

**PUBLIC LIMITED COMPANY
FILING RESOLUTIONS
- of -
VATUKOULA GOLD MINES PLC
(the "Company")**

Passed 23 September 2016

At the Annual General Meeting of the Company on 23 September 2016 the following resolutions were duly passed

ORDINARY RESOLUTION

Directors' Authority to Allot Shares

THAT for the purposes of section 551 of the Companies Act 2006 (the "Act") the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot ordinary shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to the maximum nominal amount of £5,754,256 PROVIDED that the authority granted under this resolution shall lapse at the end of the next annual general meeting of the Company to be held after the date of the passing of this resolution or, if earlier, fifteen months from the date of the passing of this resolution but so that the Company be authorised to make prior to the expiry of such period above any offer or agreement which would or might require relevant securities to be allotted after the expiry of the said period and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution

SPECIAL RESOLUTIONS

Disapplication of statutory rights of pre-emption

THAT, subject to the passing of the resolution set out above, the Directors be empowered in accordance with section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred on them to allot relevant securities (as defined in section 551 of the Act) by that resolution, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to equity securities for cash up to an aggregate nominal value not exceeding £5,754,256,

PROVIDED that this power, unless renewed, shall expire at the end of the next annual general meeting of the Company to be held after the date of the passing of this resolution or, if earlier, fifteen months from the date of the passing of this resolution but shall extend to the making, before such expiry, of an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired



Amendment of the Articles of Association and conversion of share capital

THAT

- a) the articles of association of the Company be amended by adding as a new article 154 the following

"ARTICLE 154 DEFERRED SHARES

The rights attaching to the Deferred shares of 4 pence each (each a "Deferred Share") shall be as follows.

- i) the Deferred Shares shall confer no right to participate in the profits of the Company,
- ii) on a winding-up or a return of capital, the assets of the Company available for distribution following the distribution of assets shall be applied in paying to the holders of the Deferred Shares the nominal capital paid up or credited as paid up on such Deferred Shares only after paying to the holders of the ordinary shares the nominal capital paid up or credited as paid up on the ordinary shares held by them respectively, together with the sum of £10,000,000 on each ordinary share,
- iii) the holders of the Deferred Shares shall not be entitled to any further right of participation in the assets of the Company,
- iv) the holders of the Deferred Shares shall not be entitled to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting,
- v) the Deferred Shares shall not be listed on any stock exchange nor shall any share certificate be issued in respect of such shares. The Deferred Shares shall not be transferable except in accordance with Article 154 (viii)(b) below or with the written consent of the Board;
- vi) the Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the Deferred Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the Deferred Shares) shall be treated as being in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Deferred Shares,
- vii) the reduction by the Company of the capital paid up on the Deferred Shares and the cancellation of such shares shall be in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital (subject to the confirmation of the court in accordance with the 2006 Act) without obtaining the consent of the holders of the Deferred Shares,
- viii) the Company has the irrevocable authority at any time to do all or any of the following without obtaining the sanction of the holder or holders of the Deferred Shares
 - (a) to appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any part thereof and/or an agreement to transfer the same (without making any payment therefor) to such person as the directors may determine (whether or not an officer of the Company) and who is willing to accept the same,

(b) to purchase all or any of the Deferred Shares in accordance with the 2006 Act without obtaining the consent of the holders thereof and in consideration of the payment to each of the holders whose shares are purchased of an amount equal to one penny in respect of all the Deferred Shares then being purchased by the Company,

(c) for the purposes of any such purchase under Article 154 (viii)(b) above, to appoint any person to execute, as his or its attorney and agent, on behalf of any holder of Deferred Shares a contract for the sale to the Company of any such Deferred Shares held by him or it, and

(d) to cancel all or any of the same so purchased under Article 154 (viii)(b) above in accordance with the 2006 Act",

- b) all the issued existing ordinary shares of 5p each (each an "Existing Ordinary Share") be each be divided and converted into a new ordinary share of 1p each and 1 Deferred Share of 4p each on the basis of 1 new ordinary share and 1 Deferred Shares for each Existing Ordinary Share and thereafter the ordinary share capital and any new ordinary shares be constituted as ordinary shares of 1p each.



