, the deferred shares shall rank pari passu in all respects with all other shares in the capital of the Company The deferred shares shall have the rights set out below

Income and capital

The deferred shares shall not confer any right to dividends or other distributions

On a return of capital on liquidation or otherwise the holders of deferred shares shall be entitled only to the repayment of the amounts paid up or credited as paid up on such shares after payment in respect of each other class of share in the capital of the Company of £10,000,000

Except as specified above, the deferred shares shall not carry any right to participate in the profits or assets of the Company

Voting

The deferred shares shall carry the right to receive notice of and attend general meetings of the Company but shall not carry any right to vote at general meetings of the Company

Transfers

The deferred shares shall be treated as though they were ordinary shares save that the price per share at which each share is transferred shall not exceed the amount paid up or credited as paid up on that share

3 3 The Directors shall have irrevocable authority at any time to appoint any person to execute on behalf of the holders of the deferred shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holders thereof, to such person as the Directors may determine as custodian thereof and to cancel and/or purchase the same (in accordance with the provisions of statute) without making any payment to or obtaining the sanction of the holders thereof and pending the transfer and/or cancellation and/or purchase to retain the certificate for such shares

4 **Shares with special rights**

Subject to the Statutes and without prejudice to any rights attached to any existing shares any shares may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or, if no such resolution is in effect or so far as it does not make specific provision, as the board may determine), and, subject to the Statutes, shares may be issued on the terms that they are, or are to be liable, to be redeemed at the option of the Company or the holder

5 **Uncertificated shares**

5 1 Subject to the Statutes, the board may permit any class or classes of shares to be held and transferred in uncertificated form by means of a relevant system and may determine that any class of shares shall cease to be held and transferred in this way

5 2 In relation to any share which is for the time being held in uncertificated form

5 2 1 the Company may utilise the relevant system in which it is held to the fullest extent possible from time to time in the exercise of any of its powers or functions under the Statutes or these articles or otherwise in effecting any actions and the board may from time to time determine the manner in which such powers, functions and actions shall be so exercised or effected,

5 2 2 any provision in these articles which is inconsistent with

5 2 2 1 the holding of and transfer of title to that share in uncertificated form by means of a relevant system,

5 2 2 2 the exercise of any powers or functions by the Company or the effecting by the Company of any actions by means of a relevant system, or

5 2 2 3 any other provisions of the Statutes relating to the shares held in uncertificated form

shall not apply

5 3 Where any share is for the time being held in uncertificated form and the Company is entitled under the Statutes or these articles to sell, transfer or otherwise dispose of, reallot, accept the surrender of, forfeit, or enforce a lien over that share, the Company shall be entitled, subject to the Statutes, these articles and the facilities and requirements of the relevant system

5 3 1 to require the holder of that share by notice to convert that share into certificated form within the period specified in the notice and to hold that share in certificated form so long as required by the Company,

5 3 2 to require the Operator to convert that share into certificated form in accordance with regulation 32(2)(c) of the Uncertificated Securities Regulations,

5 3 3 to require the holder of that share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice,

5 3 4 to require the holder of that share by notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the relevant system, necessary to transfer that share within the period specified in the notice, and

5 3 5 to take any other action that the board considers necessary or expedient to achieve the sale, transfer, disposal, reallotment, forfeiture or surrender of that share or otherwise to enforce a lien in respect of that share

5 4 Subject to the Statutes, for the purpose of effecting any action by the Company, the board may determine that shares held by a person in uncertificated form shall be treated as a separate holding from shares held by that person in certificated form

ALTERATION OF CAPITAL

6 **Increase in capital**

The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe All new shares created under this article and article 7 shall be subject to the provisions of the Statutes and of these articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise and shall be unclassified unless otherwise provided by these articles, by the resolution creating the shares or by the terms of allotment of the shares

7 **Consolidation, cancellation and subdivision**

7 1 The Company may by ordinary resolution

7 1 1 consolidate, or consolidate and then divide, all or any of its share capital into shares of larger amount than its existing shares,

7 1 2 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled,

7 1 3 sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association or these articles (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares

7 2 If as a result of a consolidation or sub-division of shares any members would be become entitled to fractions of a share, the board may on behalf of those members deal with the fractions as they think fit In particular, without limitation, the board may aggregate and 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 in due proportion among those members (except that any proceeds in respect of any holding less than a sum fixed by the board may be retained for the benefit of the Company) For the purposes of any such sale, the board may appoint some person to transfer the shares to, or in accordance with the directions of, the buyer The buyer shall not be bound to see to the application of the purchase moneys and his

title to the shares shall not be affected by any irregularity in, or invalidity of, the proceedings in relation to the sale

8 **Power to purchase own shares**

8 1 Subject to the Statutes and any rights attached to any class of shares, the Company may purchase any of its own shares (including any redeemable shares) and may hold such shares as treasury shares

8 2 If there are in issue any shares convertible into share capital of the company of the class proposed to be purchased, then the company shall not purchase, or enter into a contract under which it may purchase, such equity shares unless either

8 2 1 the terms of issue of such convertible shares include provisions permitting the Company to purchase its own equity shares or providing for adjustment to the conversion terms upon such a purchase, or

8 2 2 the purchase, or the contract, has first been approved by an extraordinary resolution passed at a separate meeting of the holders of such convertible shares

9 **Power to reduce capital**

Subject to the Statutes and to any rights attached to any class of shares, the Company may by special resolution reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner

SHARES

10 **Allotment**

Subject to the Statutes relating to authority, pre-emption rights and otherwise, these articles and any resolution of the Company, all unissued shares in the Company shall be at the disposal of the board and they may allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of them to such persons, at such times and on such terms as the board may decide

11 **Commissions**

The Company may exercise all powers of paying commission and brokerage conferred by the Statutes or otherwise vested in the Company Any such commission may be paid in cash or in fully or partly paid shares of the Company, or partly in one way and partly in another

12 **Renunciation**

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

13 **Interests and trusts**

13 1 Except as required by law or by these articles, the Company shall not be bound by or compelled in any way to recognise (even when having notice of it) any interest in or in respect of any share, or any other right in respect of any share, except an absolute right to the entirety of that share in the holder or, in the case of a share warrant, in the bearer of the warrant for the time being

13 2 The Company shall be entitled, but except as required by law shall not be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust, whether express, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owners of those shares For these purposes, trust includes any right in respect of any share other than an absolute right to that share vested in the holder of it for the time being or any other right in case of a transmission of that share as are mentioned in these articles

14 **Variation of class rights**

14 1 Whenever the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated in such manner as those rights may provide for or (if no such provision is made) either with

14 1 1 the consent of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any treasury shares) and such consent shall be by one or more instruments or contained in one or more electronic communications sent to such address (if any) for the time being notified by or on behalf of the Company for that purpose or a combination of both, or

14 1 2 with the authority of an extraordinary resolution passed at a separate meeting of the holders of the shares of the class

(but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up

14 2 All the provisions of these articles relating to general meetings of the Company and to the proceedings at those meetings shall apply, mutatis mutandis, to every such separate general meeting except that

14 2 1 the quorum at any such meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class (excluding any treasury shares),

14 2 2 at any adjourned meeting any one holder of shares of the class present in person (other than the Company as holder of any treasury shares) shall be a quorum,

14 2 3 any holder of shares of the class present in person (other than the Company as holder of any treasury shares) may demand a poll, and

14 2 4 every such holder shall on a poll have one vote for every share of the class held by him

14 3 Article 14 1 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes

14 4 Unless otherwise expressly provided by the rights attached to any class of shares those rights shall not be deemed to be varied by the creation or issue of further shares ranking equally with, or behind, that class of shares or by the purchase or redemption by the Company of any of its own shares

TRANSFER OF SHARES

15 Form of transfers

15 1 Subject to the restrictions in these articles, a member may transfer all or any of his shares in any manner which is permitted by the Statutes and is from time to time approved by the board

15 2 All transfers of uncertificated shares shall be effected in accordance with the Statutes and the facilities and requirements of the relevant system and otherwise in accordance with any arrangements made by the directors under article 5

15 3 All transfers of certificated shares shall be effected by instrument in any usual or common form, or in any other form acceptable to the board The instrument of transfer shall be

executed by or on behalf of, the transferor and (except in the case of fully paid shares) by or on behalf of the transferee

16 **Refusal to register a transfer**

16 1 The board may, in its absolute discretion and without giving any reason for its decision, refuse to register

16 1 1 any transfer of a certificated share which is not a fully paid share, and

16 1 2 any transfer of a share on which the Company has a lien,

provided that in the case of any class of shares which is admitted to trading on AIM the refusal does not prevent the shares from being admitted to trading on AIM

16 2 The board may, in its absolute discretion and without giving any reason for its decision, decline to register the transfer of a certificated share unless the instrument of transfer

16 2 1 is in respect of only one class of share,

16 2 2 is duly stamped, or adjudged or certified as not chargeable to stamp duty, and is deposited at the office, or at such other place as the board may from time to time determine, and

16 2 3 (except where the shares are registered in the name of a market nominee and no certificate has been issued for them) is accompanied by the relevant share certificate(s) and such other evidence 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 so to do)

17 **Notice of refusal to register**

If the board refuses to register a transfer of a share, it shall send the transferee notice of its refusal within two months after the date on which the instrument of transfer was lodged with the Company as the case may be

18 **Retention of transfers**

All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the board refuse to register shall (except in any case where fraud or any other crime involving dishonesty is suspected) be returned to the person lodging it

19 **Suspension of registration**

The registration of transfers may be suspended and the register closed at such times and for such periods (not exceeding 30 days in any year) as the board may from time to time determine and either generally or in respect of any class of shares, except that the registration of the transfer of any participating security may only be suspended as permitted by the Statutes

20 **Further provisions relating to transfers**

20 1 No fee will be charged by the Company for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any shares or otherwise for making any entry in the register affecting the title to any shares

20 2 The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register in respect of them

20 3 Nothing in these articles shall preclude the board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person

20 4 Unless otherwise agreed by the board in any particular case, the maximum number of persons that may be entered on the register as joint holders of a share is four

DESTRUCTION OF DOCUMENTS

21 **Destruction of documents**

21 1 The board may arrange the destruction of the following documents held by the Company

21 1 1 all share certificates which have been cancelled at any time after the expiration of one year from the date of such cancellation,

21 1 2 all notifications of change of name and address and all dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of two years from the date of the recording them or, as the case may be, the date of such cancellation or cessation,

21 1 3 all instruments of transfer of shares and all other documents representing or purporting to represent the right to be registered as the holder of shares on the basis of which entries have been made in the register at any time after the expiration of six years from the date of the entry on the register,

21 1 4 all paid dividend warrants and cheques at any time after the expiration of two years from the date of actual payment,

21 1 5 all appointments (or records of appointment) of proxy which have been used for the purpose of a poll at any time after the expiration of one year from the date of use,

21 1 6 all appointments (or records of appointment) of proxy which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the appointment of proxy relates and at which no poll was demanded

21 2 It shall conclusively be presumed in favour of the Company that

21 2 1 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,

21 2 2 every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,

21 2 3 every share certificate so destroyed was a valid certificate duly and properly cancelled,

21 2 4 every paid dividend warrant and cheque so destroyed was duly paid, and

21 2 5 every other document mentioned in article 21 1 so destroyed was a valid and effective document in accordance with the recorded particulars of it in the books or records of the Company,

provided that this article shall apply only to the destruction of a document in good faith and without express notice of any claim (regardless of the parties to it) to which the document might be relevant

21 3 Nothing in this article shall be construed as imposing upon the Company or the board any liability in respect of the destruction of any such document earlier than stated in article 21 1, or in any other circumstances, which would not attach to the Company or the board in the absence of this article

21 4 References in this article to the destruction of any document include references to its disposal in any manner

TRANSMISSION OF SHARES

22 **Transmission**

If a member dies, the survivors or survivor where the deceased was a joint holder, or the personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing in these articles shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him solely or jointly

23 **Election of persons entitled by transmission**

23 1 Any person becoming entitled to a share in consequence of a transmission event may, on producing such evidence as may be required by the board (and subject to the following provisions of this article), elect either to be registered as the holder of the share or to have another person nominated by him registered as the holder of the share

23 2 If a person becoming entitled by transmission to a share elects to be registered as the holder he shall give notice to the Company to that effect If he elects to have another person registered and the share is a certificated share, he shall execute an instrument of transfer of the share to that person If he elects to have himself or another person registered and the share is an uncertificated share, he shall take any action the board may require (including without limitation the execution of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share

23 3 All the limitations, restrictions and provisions of these articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer or other action as if it were a transfer effected by the person from whom the title by transmission is derived and as if the transmission event had not occurred

24 **Rights of persons entitled by transmission**

24 1 Save as otherwise provided by or in accordance with these articles, a person becoming entitled to a registered share in consequence of a transmission event (upon supplying to the Company such evidence as the board may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the holder of the share. That person may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled to attend or vote at meetings of the Company or to exercise any other rights or privileges of a member in relation to meetings of the Company, unless and until he shall have become a member in respect of the share

24 2 The board may at any time give notice requiring a person becoming entitled to a share on a transmission event to elect to be registered himself or to transfer the share and, if the notice is not complied with within 60 days, the board may withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the notice have been complied with

DISCLOSURE OF INTERESTS IN SHARES

25 **Disenfranchisement**

25 1 If the holder of, or any other person appearing to be interested in, any share has been given notice under section 212 of the 1985 Act (a **section 212 notice**) and has failed in relation to that share (the **default share**) to give the Company the information required by that notice within the prescribed period from the date of service of the notice, the restrictions referred to below shall apply (provided that the board may waive those restrictions in whole or in part at any time)

25 2 If, while any of the restrictions referred to below apply to a share, another share is allotted in right of it (or in right of any share to which this article applies), the same restrictions shall apply to that other share as if it were a default share

25 3 The restrictions referred to above are as follows

25 3 1 the holder of the default shares shall not be entitled in respect of those shares to attend or vote at any general meeting or at any separate meeting of the holders of that class of shares or on a poll,

25 3 2 in addition, where the default shares in which any one person is interested or appears to the Company to be interested represent 0 25 per cent or more in nominal value of the issued shares of their class (excluding any treasury shares)

25 3 2 1 any dividend or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest on it when such dividend or other money is finally paid to the member and the member shall not be entitled to receive shares in lieu of any dividend,

25 3 2 2 no transfer of any shares held by the member shall be registered unless (a) the holder is not himself in default as regards supplying the information required and the holder provides evidence to the satisfaction of the board that no person in default as regards supplying such information is interested in any of the shares which

are the subject of the transfer, or (b) the transfer is an approved transfer, or (c) registration of the transfer is required by the Uncertificated Securities Regulations

25 4 For the purposes of this article

25 4 1 a person other than the member holding a share shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained under any section 212 notice and any other relevant information) knows or has reasonable cause to believe that the person is, or may be, so interested,

25 4 2 an approved transfer in relation to any shares is a transfer under

25 4 2 1 a takeover offer (within the meaning of section 428(1) of the 1985 Act which relates to the share), or

25 4 2 2 a sale made through a recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) or any other stock exchange or market outside the United Kingdom on which shares of that class are normally traded, or

25 4 2 3 a bona fide sale of the whole of the beneficial interest in the shares to a person whom the board is satisfied is unconnected with the member or with any other person appearing to be interested in the share

25 4 3 the percentage of issued shares of a class represented by a particular holding shall be calculated by reference to the shares in issue (excluding any treasury shares) at the time that the section 212 notice is served

26 **Service of notices on non-members**

If a section 212 notice is given by the Company to a person appearing to be interested in any share, a copy of the notice shall be given to the holder at the same time, but the failure or omission to do so, or the non-receipt by that person of the copy, shall not prejudice the operation of this article

27 **Cessation of disenfranchisement**

27 1 The sanctions under article 25 shall have effect for the period determined by the board being not more than seven days after the earlier of

27 1 1 the Company being notified that the default shares have been transferred under an approved transfer or otherwise in accordance with article 25 3 2 2, or

27 1 2 the information required by the section 212 notice has been received in writing by the Company to the satisfaction of the board at the address supplied by the Company in the section 212 notice or otherwise expressly supplied by the Company for the purpose of receiving such information

27 2 If any dividend or other distribution is withheld under article 25 3 2 1 above, the member shall be entitled to receive it as soon as practicable after the sanction ceases to apply

28 **Conversion of uncertificated shares**

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

29 **Section 216 of the 1985 Act**

The provisions of articles 25 to 28 are without prejudice to the provisions of section 216 of the 1985 Act, and in particular the Company may apply to the Court under section 216(1) of the 1985 Act whether or not these provisions apply or have been applied

GENERAL MEETINGS

30 **Annual general meetings**

The board shall convene and the Company shall hold annual general meetings in accordance with the Statutes

31 **Extraordinary general meetings**

31 1 All general meetings other than annual general meetings shall be called extraordinary general meetings

31 2 The board may convene an extraordinary general meeting whenever it thinks fit An extraordinary general meeting shall also be convened by the board on a requisition by members in accordance with the Statutes, or in default may be convened by such requisitionists in accordance with the Statutes An extraordinary general meeting may also be convened in accordance with article 91

32 **Separate general meetings**

Subject to these articles and to any rights for the time being attached to any class of shares in the Company, the provisions of these articles relating to general meetings of the

Company (including, without limitation, provisions relating to the proceedings at general meetings or to the rights of any person to attend or vote or be represented at general meetings or to any restrictions on these rights) shall apply, with any necessary changes, in relation to every separate general meeting of the holders of any class of shares in the Company

33 **General meetings at more than one place**

33 1 A general meeting may be held at more than one place if

33 1 1 the notice convening the meeting specifies that it shall be held at more than one place, or

33 1 2 the board resolves, after the notice convening the meeting has been given, that the meeting shall be held at more than one place, or

33 1 3 it appears to the chairman of the meeting that the place of the meeting specified in the notice convening the meeting is inadequate to accommodate all persons entitled and wishing to attend

33 2 A general meeting held at more than one place shall be duly constituted and its proceedings valid if (in addition to the other provisions in these articles relating to meetings) the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that each person present at each place is able to

33 2 1 participate in the business for which the meeting has been convened,

33 2 2 hear and see all persons who speak (by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise, whether such equipment is in use when these articles are adopted or developed subsequently) in each meeting place, and be heard and seen by all other persons so present in the same way,

33 2 3 have access to all documents which are required by the Statutes or these articles to be made available at the meeting, and

33 2 4 (in accordance with his rights under the Statutes and these articles) vote on a show of hands and on a poll and be represented by a proxy

33 3 The meeting shall be deemed to take place at the place at which the chairman is present (the **principal venue**)

33 4 Article 43 shall apply to any interruption or adjournment of a meeting which is being held in more than one place

33 5 Each person present in person at each meeting place shall be counted in the quorum for, and be entitled to vote at, the general meeting if they would be so entitled were the meeting to be held in one place

34 **Other arrangements for viewing/hearing proceedings**

The board may make arrangements for persons entitled to attend a general meeting or an adjourned general meeting to be able to view and hear the proceedings of, and to speak at, that meeting (in the manner set out in article 33) from a location which is not classified as a meeting place The persons attending at any such location shall not be regarded as present at the general meeting or adjourned general meeting and shall not be entitled to vote at the meeting The inability for any reason of any person present at such a location to view or hear all or any of the proceedings of, or to speak at, the meeting shall not affect the validity of the proceedings of the meeting

35 **Arrangements regarding level of attendance**

The board may from time to time make such arrangements for limiting the level of attendance at any location for which arrangements have been made under articles 33 and 34 as it considers appropriate These arrangements may include the issue of tickets (on a basis intended to afford all members and proxies entitled to attend the meeting an equal opportunity of being admitted to any specific venue) or the imposition of some random means of selection for admission to that venue In this case, the arrangements must allow any members and proxies excluded from attendance at the principal venue to attend at one of the other venues

36 **Change in place and/or time of meeting**

36 1 If, after the giving of notice of a meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board decides that it is impracticable or unreasonable for reasons beyond its control to hold the meeting at the declared place (or any of the declared places, in the case of a meeting to which article 33 applies) and/or time, it may change the place (or as appropriate any of the places) and/or postpone the time at which the meeting is to be held

36 2 If such a decision is made, the board may then change the place (or as appropriate any of the places) and/or postpone the time again if they decide that it is reasonable to do so

36 3 In either case

36 3 1 no new notice of the meeting need be given, but the board shall, if practicable, advertise the new place, date and/or time of the meeting in at least one leading

national daily newspaper and shall make arrangements for notices of the change of place and/or postponement to appear at the original place and/or at the original time, and

36 3 2 notwithstanding article 58, an appointment of proxy in relation to the meeting may be deposited or delivered in any manner permitted by article 58 1 1 or 58 1 2 at any time not less than 48 hours before any new time fixed for holding the meeting

37 **Security**

The board and, at any general meeting, the chairman may make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the security of a meeting including, without limitation, requirements for evidence of identity to be produced by any person attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place A director or the secretary may refuse entry to a person who refuses to comply with these arrangements, requirements or restrictions They may also arrange for persons to be removed from a meeting

NOTICE OF GENERAL MEETINGS

38 **Recipients of notice**

Notice of a general meeting shall be given to all members (other than the Company as holder of treasury shares and any who, under these articles or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company), and to each of the directors and to the auditors

39 **Period of notice**

An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution or (save as provided by the Statutes) a resolution of which special notice is required by the Statute, shall be called by not less than 21 days' notice, and any other extraordinary general meeting by 14 days' notice provided that a general meeting, notwithstanding that it has been called by shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed

39 1 1 in the case of an annual general meeting, by all the members entitled to attend and vote at that meeting, and

39 1 2 in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at that meeting, being a majority

together holding not less than 95 per cent in nominal value of the shares giving that right

40 **Contents of notice**

40 1 Every notice calling a general meeting shall specify the place (or places, in the case of a meeting to which article 33 applies), day and time of the meeting and there shall appear with reasonable prominence in every such notice a statement 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 be a member of the Company

40 2 The notice shall specify the general nature of the business to be transacted at the meeting, and if any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect

40 3 In the case of an annual general meeting, the notice shall also specify the meeting as such

40 4 The accidental omission to give notice of a general meeting to, or the non-receipt of notice by, any person entitled to receive such notice, shall not invalidate the proceedings at any general meeting In cases where appointments of proxy are sent out with notices, the accidental omission to send such appointments of proxy to, or the non-receipt of such appointments of proxy by, any person entitled to receive notice shall not invalidate the proceedings at any general meeting

40 5 The notice shall include details of any arrangements made for the purpose of article 34 (making clear that participation in these arrangements will not amount to attendance at the meeting to which the notice relates)

40 6 The board shall comply with the Statutes regarding the giving and circulation, on the requisition of members, of notices of resolutions and of statements with respect to any matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company

PROCEEDINGS AT GENERAL MEETINGS

41 **Quorum**

41 1 No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business and during the transaction of business Two persons entitled to vote upon the business to be transacted on a poll, each being a member, the proxy of a member or a duly authorised representative of a corporation which is a member, shall be a quorum

41 2 If within fifteen minutes from the time fixed for a general meeting (or such longer time as the chairman of the meeting may think fit to allow) a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved In any other case, the meeting shall stand adjourned to such day, place and time as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman may determine

41 3 If at such adjourned meeting a quorum is not present within fifteen minutes from the time fixed for holding the meeting, the meeting shall be dissolved

42 **Chairman**

42 1 The chairman of the board (if any), failing whom a deputy chairman (if any), shall preside as chairman at a general meeting If there is no such chairman or deputy chairman or if at any meeting neither is present and willing to act within 15 minutes after the time fixed for holding the meeting, the directors present shall choose one of their number (or, if no director is present and willing to act, the members present and entitled to vote shall choose one of their number) to be chairman of the meeting

42 2 The chairman of the meeting can take any action he considers appropriate for the proper and orderly conduct of the business to be carried out at the general meeting The chairman's decision on matter of procedure or arising incidentally from the business of the meeting (including whether or not a matter falls in these categories) shall be final

43 **Adjournments**

43 1 The chairman of any general 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 for an indefinite period) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place

43 2 In addition, the chairman may without such consent adjourn the meeting to another time and/or place if in his opinion

43 2 1 it is or is likely to be impracticable to hold or continue the meeting because of the number of members wishing to attend, or

43 2 2 the conduct of any persons attending the meeting prevents or is likely to prevent the orderly conduct of the business of the meeting, or

43 2 3 (where a general meeting is being held at more than one place) the facilities at any such place have become inadequate for the purposes referred to in article 33 2, or

43 2 4 an adjournment is otherwise necessary so that the business of the meeting may be properly conducted

43 3 Nothing in this article shall limit any other power vested in the chairman to adjourn the meeting

44 **Place and time of adjourned meetings**

If a meeting is adjourned for 30 days or more, or for an indefinite period, at least seven days' notice shall be given specifying the time and place (or places, in the case of a meeting to which article 33 applies) of the adjourned meeting and the general nature of the business to be transacted Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting

45 **Directors' entitlement to attend and speak**

A director shall be entitled to attend and speak at any general meeting or class meeting of the Company notwithstanding that he is not a member of the Company

46 **Resolutions and amendments**

46 1 Subject to the Statutes, a resolution may only be put to the vote at a general meeting if the chairman of the meeting in his absolute discretion decides that the resolution may properly be regarded as within the scope of the meeting

46 2 No amendment to a resolution to be proposed as an ordinary resolution may be considered or voted on (other than a mere clerical amendment to correct a patent error) unless either

46 2 1 at least 48 hours before the time fixed for the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and the intention to move it has been delivered by means of an instrument to the office or such other place as may be specified by or on behalf of the Company for that purpose, or received in an electronic communication at such address (if any) for the time being notified by or on behalf of the Company for that purpose, or

46 2 2 the chairman in his absolute discretion decides that the amendment may be considered and voted on

46 3 In the case of a resolution to be proposed as a special or extraordinary resolution no amendment may be considered or voted upon, except an amendment to correct a patent error or as may otherwise be permitted by law

46 4 If the chairman rules an amendment to any resolution admissible or out of order (as the case may be), the proceedings on the resolution shall not be invalidated by any error in his ruling Any ruling by the chairman in relation to a resolution or an amendment to a resolution shall be final and conclusive

46 5 With the consent of the chairman, a person who proposes an amendment to a resolution may withdraw it before it is put to the vote

47 **Methods of voting and demand for a poll**

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded by

47 1 the chairman of the meeting, or

47 2 not less than five members present in person having the right to vote on the resolution,

47 3 a member or members present in person representing in aggregate not less than one tenth of the total voting rights of all the members having the right to vote at the meeting, or

47 4 a member or members present in person 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

48 **Conduct of poll and declaration of result**

48 1 If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made A demand for a poll may be withdrawn with the consent of the chairman at any time before the poll is taken

48 2 Unless a poll is demanded (and the demand is not withdrawn) a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost and an entry to that effect in the minutes of the meeting shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against the resolution

48 3 If a poll is demanded (and the demand is not withdrawn), it shall be taken in such manner as the chairman may direct A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately A poll demanded on any other question shall be taken either immediately or at such subsequent time (being not more than thirty days after the date of the meeting at which the poll was demanded) and place as the chairman may direct No notice need be given of a poll whether taken at or after the meeting at which it was demanded The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded

48 4 The chairman may appoint scrutineers (who need not be members)

48 5 On a poll votes may be given either personally or by proxy or (if the member is a corporation) by the authorised representative and a person entitled to more than one vote need not use all his votes or cast all the votes he used in the same way

49 **Chairman's casting vote**

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 casting vote in addition to the votes to which he may be entitled as a member or as a proxy or authorised representative of a member

50 **Continuance of meeting**

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded

VOTES OF MEMBERS

51 **Voting rights**

Subject to these articles and to any special rights or restrictions as to voting for the time being attached to any share or class of shares in the Company, on a show of hands every member present in person shall have one vote, and on a poll every member present in person shall have one vote for every share held by him

52 **Corporations acting by representatives**

Any corporation which is a member of the Company may (by resolution of its board or other governing body) authorise any person to act as its representative at any meeting of the Company, or at any separate meeting of the holders of any class of shares A 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 at

such meeting, including (without limitation) a power to vote on a show of hands or on a poll and to demand or concur in demanding a poll The board or any director or the secretary may (but shall not be bound to) require evidence of the authority of any representative

53 **Votes of joint holders**

In the case of joint holders of a share the vote of the senior who tenders a vote 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 relevant share

54 **Members incapable of managing their affairs**

A member who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any court having jurisdiction (anywhere in the world) in matters concerning the protection or management of the affairs of persons incapable of managing their own affairs, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy Evidence to the satisfaction of the board of the authority of the person claiming the right to vote shall be deposited at the office, or at such other place (if any) as is specified for the delivery or receipt of appointments of a proxy in accordance with these articles, not later than the last time by which the appointment of a proxy must be delivered or received in order to be valid for use at the meeting or adjourned meeting or on the holding of the poll at or on which the person proposes to vote and in default the right shall not be exercisable

55 **Calls in arrears**

Unless the board otherwise determines, a member shall not be entitled to vote at a general meeting either personally or by proxy or (if the member is a corporation) by authorised representative in respect of any share held by him or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of that share remains unpaid

56 **Objections to voting**

No objection shall be raised as to the qualification of any person to vote or as to the admissibility of (or exclusion of) any vote except at the meeting or adjourned meeting or poll at which that vote is given or tendered Any objection shall be referred in due time to the chairman of the meeting and shall only vitiate the decision of the meeting or poll on

any resolution if the chairman decides that the same may have affected that decision The decision of the chairman on such matters shall be final and conclusive

PROXIES

57 **Appointment and form of proxy**

57 1 A proxy need not be a member of the Company

57 2 The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or on the poll concerned

57 3 An appointment of proxy shall be

57 3 1 by means of an instrument or contained in an electronic communication,

57 3 2 in any usual or common form or in any other form which the board may from time to time approve, and

57 3 3 be executed by the appointor or his agent or, if the appointor is a corporation, by a duly authorised officer, attorney or other authorised person or under its common seal

For the purpose of this article and article 58 an electronic communication which contains a proxy appointment need not comprise writing if the board so determines and in such case, if the board so determines, the appointment need not be executed but shall instead be subject to such conditions as the board may approve

57 4 The board may, if it thinks fit, but subject to the Statutes, at the Company's expense send forms of proxy for use at the meeting and issue invitations contained in electronic communications to appoint a proxy in relation to the meeting in such form as the board may approve

58 **Deposit of proxy**

58 1 Without prejudice to article 36 3 the appointment of a proxy shall

58 1 1 in the case of an instrument, be delivered personally or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose

58 1 1 1 in the notice convening the meeting, or

58 1 1 2 in any form of proxy sent by or on behalf of the Company in relation to the meeting,

at least 48 hours before the time fixed for holding the meeting at which the person named in the appointment proposes to vote, or

58 1 2 in the case of an appointment contained in an electronic communication, where an address has been specified by or on behalf of the Company for the purpose of receiving electronic communications

58 1 2 1 in the notice convening the meeting,

58 1 2 2 in any form of proxy sent by or on behalf of the Company in relation to the meeting, or

58 1 2 3 in any invitation contained in an electronic communication to appoint a proxy issued by or on behalf of the Company in relation to the meeting,

be received at that address not less than 48 hours before the time appointed for holding the meeting at which the person named in the appointment proposes to vote, or

58 1 3 in either case, where a poll is taken more than 48 hours after it is demanded, or in the case of an adjourned meeting to be held more than 48 hours after the time fixed for the original meeting, be delivered or received as set out in article 58 1 1 or 58 1 2 after the poll has been demanded or meeting adjourned at least 24 hours before the time appointed for the taking of the poll or (as the case may be) taking the meeting, or

58 1 4 where a poll is not taken at the meeting at which it is demanded but is taken 48 hours or less after it was demanded, or in the case of an adjourned meeting to be held 48 hours or less after the time fixed for the original meeting, be delivered at the meeting at which the poll was demanded or (as the case may be) delivered at the original meeting to the chairman or to the secretary or to any director or as directed at the meeting by the chairman,

but the board may decide to treat a proxy as valid notwithstanding that it has not been received in accordance with this provision

58 2 Without limiting articles 57 or 58 1, in relation to any shares which are held in uncertificated form, the board may from time to time permit appointments of a proxy to be made by means of an electronic communication in the form of an Uncertificated Proxy Instruction The board may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means The board may in addition prescribe the method of determining the time at which any such

properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant Notwithstanding any other provision in these articles, the board may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of the holder For the purpose of this article, **Uncertificated Proxy Instruction** means a properly authenticated dematerialised instruction and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the board (subject always to the facilities and requirements of the relevant system concerned)

58 3 In the case of an appointment executed by an agent of a member who is not a corporation, there shall also be delivered or received, in the manner set out in article 58 1, the authority under which the appointment is executed or an office copy of it or a copy of it certified in accordance with section 3 of the Powers of Attorney Act 1971 In the case of an appointment signed by an officer or other agent of a corporation, the board may also require there to be delivered or received, in the manner set out in article 58 1, the authority under which the appointment is signed, or a notarially certified copy of it, or such other authorities or documents as shall be specified in the notice of the relevant meeting or in any appointment of proxy issued by the Company in connection with the relevant meeting

58 4 If the appointment of proxy is not delivered or received in the manner required above, the appointment shall not be treated as valid and the person named in the appointment of proxy shall not be entitled to vote in respect of the shares in question

58 5 No appointment of proxy shall be valid after the expiration of 12 months from the date stated in it as the date of its execution, except a power of attorney containing a power to act and vote for a member at meetings of the Company, and such a power, if duly notified to the Company once, shall not need to be delivered to or received by the Company again

58 6 If two or more valid appointments of proxy are received in respect of the same share for use at the same meeting or on the same poll, the one which was executed last shall be treated as replacing and revoking the others, if the Company is unable to determine which was executed last, none of them shall be treated as valid in respect of that share

58 7 An appointment of a proxy shall, unless the contrary is stated on the proxy, be valid as well for any adjournment of the meeting as for the meeting to which it relates An appointment relating to more than one meeting (including any adjournment of a meeting)

having been duly delivered for the purposes of any meeting shall not require to be delivered again in relation to any subsequent meetings to which it relates

58 8 An appointment of proxy shall be deemed to include the right to vote on a show of hands, to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit and shall confer a right to speak at the meeting

59 **Termination of authority of proxy**

A vote given or poll demanded by proxy or by an authorised representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll or (until entered in the register) the transfer of the share in respect of which the appointment of the relevant person was made unless notice of the termination or transfer shall have been received as mentioned in the next sentence at least 24 hours before the time fixed for the meeting or adjourned meeting or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time fixed for the taking of the poll at which the vote is cast Such notice of termination shall be either by means of an instrument delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with article 58 1 or contained in an electronic communication received at the address (if any) specified by or on behalf of the Company in accordance with article 58 2 regardless of whether any relevant proxy appointment was effected by means of an instrument or contained in an electronic communication For the purpose of this article, an electronic communication which contains such notice of determination need not comprise writing if the board has determined that the electronic communication which contains the relevant proxy appointment need not comprise writing

DIRECTORS

60 **Number of directors**

The number of directors (other than alternate directors) shall not be less than four or more than sixteen The Company may, by ordinary resolution, from time to time vary the minimum and/or maximum number of directors

61 **Directors shareholding qualification**

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

APPOINTMENT AND RETIREMENT OF DIRECTORS

62 **Age limit**

Any provisions of the Statutes which, subject to the provisions of these articles, would have the effect of rendering any person ineligible for appointment as a director or liable to vacate the office of director on account of his having reached the age of seventy or any other age or of requiring special notice or any other special formality in connection with the appointment of any director over a specified age 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 is proposed for appointment or re-appointment who will be seventy or more at the date of the meeting, 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 re-appointment of that director at that meeting

63 **Eligibility for election**

No person other than a director retiring at the meeting shall be eligible for appointment as a director at any general meeting unless he is recommended by the board for election, or unless not less than seven nor more than 42 days before the day appointed for the meeting there shall have been given to the Company notice, executed by a member (other than the person to be proposed) entitled to attend and vote at the meeting, of his intention to propose such person for appointment, and also notice in writing signed by the person to be proposed of his willingness to be elected The notice to be lodged by the proposing member shall state the particulars of the nominee which would, if he were appointed, be required to be included in the Company's register of directors

64 **Appointment by ordinary resolution or by directors**

Subject to these articles, the Company may by ordinary resolution appoint any person to be a director either to fill a casual vacancy or as an additional director In addition, the board may at any time appoint any person to be a director either to fill a casual vacancy or as an additional director In either case, the total number of directors shall not at any time exceed the maximum number (if any) fixed by, or in accordance with, these articles Any person so appointed by the board shall hold office only until the next annual general meeting and shall then be eligible for election, but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting

65 **Separate resolutions for appointment of each director**

A resolution of a general meeting for the appointment of a director shall relate to one named person, a single resolution for the appointment of two or more persons as

directors shall be void, unless a resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it

66 **Retirement of directors by rotation**

At each annual general meeting at least one-third of the directors excluding those required to retire at that annual general meeting under article 64 or, if their number is not three or an integral multiple of three, the number nearest to but not exceeding one-third, shall retire from office Notwithstanding anything else in these articles, each director must retire at the third annual general meeting following his appointment or re-appointment in a general meeting

67 **Selection of directors to retire**

67 1 Subject to the Statutes and these articles, the directors to retire by rotation shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-appointment Any further directors to retire by rotation shall be those of the other directors who have been longest in office since their last appointment or re-appointment, but as between persons who were last appointed or re-appointed directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot

67 2 The directors to retire on each occasion 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 after the date of such notice but before the close of the meeting The names of the directors to retire by rotation shall be stated in the notice of the annual general meeting or in any document accompanying it

67 3 A director retiring under article 64 or article 66 shall be eligible for re-appointment

68 **When directors deemed to be re-appointed**

The Company may at the meeting at which a director retires under any provision of these articles, by ordinary resolution fill the office being vacated by electing to that office the retiring director or some other person eligible for appointment In the absence of such a resolution, the retiring director shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or a resolution for the re-appointment of the director is put to the meeting and lost If the director is not re-appointed or deemed to have been re-appointed, he shall retain office until the meeting resolves to appoint another person in his place or not to fill the vacancy, or the resolution to appoint him is put to the meeting and lost, or otherwise until the end of the meeting

69 **Additional powers of the company**

The Company may by extraordinary resolution, or by ordinary resolution of which special notice has been given in accordance with the Statutes, remove any director from office notwithstanding any provision of these articles or of any contract between the Company and such director (but without prejudice to any claim he may have for damages for breach of any such contract) and by ordinary resolution appoint another person in place of a director so removed from office, and any person so appointed shall be treated, for the purpose of determining the time at which he or any other director is to retire by rotation, as if he had become a director on the day on which the director in whose place he is appointed was last elected a director In default of such appointment, the vacancy arising upon the removal of a director from office may be filled as a casual vacancy

70 **Disqualification of a director**

The office of director shall be vacated in any of the following circumstances

70 1 he is removed or prohibited from being a director under any provisions of the Statutes,

70 2 he gives to the Company notice executed by him of his wish to resign, in which event he shall vacate that office on the delivery of that notice to the Company or at such later time as is specified in the notice,

70 3 if he becomes bankrupt, insolvent or makes any arrangement or composition with his creditors generally or shall apply to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act, or

70 4 if he is, or may be, suffering from mental disorder and/or either he is admitted to hospital for treatment, or an order is made by a court (whether in the United Kingdom or elsewhere) having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs and, in either case, the board resolves that his office be vacated, or

70 5 having been appointed for a fixed term, the term expires or his office as a director is vacated under article 64, or

70 6 he is absent from meetings of the board for six consecutive months without leave and his alternate director (if any) has not, during such period, attended in his place and the board resolves that his office be vacated, or

70 7 he is removed from office by notice given to him and executed by all his co-directors (or their alternates), but so that in the case of a director holding an executive office which automatically determines on his ceasing to be a director such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office

71 **Executive office**

71 1 The board may appoint one or more directors to hold any executive office (including the office of chairman, managing director or chief executive) on such terms and for such period (subject to the Statutes) as it may determine and may at any time revoke or terminate any such appointment, without prejudice to any claim under any contract entered into in any particular case

71 2 The appointment of any director to any executive office specifically referred to in article 71 1 shall automatically determine if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company The appointment of any director to any other executive office shall not automatically determine if he ceases to be a director, unless the contract or resolution under which he holds or is removed from office shall expressly state that it shall, in which event that cessation shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company

ALTERNATE DIRECTORS

72 **Power to appoint alternate directors**

Any director (other than an alternate director) may appoint any person (including another director) to be his alternate director, and may remove him from that office The appointment as an alternate director of any person who is not himself a director shall be subject to the approval of the majority of the other directors or a resolution of the board Any of the directors may appoint the same alternate director

73 **Formalities for appointment and termination**

73 1 Every appointment and removal of an alternate director shall be made by notice to the Company executed by the director making the appointment or removal (or in any other manner approved by the board) and shall, be effective (subject to article 72) on receipt of such notice by the Company which shall, in the case of a notice contained in an instrument, be at the office or at a board meeting or in the case of a notice contained in an electronic communication be at such address (if any) for the time being notified by or on behalf of the Company for the purpose

73 2 The appointment of an alternate director shall determine on the happening of any event which, if he were a director, would cause him to vacate such office or if his appointor ceases to be a director (otherwise than by retirement by rotation or otherwise at a general meeting at which he is re-appointed or deemed to be re-appointed) or if the approval of the directors to his appointment is withdrawn

73 3 An alternate director may, by giving notice to the Company, executed by him, resign such appointment

74 **Alternate to receive notices**

An alternate director shall be entitled to receive notices of board meetings and of all meetings of committees of which the director appointing him is a member to the same extent as the director appointing him and shall be entitled to attend and vote as a director and be counted for the purposes of a quorum at any such meeting at which the director appointing him is not personally present, and generally at such meeting, to exercise and discharge all the functions, powers and duties of his appointor as a director For the purposes of the proceedings at such meeting, these articles shall apply as if he (instead of his appointor) were a director If he shall himself be a director, or shall attend any such meeting as an alternate for more than one director, his voting rights shall be cumulative but he shall count as only one for the purpose of determining whether a quorum is present If his appointor is for the time being absent from the United Kingdom, or temporarily unable to act through ill-health or disability, his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these articles

75 **Alternate may be paid expenses but not remuneration**

An alternate director shall be entitled to be repaid expenses, and to be indemnified, by the Company to the same extent as if he were a director, but he shall not be entitled to receive from the Company any remuneration in respect of his services as an alternate director, except such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company from time to time direct

76 **Alternate not an agent of appointor**

Except as otherwise expressly provided in these articles, an alternate director shall be subject in all respects to these articles relating to directors Accordingly, except where the context otherwise requires, a reference to a director shall be deemed to include a reference to an alternate director An alternate director shall be responsible to the

Company for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

REMUNERATION, EXPENSES AND PENSIONS

77 **Directors' fees**

The fees of the directors (other than any director who for the time being holds an executive office or employment with the Company or any subsidiary of the Company) for their services as directors shall not exceed in aggregate £250,000 per year (or such higher amount as the Company may from to time by ordinary resolution determine) Subject to this limit, a director shall be paid a fee (to accrue from day to day) at such rate as is from time to time determined by the board Any fee payable under this article 77 shall be distinct from any remuneration payable by the Company to executive directors under service contracts or other amounts payable to a director under other provisions of these articles

78 **Directors' remuneration**

Any director who holds any executive office (including for this purpose the office of chairman or deputy chairman whether or not such office is held in an executive capacity) or who serves on any committee or who acts as trustee of a retirement benefits scheme or employees' share scheme or who otherwise performs services which, in the opinion of the board are beyond the ordinary duties of a director may be paid such extra remuneration by way of salary, commission or otherwise as the board may determine Any payment of a kind described in this article 78 shall not be regarded as a fee falling within the provisions of article 79

79 **Expenses**

The Company will pay to any director all proper and reasonable expenses incurred by him in attending and returning from meetings of the directors or of any committee or general meetings or otherwise in connection with the business of the Company or in the performance of his duties as a director

80 **Pensions and other benefits**

The board shall have power to pay, provide or procure the grant of retirement, death or disability benefits, annuities or other allowances, emoluments, benefits or gratuities to any person who is or has been at any time director of, or in the employment or service of, the Company or of any other undertaking which is or was at some time

80 1 the parent undertaking of the Company, or

80 2 a subsidiary undertaking of the Company or of such parent undertaking, or

80 3 otherwise associated with the Company or any such parent or subsidiary undertaking

or of the predecessors in business of the Company or of any such parent or subsidiary undertaking or associate and to the families and other relatives or dependants of any such person For that purpose the board may establish and maintain or participate in or contribute to any trust, scheme, association, arrangement or fund or pay premiums

GENERAL POWERS OF DIRECTORS

81 Business to be managed by the directors

The business and affairs of the Company shall be managed by the board which, subject to the Statutes, the memorandum of association of the Company and these articles and any directions given by special resolution, may exercise all the powers of the Company No alteration of the memorandum of association or these articles and no such resolution shall invalidate any prior act of the board which would have been valid if that alteration had not been made or that resolution had not been passed The general powers given by this article shall not be limited by any special authority or power given to the board by these articles or any resolution of the Company

82 Provision for employees

The board may exercise any of the powers conferred by the Statutes to make provision for the benefit of any 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 any of its subsidiaries

83 Local boards

83 1 The board may make such arrangements as they think fit for the management and transaction of the Company's affairs in any specified locality, whether in the United Kingdom or elsewhere, and, without prejudice to the generality of the foregoing, may

83 1 1 establish any divisional or local boards, committees or agencies for managing any of the affairs of the Company and may appoint any one or more of the directors, or any other persons, to be members of such boards, committees, or agencies, or to be managers or agents, and may fix their remuneration,

83 1 2 delegate to any divisional or local board or committee, manager or agent any of its powers, authorities and discretions (with power to sub-delegate),

83 1 3 authorise the members of any divisional or local boards or committees or any of them to fill any vacancies in them, and to act notwithstanding vacancies

83 2 Any such appointment or delegation may be made upon such terms and subject to such conditions as the board thinks fit, and the board may remove any person so appointed, and may revoke or vary any such delegation, but no person dealing in good faith shall be affected by the revocation or variation

84 **Powers of attorney and agents**

The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in the board) and on such terms as the board determines and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate) Any such appointment may contain such provisions for the protection and convenience of persons dealing with any such agent as the board may think fit The board may revoke or vary such appointment, but no person dealing in good faith shall be affected by the revocation or variation

85 **Signature on cheques, etc**

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the board (or any duly authorised committee of the board) shall from time to time determine

DIRECTORS' INTERESTS

86 **Directors' interests and voting**

86 1 Subject to the Statutes, a director shall not be disqualified by his office from entering into any contract or other arrangement with the Company or in which the Company is interested, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Company or as vendor, purchaser or otherwise, nor shall a contract entered into by or on behalf of the Company in which any director is in any way interested be liable to be avoided, nor shall any director so interested be liable to account to the Company for any benefit resulting from the contract, by reason of the director holding that office or of the fiduciary relationship established by his holding that office

86 2 A director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the Statutes)

and upon such terms as the board may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board may decide, either in addition to or in lieu of any remuneration under any provision of these articles

86 3 A director may be or become a member or director of, or hold any other office or place of profit under, or otherwise be interested in, any other company in which the Company may be interested and shall not be liable to account to the Company for any benefit received by him as a member or director of, or holder of any other office or place of profit under, or his other interest in, that company

86 4 The board may cause the voting rights conferred by the shares in any company held or owned by the Company to be exercised in such manner in all respects as they think fit (including without limitation the exercise of that power in favour of any resolution appointing the directors or any of them as directors or officers of (or in any other position) such company, or voting or providing for the payment of any benefit to the directors or officers of, or holders of any other position in, such company)

86 5 A director may act by himself or his firm in a professional capacity for the Company (except as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director

87 **Directors' interests**

87 1 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (or any transaction or arrangement whether or not constituting a contract) with the Company or any subsidiary undertaking of the Company shall declare the nature of his interest at the board meeting at which the question of his entering into the contract or arrangement is first taken into consideration

87 2 For the purposes of this article, a general notice given to the board that a director is

87 2 1 a member of a specified company or firm and is to be regarded as interested in any other contract which may after the date of the notice be made with that company or firm, or

87 2 2 to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected (within the meaning of section 346 of the 1985 Act) with him

shall be deemed to be a sufficient declaration of interest under this article in relation to any such contracts or arrangements, provided that no such notice shall be effective

unless either it is given at a board meeting or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given

87 3 For the purpose of this article and article 88

87 3 1 an interest of a person who is connected with a director (within the meaning of section 346 of the 1985 Act) shall be treated as an interest of the director and, in relation to an alternate, an interest of his appointor shall be treated as an interest of the alternate in addition to any interest which the alternate otherwise has,

87 3 2 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, and

87 3 3 references to a contract includes any proposed contract and any transaction or arrangement whether or not constituting a contract

88 **Directors' powers to vote**

88 1 A director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying the terms of appointment), or the termination of the appointment, or as the holder of any office or place of profit with the Company or any undertaking in which the Company is interested Where proposals for such resolutions relate to two or more directors, those proposals may be divided and a resolution may be put in relation to each director separately and in such case each of the directors concerned (if not otherwise debarred from voting) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning him

88 2 Without limiting article 88 1 (and save as provided in article 88 5), a director shall not vote (or be counted in the quorum) in respect of any contract or arrangement or any other proposal in which he has an interest which (together with any interest of any person connected with him) is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company

88 3 If any question arises at any meeting as to the materiality of a director's interest, or as to the entitlement of any director to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting (or, if the director concerned is the chairman, to the other directors at the meeting) and his ruling in relation to any director other than himself (or, as the case may be, the ruling of the majority of the other directors in relation to the chairman) shall be final

and conclusive, except in a case where the nature or extent of the interests of the director concerned, so far as known to him, has not been fairly disclosed

88 4 Subject to the Statutes, the Company may by ordinary resolution suspend or relax the restrictions in articles 88 1 and 88 2 to any extent or ratify any contract or other arrangement not duly authorised by reason of a contravention of those articles

88 5 The prohibition in articles 88 1 and 88 2 shall not apply and a director may (in the absence of some other material interest) vote and be counted in the quorum in respect of any resolution concerning any of the following matters

88 5 1 the giving of any guarantee, security or indemnity in respect of

88 5 1 1 money lent or obligations 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,

88 5 1 2 a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility (in whole or in part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security,

88 5 2 any contract concerning the subscription or purchase by him of shares, debentures or other securities of the Company under an offer or invitation to members or debenture holders of the Company, or any class of them, or to the public or any section of them,

88 5 3 any contract concerning any issue or offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase, in respect of which he is or may be entitled to a participate in his capacity as a holder of any such securities or as an underwriter or sub-underwriter,

88 5 4 any contract concerning another company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him) does not hold an interest (as that term is used in sections 198 to 211 of the 1985 Act) representing one per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purposes of this article to be a material interest in all circumstances),

88 5 5 any contract for the benefit of employees of the Company or of any of its subsidiary undertakings which does not accord to him any privilege or benefit not generally accorded to the employees to whom the contract or arrangement relates, and

88 5 6 any contract concerning the purchase or maintenance of insurance either for or for the benefit of any director or for persons who include directors

PROCEEDINGS OF THE BOARD

89 Board meetings

89 1 Subject to the provisions of these articles, the board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit A director may, and the secretary at the request of a director shall, at any time summon a board meeting

89 2 *Notice of a board meeting* shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent by instrument to him at his last known address or any other address given by him to the Company for this purpose or given using electronic communications to such address (if any) for the time being notified by him or on his behalf to the Company for that purpose A director absent or intending to be absent from the United Kingdom may request that notices of board meetings shall, during his absence, be sent by instrument or using electronic communication to him at an address given by him to the Company for this purpose but, in the absence of any such request, it shall not be necessary to give notice of a board meeting to any director for the time being absent from the United Kingdom A director may waive notice of any meeting either prospectively or retrospectively

89 3 Without limiting the first sentence of article 89 1, a board meeting of the directors may consist of a conference between directors who are not all in one place, provided that each director who participates is able, directly or by telephonic or other communication (whether in use when these articles are adopted or developed subsequently), to speak to each of the others and to be heard by each of the others simultaneously A director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, at the place from where the chairman of the meeting participates

90 Quorum, competence and voting

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 board meeting at

which a quorum is present shall be competent to exercise all powers and discretions for the time being vested in or exercisable by the board

Questions arising at any meeting shall be determined by a majority of votes In case of an equality of votes, the chairman of the meeting shall have a second or casting vote

91 **Power of directors if number falls below minimum**

The continuing directors or director at any time may act notwithstanding any vacancies in their number, but if, and so long as, the number of directors is less than the number fixed as the minimum number fixed by or in accordance with these articles, the continuing directors or director may act for the purpose of filling up such vacancies or calling general meetings of the Company, but not for any other purpose If there are no directors or director able or willing to act, then any two members may call a general meeting for the purpose of appointing directors

92 **Chairman**

The board may appoint a chairman and one or more deputy chairmen and determine the period for which each is to hold office The board may also revoke any such appointment The chairman or, in his absence, any deputy chairman (determined as between the deputy chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the board) shall preside at board meetings If no chairman or deputy chairman shall have been appointed, or if at any meeting none of them be present within five minutes after the time fixed for holding the meeting or is willing to act as chairman of the meeting, the directors present may choose one of their number to be chairman of the meeting

93 **Resolutions in writing**

A resolution in writing, executed by all the directors entitled to notice of and to vote at a board meeting (provided that their number is sufficient to constitute a quorum) shall be as valid and effective as a resolution passed at a board meeting duly convened and held For this purpose

93 1 a resolution may be by means of an instrument or contained in an electronic communication sent to such address (if any) for the time being notified by the Company for that purpose,

93 2 a resolution may consist of several instruments or several electronic communications, each executed by one or more directors, or a combination of both,

93 3 a resolution executed by an alternate director need not also be executed by his appointor, and

93 4 a resolution executed by a director who has appointed an alternate director need not also be executed by the alternate director in that capacity

94 **Delegation of powers**

94 1 The board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion, of its own powers, and may revoke, withdraw or vary all or any of such powers, authorities and discretions

94 2 Without limiting article 94 1, the board may delegate any of its powers, authorities or discretions to a committee Any such committee shall, unless the board otherwise resolves, have power to sub-delegate to any sub-committees any of the powers, authorities or discretions delegated to it Any such committee or sub-committee shall consist of one or more of the directors and (if thought fit, and subject to article 94 3) one or more other persons co-opted to the committee Any such delegation shall be made on such terms and conditions as the board thinks fit, and may be revoked, withdrawn or varied

94 3 Any committee or sub-committee so formed shall, in the exercise of the powers so delegated, conform to any regulations which may be imposed on it by the board Any such regulations may provide for, or authorise, the co-option to the committee or sub-committee of persons other than directors and for such co-opted members to have voting rights as members of the committee or sub-committee provided that the majority of the members of the committee are directors, and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are directors or alternates of directors

95 **Proceedings of committees**

The meetings and proceedings of any such committee with two or more members shall be governed by any regulations made by the board under article 94 3 and (subject to any such regulations) the provisions of these articles regulating the meetings and proceedings of the board so far as the same are applicable

96 **Validity of proceedings in spite of formal defect**

All acts done by a meeting of the board or of any committee or by a person acting as a director or a member of a committee shall, as regards all persons dealing in good faith

with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any member of the board or committee 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 and was qualified to be, and had continued to be, a director or member of the committee and had been entitled to vote

BORROWING POWERS

97 **General power to borrow**

Subject as provided in this article, the board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property, assets (present and future) and uncalled capital and, subject to and in accordance with the Statutes, to issue debentures and other securities, whether outright or as collateral security for any guarantee, debt, liability or obligation of the Company or of any third party

98 **Maximum limit on borrowings**

The board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (but as regards subsidiary undertakings only so far as by such exercise it can secure) that the aggregate principal amount of all borrowings by the Group outstanding at any time (exclusive of any borrowings which are owed by any Group company to another Group company and subject to articles 99 2 and 99 5 below) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to three (3) times the Adjusted Capital and Reserves

99 **Interpretation of articles 98 to 103**

99 1 For the purposes of the provisions of these articles relating to borrowing powers

99 1 1 **Adjusted Capital and Reserves** shall mean the aggregate of

99 1 1 1 the amount paid up or credited as paid up on the issued share capital of the Company and on any share capital that has been unconditionally allotted but not issued, and

99 1 1 2 the amounts standing to the credit of the reserves of the Group (including any share premium account, capital redemption reserve and revaluation reserve) after adding any credit balance or deducting any debit balance on the profit and loss account),

as shown in the Latest Accounts but after

99 1 1 3 making such adjustments as may be appropriate to reflect any variations since the date of the Latest Accounts in such share capital or reserves and so that for this purpose if the Company proposes to issue or has issued any shares for cash and the issue has been underwritten or agreed to be subscribed or taken up then these shares shall be deemed to have been allotted and the amount (including any premium) of the subscription moneys or consideration payable (not being moneys payable later than six months after the date of allotment) shall be deemed to have been paid up on the date when the issue of such shares was underwritten or agreed to be subscribed or taken (or if such underwriting or subscription or purchase was conditional, on the date when it becomes unconditional),

99 1 1 4 making such adjustments as may be appropriate to reflect any variations since the date of the Latest Accounts in the interests of the Company in its subsidiary undertakings (including any undertaking which was not a subsidiary undertaking at that date but which is so as at the relevant time) and any undertaking which was a subsidiary undertaking at the date of the Latest Accounts but which is no longer so at the relevant time and any variations as a result of the transaction in relation to which the calculation falls to be made,

99 1 1 5 excluding any sums attributable to outside interests in any subsidiary undertaking,

99 1 1 6 deducting (a) any distributions declared, recommended or made by a Group company (to a person other than another Group company) out of profits earned up to and including the date of the Latest Accounts (to the extent that any such distributions are not provided for in such Accounts) and (b) any amounts attributable to intangible assets (except goodwill) shown in the Latest Accounts,

99 1 1 7 making such other adjustments (if any) as the auditors may consider appropriate

99 1 2 **Borrowings** shall, subject to articles 99 1 2 7 to 99 1 2 11 be deemed to include the following

99 1 2 1 the principal amount for the time being outstanding and owing by a Group company in respect of any debenture whether issued for cash or otherwise other than a debenture for the time being owned by a Group company,

99 1 2 2 the principal amount raised by a Group company by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house (not being acceptances in respect of the purchase or sale of goods or the provision of services in the ordinary course of business which are outstanding for six months or less),

99 1 2 3 the nominal amount of any share capital and the principal amount of any debenture or borrowings of any person to the extent that the payment or redemption or repayment is the subject of a guarantee or indemnity or security given by a Group company or which any Group company may be required to purchase but excluding any such share capital which is for the time being beneficially owned by, and any such borrowings which are for the time being owed to, a Group company,

99 1 2 4 any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowing or deemed borrowings falling to be taken into account,

99 1 2 5 any amount in respect of a finance lease payable by a Group company which would be shown as being so payable in a balance sheet prepared in accordance with the accounting principles used in the preparation of the Latest Accounts For these purposes finance lease means a contract between a lessor and a Group company as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the asset leased or sub-leased are to be borne by the lessee or sub-lessee, and

99 1 2 6 any part of the purchase price of any asset acquired by any Group company, the payment of which is deferred beyond the date of completion of the conveyance, assignment or transfer of the legal title to such assets, or, if no such conveyance, assignment or transfer is to take place within six months after the date on which the contract for such purchase is entered into or (if later) becomes unconditional, beyond that date

but to exclude the following

99 1 2 7 borrowings by a Group company to finance any contract in respect of which any part of the price receivable under the contract by that or any other Group company is guaranteed or insured by any government, governmental agency or body or by a person (not being a Group company) carrying on the business of providing credit insurance, up to an amount equal to that part of the price receivable under the contract which is so guaranteed or insured,

99 1 2 8 borrowings by a Group company before, and outstanding after, it becomes a subsidiary undertaking of the Company and amounts secured on an asset before, and remaining so secured after, it is acquired by a Group company until six months after the undertaking becomes a subsidiary undertaking or the asset is acquired, as the case may be,

99 1 2 9 any guarantee or indemnity given by any Group company in respect of any amount or obligation deemed not to be moneys borrowed under this article, and

99 1 2 10 any amount payable under any hire purchase agreement, credit sale agreement, operating lease or similar agreement which is not a finance lease for the purposes of article 99 1 2 5 above, and

99 1 2 11 borrowings incurred by a Group company for the purposes of repaying within six months of the borrowing all or any part of any borrowing made by it or another Group company, pending their application for that purpose during the period

99 1 3 **Excepted Foreign Currency Borrowings** means borrowings denominated or repayable in a currency other than sterling which have the benefit of an HM Treasury 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 the exchange rates,

99 1 4 **Group** means the Company and its subsidiary undertakings from time to time and **Group company** means any undertaking in the Group,

99 1 5 **Latest Accounts** means

99 1 5 1 the latest audited balance sheet of the Company, or

99 1 5 2 (where the Company prepares an audited consolidated balance sheet in respect of the Group), the latest audited consolidated balance sheet of the Group

together, in either case, with the latest audited balance sheet of any subsidiary undertaking of the Company which is not included above

If the Company prepares its main audited consolidated balance sheet in accordance with one accounting convention and a supplementary balance sheet in accordance with another convention the main one shall be taken as the audited consolidated balance sheet,

99 1 6 **outside interests** means the proportion of the nominal amount of the issued equity share capital of a partly owned subsidiary undertaking which is not attributable, directly or indirectly, to the Company,

99 1 7 **subsidiary undertaking** means a subsidiary undertaking of the Company

99 2 For the purposes of any calculation under this article

99 2 1 borrowings by a partly owned subsidiary undertaking and not owing to another Group company shall (notwithstanding article 99 1 2 of this article) be taken into account subject to the exclusion of a proportionate amount of such borrowings corresponding to the outside interests,

99 2 2 borrowings owing to a partly owned subsidiary undertaking by another Group company shall, subject to article 99 1 2 of this article) and article 99 2 3 below, be taken into account to the extent of the proportionate amount of such borrowings corresponding to the outside interests, and

99 2 3 in the case of borrowings and moneys owing to a partly owned subsidiary undertaking by another partly owned subsidiary undertaking, the proportion which would otherwise be taken into account under article 99 2 2 above shall be reduced by the exclusion of a proportionate amount of such borrowings corresponding to the outside interests in the borrowing subsidiary undertaking,

99 2 4 no amount shall be taken into account more than once in any calculation of moneys borrowed, and

99 2 5 any borrowing denominated or repayable, or any cash deposited, in a currency other than sterling shall

99 2 5 1 with the exception of Excepted Foreign Currency Borrowings, be translated into sterling at the rate of exchange in London at the

close of business on the last business day before the date on which the calculation is made or, if it would result in a lower figure, at the rate of exchange in London at the close of business on the date of the Latest Accounts and so that, for these purposes, the rate of exchange in London shall be taken as the spot rate quoted by a London clearing bank selected by the board for the purchase by the Company of the currency and amount in question for sterling, and

99 2 5 2 in the case of any Excepted Foreign Currency Borrowings, at the rate of exchange applicable to such borrowings on their repayment to the extent that such rate is fixed under the scheme or other arrangement in connection with which the borrowing arises, provided that, where it is not possible to determine such rate, the borrowing shall be translated into sterling on such basis as may be agreed with, or determined by, the auditors or otherwise in accordance with the provisions of article 99 2 5 1

99 3 In determining the amount of any borrowings or debentures or of any share capital for the purpose of this article there shall be taken into account the nominal or principal amount thereof (or, in the case of partly-paid debentures or shares, the amount for the time being paid up thereon) together with any fixed or minimum premium payable on final repayment or redemption

99 4 If moneys are borrowed or debentures or shares are issued on terms that they may be repayable or redeemable (or that any Group company may be required to purchase them) earlier than their final maturity date (whether by exercise of an option on the part of the issuer or the creditor (or a trustee for the creditor) or the shareholder, by reason of a default or for any other reason) at a premium or discount to their nominal or principal amount then there shall be taken into account the amount (or the greater or greatest of two or more alternative amounts) which would, if those circumstances occurred, be payable on such repayment, redemption or purchase at the date as at which the calculation is being made

99 5 There shall be offset against the amount of the borrowings any amounts beneficially owned by a Group company which represent the value of cash deposited and which would be shown as a current asset in a balance sheet prepared in accordance with the accounting principles used in the preparation of the Latest Accounts, subject, in the case of any such items which are beneficially owned by a partly owned subsidiary undertaking, to the exclusion of a proportionate amount of those items corresponding to outside interests in that subsidiary undertaking For these purposes, cash deposited means an amount equal to the aggregate for the time being of all cash deposits with any bank or

other person (not being a Group company), the realisable value of any certificates issued by governments and companies and other readily realisable deposits

100 **Fluctuating rates of exchange**

The Company shall not be in breach of the borrowing limit under this article by reason of the limit being exceeded as a result only of any fluctuation in rates of exchange provided that within six months of the board becoming aware of any such fluctuation or change which would but for this provision have caused such a breach, the aggregate principal amount of all borrowings by the Group in accordance with this article is reduced to an amount not exceeding the said limit

101 **Changes in legislation**

If as a result of any change in legislation relating to or affecting taxation matters, any amount payable by a Group company in respect of any finance lease shall increase and, if in consequence the borrowing limit under this article is exceeded, an amount of moneys borrowed equal to the excess may be disregarded until the expiration of six months after the date on which the board becomes aware that such a situation has arisen

102 **Validity of borrowing arrangements**

No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or inquire whether the limit imposed under article 98 is observed, and no debt incurred or security given in excess of such limit shall be void or voidable at the instance of the Company or any other Group company unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the limit had been or would thereby be exceeded

103 **Certification of auditors**

A certificate or report by the auditors as to the amount of Adjusted Capital and Reserves or the amount of borrowings or to the effect that the limit imposed by this article has or has not been or will or will not be exceeded at any particular time or times shall be conclusive evidence of the amount or of that fact

SECRETARY

104 **Secretary**

The secretary shall be appointed by the board on such terms and for such period as it thinks fit Any secretary so appointed may be removed from office by the board at any time, but without prejudice to any claim for damages for breach of any contract between

him and the Company If thought fit, the board may appoint two or more persons as joint secretaries, and may also appoint one or more deputy and/or assistant secretaries, in each case on such terms as it thinks fit

SEALS

105 Seals

105 1 The board shall provide for the safe custody of the seal and any securities seal and neither shall be used without the authority of the board

105 2 The board may determine who shall sign any instrument to which the seal is affixed, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with

105 3 Unless otherwise decided by the board

105 3 1 certificates for shares, debentures or other securities of the Company issued under seal need not be signed, and

105 3 2 every other instrument to which a seal is affixed shall be signed autographically or manually on behalf of the Company by two of the directors, or by a director and the secretary

105 4 Any document may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the document or by applying the seal or a facsimile of it by any other means to the document

105 5 A document signed, with the authority of the board, by a director and the secretary or by two directors and expressed to be executed by the Company shall have the same effect as if executed under seal

106 Official seal for use abroad

The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and those powers shall be vested in the board

MINUTES AND BOOKS

107 Minutes and books

107 1 The board shall cause minutes to be made in books kept for the purpose

107 1 1 of all appointments of officers made by the board,

107 1 2 of the names of the directors (or their alternates) and any other persons present at each meeting of the board and of any committee formed under article 94, and

107 1 3 of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the board and of any committees formed under article 94

107 2 Any such minutes shall be conclusive evidence of any such proceedings if signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting

DIVIDENDS

108 Declaration of dividends

The Company may, by ordinary resolution, declare dividends in accordance with the respective rights of the members, and may fix the time for payment of such dividends, but no dividend shall exceed the amount recommended by the directors

109 Interim dividends

The board may pay interim dividends (including any dividend payable at a fixed rate) if it appears to the board that they are justified by the financial position of the Company If at any time the share capital of the Company is divided into different classes, the board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividends as well as on shares with preferred rights unless at the time of a payment a preferential dividend is in arrears If the board acts in good faith, none of the directors shall incur any liability to the holders of any shares for any loss they may suffer by the lawful payment of any dividend on any shares with rights ranking after or pari passu with those shares

110 Calculation and currency of dividends

110 1 Unless and to the extent that the Statutes or the rights attached to, or the terms of issue of, any share otherwise provide

110 1 1 all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid (provided that, in accordance with article 130, no amount paid on a share in advance of calls shall be treated as paid on that share), and

110 1 2 dividends may be declared or paid in any currency

110 2 The board may agree with any member that dividends which may at any time or from time to time be declared or become due on his share in one currency shall be paid or satisfied in another, and may agree the basis for conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved

111 **Dividends not to bear interest**

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

112 **Permitted deductions**

The board may deduct from any dividend or other moneys payable to any member (either alone or jointly with another), on or in respect of a share all such sums (if any) presently payable by him (either alone or jointly with another), to the Company on account of calls or otherwise in relation to shares of the Company

113 **Waiver of dividends**

The waiver, in whole or in part, of any dividend on any share by any document shall be effective only if such document is executed by the holder (or the person entitled to the share in consequence of a transmission event) and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company

114 **Manner of payment of dividends**

114 1 Any dividend or other moneys payable in respect of a share may be paid to the member or, where permitted by the Company in relation to 114 1 3, to such other person as the member (or, in the case of joint holders of a share, all of them) may direct by notice given to the Company Such dividend or other moneys may be paid

114 1 1 by cheque or warrant made payable to the payee or (where there is more than one payee) to any one of them, or

114 1 2 by any direct debit, bank or other funds transfer system to such account as the payee or payees shall direct by notice given to the Company, or

114 1 3 in respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the member or joint holders, by means of a relevant system (subject always to the facilities and requirements of that relevant system), or

114 1 4 by any other method approved by the board and agreed by the member (or, in the case of joint holders of a share, all of them)

114 2 A cheque or warrant may be sent by post

114 2 1 to the registered address of the holder of the share or, in the case of joint holders, to the registered address of the person whose name stands first in the register, or

114 2 2 if a person is entitled by transmission to the share, as if it were a notice to be given under article 151, or

114 2 3 in any case, to such person and to such address as the holder or joint holders may direct by notice given to the Company

114 3 Without prejudice to the generality of 114 1 3, payment by means of a relevant system 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 member or joint holders or, if permitted by the Company, of such person as the member or joint holders may direct in writing In this article 114 3, "cash memorandum account" means an account so designated by the Operator of the relevant system

115 **Risk and discharge of Company**

Every cheque or warrant sent in accordance with these articles shall be sent at risk of the holder or person entitled The Company shall have no responsibility for any sums lost or delayed in the course of payment by any method used by the Company in accordance with article 114 Payment of a cheque or warrant by the bank on which it was drawn or the transfer of funds by a bank or other funds transfer system or, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system shall be a good discharge to the Company

116 **Receipts of joint holders**

Any person registered as a joint holder of any share or who is entitled jointly to a share in consequence of a transmission event may give an effective receipt for any dividend or other moneys payable or property distributable in respect of the share

117 **Scrip dividends**

117 1 The board may, with the authority of an ordinary resolution of the Company, offer any holders of ordinary shares the right to elect to receive further ordinary shares, credited as fully paid instead of cash in respect of all (or some part) of any dividend specified by the

ordinary resolution (a **scrip dividend**) in accordance with the following provisions of this article

117 2 The ordinary resolution may specify a particular dividend (whether or not declared) or may specify all or any dividends payable within a specified period expiring no later than five years after the date of the ordinary resolution (and provided that an adequate number of unissued shares is available for the purpose) Any such offer shall, where practicable, be made prior to or contemporaneously with the announcement of the dividend in question and any related information as to the Company's profits for the relevant financial period or part of it

117 3 The basis of allotment shall be determined by the board so that, as nearly as possible, the value of the further ordinary shares (including any fractional entitlement) is equal to the amount of the cash dividend which would otherwise have been paid (disregarding any associated tax credit)

117 4 For such purpose the value of the further ordinary share shall be the average of the middle market quotations of a share of that class derived from the AIM section of the Daily Official List of the London Stock Exchange on each of the first five consecutive business days on which such shares are quoted "ex dividend" or shall be calculated in such other manner as may be determined by the ordinary resolution

117 5 The board shall, after determining the basis of allotment, give notice to the members of the right of election accorded to them and shall specify the procedure to be followed in order to make the election The board is not required to give notice to a shareholder who has previously made, and has not revoked, an earlier election to receive ordinary shares in lieu of all future dividends, but instead shall send him a reminder that he has made such an election, indicating how that election may be revoked in time for the dividend then proposed to be paid

117 6 The dividend (or that part of it) in respect of which an election for a scrip dividend has been made shall not be paid and instead further ordinary shares shall be allotted in accordance with the election, for such purpose the board shall capitalise a sum equal to the aggregate nominal amount of the shares to be allotted out of such sums as are available for the purpose as the board may consider appropriate and shall apply the same in paying up in full the shares for such allotment

117 7 The further ordinary shares so allotted shall rank pari passu in all respects with the fully paid shares then in issue, save only as regards participation in the relevant dividend

117 8 The board may do all acts and things as it considers necessary or expedient to give effect to any such capitalisation, with full power to the board to make such provisions as it thinks

fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the members concerned) The board may authorise any person to enter into, on behalf of all the members interested, an agreement with the Company providing for such capitalisation and incidental matters and any agreement made under such authority shall be effective and binding on all concerned

117 9 To the extent that the entitlement of the holder of ordinary shares in respect of any dividend is less than the value of one new ordinary share (as determined for the basis of any scrip dividend) the board may also from time to time establish or vary a procedure for such entitlement to be accrued and aggregated with any similar entitlement for the purposes of any subsequent scrip dividend

117 10 Notwithstanding the foregoing, the board may at any time prior to payment of any specific dividend determine that the dividend shall be payable wholly in cash after all and that all elections made in respect of that dividend shall be disregarded The dividend shall be payable wholly in cash if the ordinary share capital of the Company ceases to be admitted to trading on AIM at any time prior to the due date of issue of the additional shares or if trading is suspended and not reinstated by the date immediately preceding the due date of such issue

117 11 The board may determine that the right of election shall not be made available to any members with registered addresses in any territory where, in the opinion of the board, this would be unlawful or compliance with local laws or regulations would be unduly onerous

118 **Retention and forfeiture of dividends**

118 1 The board may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or other obligations in respect of which the lien exists

118 2 The board may retain dividends payable upon shares in respect of which any person is, under the provisions as to the transmission of shares contained above, entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same

118 3 Without prejudice to article 118 5, all unclaimed dividends or other moneys payable on, or in respect of, a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed The payment of any unclaimed dividend or other moneys payable on, or in respect of, a share into a separate account shall not constitute the Company a trustee in respect of it

118 4 The Company shall not be obliged to send any dividends or other sums payable in respect of a share to the holder of that share if such a payment sent by the Company to that person in accordance with article 118 is returned undelivered or left uncashed on at least two consecutive occasions, or, following one such occasion, if reasonable enquiries have failed to establish the new address for that person or, with respect to a payment to be made by a funds transfer system, a new account for that purpose The entitlement conferred on the Company by this article in respect of any member shall cease if the member notifies the Company of an address or, where payment is to be made by a funds transfer system, details of the account, to be used for that purpose

118 5 Any dividends unclaimed after a period of 12 years from the date when it became due for payment shall, if the board so resolves, be forfeited and shall cease to remain owing by the Company

119 **Dividends in specie**

119 1 The Company may, upon the recommendation of the board, by ordinary resolution direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company)

119 2 Where any difficulty arises with respect to such distribution, the board may settle the same as it thinks fit and, in particular, may

119 2 1 issue fractional certificates or may appoint any person to sell and transfer any fractions or disregard fractions altogether,

119 2 2 fix the value for distribution of such specific assets or any part of them,

119 2 3 determine that cash payments shall be made to any members on the basis of the value so fixed in order to ensure equality of distribution, and

119 2 4 vest any such specific assets in trustees on such trusts for the persons entitled to the dividend as the board may think fit

RECORD DATES

120 **Fixing of record dates**

120 1 Notwithstanding any other provisions of these articles, but without prejudice to any rights attached to any shares, the Company or the board may by resolution specify a date (the **record date**) as the date at the close of business by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made

120 2 In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made

CAPITALISATION OF PROFITS AND RESERVES

121 **Capitalisation of reserves**

121 1 The board may, with the authority of an ordinary resolution of the Company

121 1 1 resolve to capitalise any sum standing to the credit of any reserve or other fund of the Company (including share premium account and capital redemption reserve) or any sum standing to the credit of the profit and loss account not required for paying any preferential dividend (whether or not it is available for distribution), and

121 1 2 appropriate the sum resolved to be capitalised to the members in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members or as they may direct, in those proportions, or partly in one way and partly in the other, or otherwise deal with such sum as directed by the resolution, provided that

(i) the *share premium account*, the *capital redemption reserve* and any sum not available for distribution in accordance with the Statutes may only be applied in paying up unissued shares to be allotted credited as fully paid, and

(ii) where the amount capitalised is applied in paying up in full unissued shares, the Company may also participate in the distribution in relation to any treasury shares (notwithstanding that no dividend may be paid in respect of treasury shares) and the proportionate entitlement of the members will be adjusted accordingly taking account of the nominal amounts of the treasury shares

121 1 3 resolve that any shares so allotted to any member other than the Company as holder of treasury shares in respect of a holding by him of any partly paid shares

shall, so long as such shares remain partly paid, rank for dividend only to the extent that the latter shares rank for dividend

121 2 The board may do all acts and things it considers necessary or expedient to give effect to such capitalisation Where any difficulty arises in respect of any distribution of any capitalised reserve or other sum, the board may settle the difficulty as it thinks fit and in particular may make such provisions as it thinks fit in the case of shares or debentures becoming distributable in fractions (including provisions for payment in cash or otherwise or whereby fractional entitlements are disregarded or under which the benefit of fractional entitlements accrues to the Company rather than the member concerned)

121 3 The board may also authorise any person to sign, on behalf of all the persons entitled to share in the distribution, an agreement with the Company providing for such capitalisation and any matters incidental to it, and any such agreement shall be binding on all such persons

CERTIFICATES

122 **Issue of share certificates**

122 1 Except as provided in article 122 3, every person whose name is entered in the register as the holder of any certificated shares shall be entitled, without payment, to one certificate for all the certificated shares of each class held by him and, if he transfers a part of his holding of the shares represented by a certificate, or elects to hold part in uncertificated form, to a certificate for the balance of his holding of certificated shares

122 2 Every share certificate shall be issued by the Company in such manner as the board may decide (which may include use of the seal or securities seal or, in the case of shares on a branch register, an official seal for use in the relevant territory and/or facsimile signatures by one or more directors or the secretary or other person authorised to sign the certificate on behalf of the Company) Each certificate shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on the shares No certificate shall be issued representing shares of more than one class

122 3 The Company shall not be bound to issue more than one certificate for shares held jointly by more than one person and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them No certificate shall be issued in respect of any shares held by a market nominee

123 **Cancellation and replacement of certificates**

123 1 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 all such shares issued in lieu without charge

123 2 If any member shall surrender a share certificate representing shares held by him for cancellation and request the Company to issue in lieu two or more certificates representing such shares in such proportions as he may specify, the board may, if it thinks fit, comply with such request on payment of such fee (if any) as the board may decide

123 3 If a share certificate is damaged, defaced, worn out, or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder on request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions (if any) as to evidence, indemnity and security for such indemnity, and the payment of any expenses of the Company in connection with the request, as the board thinks fit

123 4 In the case of joint holders of a share any such request may be made by any one of the joint holders

CALLS ON SHARES

124 **Power to make calls**

The board may, from time to time, 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 any premium (subject always to the terms of allotment of those shares) Each member shall (subject to being given at least 14 days' notice specifying the time or times and place of payment) pay to the Company, the amount called on his shares as required by the notice A call may be required to be paid in instalments and may be revoked or postponed by the board in whole or in part at any time before receipt by the Company of the payment due under it A person upon whom a call is made shall remain liable for it notwithstanding the subsequent transfer of the share in respect of which the call was made

125 **Time when call made**

A call shall be deemed to have been made at the time when the resolution of the board authorising that call is passed

126 **Liability of and receipts by joint holders**

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

127 **Failure to pay call**

127 1 If a sum called in respect of a share is not paid before or on the due date for payment, the person from whom the sum is due shall pay interest on the sum from the due date for payment to the date of actual payment at the rate fixed by the terms of the allotment of the share or, if no rate is fixed, the rate determined by the board, not exceeding 15 per cent per annum or, if higher, the appropriate rate (as defined in the 1985 Act), and all expenses incurred by the Company by reason of such non-payment, but the board may, in any case or cases, waive payment of such interest and expenses, wholly or in part

127 2 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 by a holder of fully paid shares, may be exercised by the holder of any share so long as any such amount, or any interest, costs, charges or expenses payable in accordance with this article 127 in relation thereto, remains unpaid

128 **Other sums due on shares**

Any sum which by the terms of allotment of a share becomes payable upon allotment or at any fixed date shall, for the purposes of these articles, be deemed to be a call duly made and payable on the date fixed for payment In the case of non-payment, the provisions of these articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become due and payable by virtue of a call

129 **Power to differentiate**

On any issue of shares the board may make arrangements to differentiate between the holders of the shares as to the amount of calls to be paid and the times of payment

130 **Payments of calls in advance**

The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid on the shares held by him, and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made The Company may pay interest upon the moneys so received (until they would but for such advance become payable) at such rate as may be agreed between the member paying such sum and the board No sum paid up in advance of calls shall entitle the holder of the share in respect of which that sum has been paid to any portion of a

dividend, or other payment or distribution, declared in respect of any period prior to the date upon which such sum would, but for such payment, become payable

FORFEITURE, SURRENDER AND LIEN

131 **Notice on failure to pay a call**

131 1 If the whole or any part of any call or instalment of a call remains unpaid after the due date for payment, the board may give notice to the person from whom it is due requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued on it and any costs, charges and expenses incurred by the Company by reason of such non-payment

131 2 The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment in accordance with the notice, the share on which the call was made or instalment is payable will be liable to be forfeited

132 **Forfeiture for non-compliance**

132 1 If a notice given under article 131 is not complied with, any share to which that notice relates may, at any time before the payment required by that notice has been made, be forfeited by a resolution of the board The forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited share and not actually paid or distributed before forfeiture The board may accept a surrender of any share liable to be forfeited

132 2 A person all or any of whose shares have been forfeited or surrendered shall cease to be a member in respect of those shares and shall surrender any certificate for those shares to the Company for cancellation

133 **Notice of forfeiture**

When any share has been forfeited, notice of the forfeiture shall be given to the holder of the share or, as the case may be, the person entitled to the share by transmission, and an entry of such notice having been given, and of the date of the forfeiture, shall be made in the register but no forfeiture shall be invalidated by any omission to give such notice or to make such entry

134 **Annulment of forfeiture**

The board may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon the terms of payment of all calls and interest due upon and expenses incurred in connection with the call and forfeiture proceedings and upon any further terms it may think fit

135 **Disposal of forfeited shares**

A share so forfeited or surrendered shall become the property of the Company and may (subject to the Statutes) be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder of the share or to any other person upon such terms and in such manner as the board shall think fit and whether with or without all or any part of the amount previously paid on the share being credited as paid Where, for the purposes of its disposal, a forfeited or surrendered share held in certificated form is to be transferred to any person, the board may appoint any person to execute an instrument of transfer of the share to or in accordance with the directions of that person Where, for the purpose of its disposal, a forfeited or surrendered share held in uncertificated form is to be transferred to any person, the board may exercise any of the Company's powers under article 5 3 The Company may receive the consideration given for the share on its disposal

136 **Extinction of rights**

A person any of whose shares have been forfeited or surrendered shall remain liable to pay to the Company all moneys which, at the date of forfeiture or surrender, were presently payable by him to the Company in respect of the shares, with interest on such moneys on the rate at which interest was payable on those moneys before the forfeiture or surrender or, if no interest was payable, at the rate determined by the board, not exceeding 15 per cent per annum or, if higher, the appropriate rate (as defined in the 1985 Act), from the date of forfeiture or surrender until payment The board may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or waive payment in whole or in part

137 **Lien on partly paid shares**

137 1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys payable (whether or not due) in respect of that share The lien shall extend to all dividends and other payments or distributions payable or distributable in respect of the relevant share The board may waive any lien which has arisen and may declare any share to be exempt, wholly or partially, from the provisions of this article

138 **Enforcement of lien by sale**

The Company may sell any share on which it has a lien in such manner as the board thinks fit, but no sale shall be made unless an amount payable on the share in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice demanding payment of the amount presently payable, and giving notice of the intention to sell in default, has been given to the holder for the time being of the share or the person entitled to it by reason of a transmission event

To give effect to that sale the board may appoint any person to transfer the share sold to, or in accordance with the directions of, the buyer

139 **Application of proceeds of sale**

The net proceeds of the sale, after payment of the Company's costs associated with the sale, shall be applied in or towards satisfaction of the amount in respect of which the lien exists, and any residue shall (subject to a like lien for debts or liabilities not presently payable but which existed on the share prior to the sale) on surrender to the Company for cancellation of the certificate (if any) in respect of the share sold, be paid to the person entitled to the share immediately before the sale

140 **Evidence of forfeiture or lien**

A statutory declaration by a director or the secretary of the Company and that a share has been forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in the declaration as against all persons claiming to be entitled to the share The declaration shall (subject if necessary to the relevant transfer being made) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share The remedy of any person aggrieved in respect of the proceedings shall be in damages only and against the Company exclusively

UNTRACEABLE MEMBERS

141 **Power to dispose of shares of untraced members**

141 1 The Company may sell, in such manner as the board sees fit and at the best price reasonably obtainable, any share held by a member or to which a person is entitled by transmission if

141 1 1 the share has been in issue for at least the previous 12 years and during that period at least three cash dividends have become payable in respect of the share and have been sent by the Company in a manner authorised by these articles,

141 1 2 during that period of 12 years no cash dividend payable in respect of the share has been claimed, no cheque or warrant or other payment for an amount payable in respect of the share has been cashed or otherwise paid and no communication has been received by the Company from the member or person,

141 1 3 the Company has, after the expiration of that period, published advertisements in at least one leading national newspaper and one newspaper circulating in the area in which the last known address of the member (or person entitled by transmission to the share) or the address at which notices may be given under these articles is located, in each case giving notice of its intention to sell the share, and

141 1 4 the Company has not, during a further period of three months after the publication of those advertisements and prior to the sale of the share, received any communication in respect of the share from the member or person entitled by transmission

141 2 The Company shall also be entitled to sell, in the manner provided for in article 141 1, any share (additional share) issued on or before the date of publication of the first of any advertisements under article 141 1 in right of any share to which that article applies (or in right of any share to which this article 142 2 applies) if the conditions in articles 141 1 2 to 141 1 4 are satisfied in relation to the additional share (but as if references to a period of 12 years were references to a period beginning on the date of allotment of the share and ending on the date of publication of the first advertisements referred to above)

141 3 To give effect to any sales under this article the board may

141 3 1 where the shares are held in certificated form, appoint any person to execute, as transferor, an instrument of transfer of the shares to, or in accordance with the directions of, the buyer,

141 3 2 where the shares are held in uncertificated form, do all acts and things it considers necessary or expedient to effect the transfer of the shares to or in accordance with the directions of the buyer

141 4 The buyer shall not be bound to see the application of the purchase money, nor shall the title of the new holder to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale

142 **Sale procedure and application of proceeds**

142 1 The Company shall be indebted to the person entitled to the share at the date of sale for an amount equal to the net proceeds of sale, but no trust shall be created and no interest shall be payable in respect of the proceeds of sale pending payment of the net proceeds of sale to such person, the proceeds may be used in the Company's business or invested in such a way as the board may from time to time think fit

142 2 No interest shall be payable in respect of the net proceeds and the Company shall not be required to account for any money earned on the net proceeds

ACCOUNTS

143 **Accounts**

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the office or, subject to the Statutes, at such other place or places as the board thinks fit and shall always be open to the inspection by the Company's officers No member (as such) shall have any right of inspecting any account or book or document of the Company except as conferred by law or ordered by a court of competent jurisdiction or authorised by the board

144 **Summary of financial statements**

Where permitted by the Statutes, the Company may send a summary financial statement in the form specified by the Statutes to the persons who would otherwise be entitled to be sent a copy of the Company's full annual accounts and reports

AUDITORS

145 **Validity of acts of auditors**

Subject to the provisions of the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified

146 **Rights of auditors**

The auditors shall be entitled to attend any general meeting and to be given all notices of, and other communications relating to, any general meeting which any member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns them as auditors

SERVICE OF NOTICES AND OTHER DOCUMENTS

147 Notices in writing

Any notice to be given to or by any person under these articles (other than a notice calling a meeting of the board) shall be in writing, except where otherwise expressly stated Any such notice may be given using electronic communications provided sent to such address (if any) for the time being notified for that purpose to the person sending the notice by or on behalf of the person to whom the notice is sent and in the case of communications between the Company and its members, in accordance with the following articles 148 and 149

148 Method of giving notice to members

148 1 The Company shall give any notice or other document under these articles to a member by whichever of the following methods it may in its absolute discretion determine

148 1 1 personally, or

148 1 2 by posting the notice or other document in a prepaid envelope addressed, in the case of a member, to his registered address, or in any other case, to the person's usual address; or

148 1 3 by leaving the notice or other document at that address, or

148 1 4 by sending the notice or other document using electronic communications to such address (if any) for the time being notified to the Company by or on behalf of the member for that purpose, or

148 1 5 in accordance with article 148 2, or

148 1 6 by any other method approved by the board

148 2 A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him or an address to which notices may be sent using electronic communications shall be entitled to receive notices and other documents from the Company at that address, but, unless he does so, shall not be entitled to receive any notice from the Company Without limiting the previous sentence, any notice of a general meeting of the Company which is in fact sent or purports to be sent to such address shall be ignored for the purposes of determining the validity of proceedings at such meeting

148 3 Subject to the Statutes the Company may also give any notice or other document under these articles to a member by publishing that notice or other document on a website where

148 3 1 the Company and the member have agreed to the member having access to the notice or document on a website (instead of it being sent to him),

148 3 2 the notice or document is one to which that agreement applies,

148 3 3 the member is notified, in a manner for the time being agreed between him and the Company for the purpose, of

(a) the publication of the notice or document on a website,

(b) the address of that website, and

(c) the place on that website where the notice or document may be accessed, and how it may be accessed, and

148 3 4 the notice of document is published on that website throughout the publication period and continues to be so published until the conclusion of the meeting (and any adjourned meeting), provided that, if the notice or document is published on that website for a part, but not all of, such period, the notice or document shall be treated as being published throughout that period if the failure to publish that notice or document throughout that period is wholly attributable to circumstances which it would be unreasonable to have expected the Company to prevent or avoid

148 4 In article 148 3 publication period means

148 4 1 in the case of a notice of an adjourned meeting under article 44 of not less than seven clear days before the date of the adjourned meeting, beginning on the day following that on which the notice referred to in article 148 3 2 is sent or (if later) is deemed given, and

148 4 2 in any other case, a period of not less than 21 days, beginning on the day following that on which the notification referred to in article 148 3 2 is sent or (if later) is deemed given

148 5 The board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic communications for the giving of notices, other documents and proxy appointments by the Company to members or persons entitled by transmission and by members or persons entitled by transmission to the Company

148 6 Proof that an envelope containing a notice or other document was properly addressed, prepaid and posted shall be conclusive evidence that the notice or document was given Proof that a notice or other document contained in an electronic communication was sent or given in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators current at the date of adoption of these articles, or, if the board so resolves, any subsequent guidance so issued, shall be conclusive evidence that the notice or document was sent or given A notice or other document sent by the Company to a member by post shall be deemed to be given or delivered

148 6 1 if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country to another address in that other country, on the day following that on which the envelope containing it was posted,

148 6 2 if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the envelope containing it was posted,

148 6 3 in any other case, on the second day following that on which the envelope containing it was posted

148 7 A notice or other document sent by the Company to a member contained in an electronic communication shall be deemed given to the member on the day following that on which the electronic communication was sent to the member Such a notice or other document shall be deemed given by the Company to the member on that day notwithstanding that the Company becomes aware that the member has failed to receive the relevant notice or other document for any reason and notwithstanding that the Company subsequently sends a copy of such notice or other document by post to the member

149 **Notice by members**

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

149 1 by posting the notice or other document in a prepaid envelope addressed to the office, or

149 2 by leaving the notice or other document at the office, or

149 3 by sending the notice or other document using electronic communications to such address (if any) for the time being notified by or on behalf of the Company for that purpose

150 **Notice to joint holders**

In the case of joint holdings, all notices and other documents shall be given or sent to the joint holder whose name appears first in the register and this shall be sufficient delivery to all the joint holders in their capacity as such For such purpose a joint holder having no registered address in the United Kingdom and not having given an address within the United Kingdom at which notices may be given to him or an address to which notices may be sent using electronic communications shall be disregarded

151 **Notice to persons entitled by transmission**

A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by these articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred whether or not the Company has notice of the transmission event

152 **Disruption of postal services**

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 in at least one leading national daily newspaper and such notice shall be deemed to have been given to all members and other persons entitled to receive it on the day when the advertisement appears (or first appears) In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

153 **Deemed notice**

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

154 **Successors in title bound by notice to predecessor**

Every person who becomes entitled to a share shall be bound by any notice (other than a notice given under section 212 of the 1985 Act) in respect of that share which, before his name is entered in the register, was given to the person from whom he derives his title

155 Except when the subject or context otherwise requires, in articles 148 1, 148 2, 148 5, 148 6, 149 and 150 references to a notice include without limitation references to any notification required by the Statutes or these articles in relation to the publication of any notices or other documents on a website

156 **Statutory requirements**

Nothing in these articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner

157 **Record date for delivery**

157 1 For the purposes of giving notices of meetings or other documents, whether under these articles or under section 370(2) of the 1985 Act, any other Statute or any other statutory instrument, the Company may determine that persons entitled to receive such notices or other documents are those persons entered on the register at the close of business on a day determined by it

157 2 The day determined by the Company under article 157 1 may not be more than 21 days before the day that the notice of the meeting or other document is sent

157 3 For the purposes of determining which persons are entitled to attend and/or vote at a meeting, and how many votes such persons may cast, the Company may specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register in order to have the right to attend and/or vote at the meeting

WINDING UP

158 **Liquidator may distribute in specie**

If the Company is being wound up (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may, with the authority of an extraordinary resolution and any other sanction required by the Statutes

158 1 divide among the members in specie the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and

may for that purpose value any assets and determine how such division shall be carried out as between the members or different classes of members, and/or

158 2 vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit but so that no member shall be compelled to accept any assets in respect of which there is any liability

PROVISIONS FOR EMPLOYEES

159 Provision for employees

The board may, by resolution, exercise any power conferred by section 719 of the 1985 Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertakings 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 undertaking

INDEMNITY, INSURANCE AND FUNDING OF DEFENCE PROCEEDINGS

160 Indemnity

Subject to the provisions of, and so far as may be consistent with, the Statutes, every director and officer (other than an auditor) of the Company and of any associated company (as defined in section 309A of the 1985 Act) of the Company shall be indemnified out of the assets of the Company against all liabilities attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any associated company of the Company other than any liability as is referred to in section 309B(2)(3) or (4) of the 1985 Act

161 Insurance

161 1 Without prejudice to article 160 the board shall have the power to purchase and maintain insurance for or for the benefit of any person who is or was at any time

161 1 1 a director or other officer of any Relevant Company (as defined in article 161 2 below) or

161 1 2 a trustee of any pension fund or retirement, death or disability scheme for the benefit of any employee of any Relevant Company or employees' share scheme in which employees of any Relevant Company are interested,

including (without limitation) insurance against any liability within article 160 attaching to him in relation to any Relevant Company, or any such pension fund, retirement or other scheme or employees' share scheme

161 2 For these purposes "Relevant Company" shall mean the Company or any other undertaking which is or was at some time

161 2 1 the parent undertaking of the Company, or

161 2 2 a subsidiary undertaking of the Company or of such parent undertaking, or

161 2 3 otherwise associated with the Company or any such parent or subsidiary undertaking or the predecessors in business of the Company or of any such parent or subsidiary undertaking

162 **Funding of director's expenditure on defending proceedings**

Subject to the provisions of, and so far as may be consistent with, the Statutes, the board shall have the power to

162 1 provide a director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with any application under any of the provisions mentioned in section 337A(2) of the 1985 Act, or

162 2 do anything to enable a director to avoid incurring expenditure of the kind referred to in article 162 1,

provided that any loan or other thing done under article 162 shall be made or done on terms which result in the loan falling to be repaid, or any liability of the Company under any transaction connected with the thing in question falling to be discharged, in the circumstances set out in section 337A(4)(a) (b) and (c) of the 1985 Act, not later than the date referred to in the relevant part of that section, as interpreted pursuant to section 337A(5) and (6) of the 1985 Act