For Laytons Secretaries Limited as company secretary

The Companies Acts 1985 to 1989

PUBLIC LIMITED COMPANY

ARTICLES OF ASSOCIATION

of

VATUKOULA GOLD MINES plc

Company Number 5059077
Incorporated on the 1st of March 2004

LAYTONS
S O L I C I T O R S

GUILDFORD



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THE COMPANIES ACTS 1985 to 1989

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

VATUKOULA GOLD MINES plc

PRELIMINARY

1 Table A Inapplicable The Companies (Tables A to F) Regulations 1985 and the regulations contained in the Schedule to it shall not apply to the Company

2 Interpretation

2 1 In these Articles, if not clearly inconsistent with the subject or context, the words in the first column of the following table have the meaning set against them in the second column

WORDS

MEANINGS

"the Act"	The Companies Act 1985
"address"	in relation to fax and electronic communications means any number or address used for the purposes of such communications
"these Articles"	these Articles of Association as originally framed, or as from time to time altered by Special Resolution or where permitted Ordinary Resolution
"the Auditors"	the auditors of the Company in office at the relevant time
"the Board"	the Board of Directors of the Company or any duly constituted committee thereof
"cash memorandum account"	an account so designated by the operator of the relevant system
"certificated share"	a share which is not an uncertificated share and references to a share being held in a

	certificated form shall be construed accordingly
"dividend"	dividend and/or bonus
"electronic communication"	bears the meaning ascribed thereto by Section 15 Electronic Communications Act 2000, including without limitation email, facsimile, CD-ROM and audio tape and (in the case of electronic communication by the Company) publication on a website
"London Stock Exchange"	London Stock Exchange plc or other principal stock exchange in the United Kingdom from time to time
"Member"	a person registered as a member of the Company at the relevant time
"month(s)"	Calendar month(s)
"Office"	the Registered Office of the Company at the relevant time
"operator"	shall have the meaning given to it in the Regulations
"paid"	paid or credited as paid
"properly authenticated dematerialised instruction"	shall have the meaning given to it in the Regulations
"recognised person"	a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange which is designated as mentioned in section 185(4) of the Act
"Register"	the register of members of the Company
"Regulations"	The Uncertificated Securities Regulations 2001 (SI 2001 No 3755)
"Seal"	the Common Seal of the Company or any official seal of the Company which it may be permitted to have under the Statutes
"the Statutes"	the Act as amended by the Financial Services Act 1986, the Insolvency Act 1985 and 1986 and the Companies Act 1989, and every other statute in force at the relevant time concerning companies and affecting the Company

"uncertificated shares" or "participating security"	a share which is recorded in the Register as being in uncertificated form and title to which may be transferred by means of a relevant system and references to a share being held in uncertificated form shall be construed accordingly.
"the United Kingdom"	Great Britain and Northern Ireland
"UK Listing Authority"	The Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
"writing" or "written"	any method of representing or reproducing words or other information in a legible and non-transitory form including by way of electronic communication (but in respect of the use of electronic communications only to the extent that (a) the Directors so decide, and (b) the recipient (if not the Company) has requested or agreed)
"year(s)"	calendar year(s)
2 2	"debenture" and "debenture-holder" respectively include "debenture stock" and "debenture stockholder"
2 3	"Secretary" includes any person appointed by the Directors to perform any of the duties of the Secretary and, if two or more persons are appointed to act as Joint Secretaries or any person or persons are appointed to assist the Secretary, includes any one of those persons
2 4	"Director", "Chairman" and "Deputy Chairman" means any person at the relevant time appointed to and holding the respective office in accordance with these Articles
2 5	All those provisions of these Articles applicable to paid-up shares shall apply to stock and the word "share" and "shareholder" shall be construed accordingly
2 6	If not clearly inconsistent with the subject or context or an express definition contained in these Articles, any words or expressions defined in the Statutes shall have the same meaning in these Articles
2 7	References to statutory provisions include references to any statutory extension, modification or re-enactment of the same in force at the relevant time
2 8	Each gender shall include each other gender and the singular the plural and vice versa
2 9	Headings and marginal notes shall be ignored in interpretation
2 10	A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these

Articles or the Statutes Where an Extraordinary Resolution is required, a Special Resolution shall also be effective

CAPITAL

- 3 Authorised Share Capital The authorised share capital of the Company at the date of the adoption of these Articles is £500,000 divided into 450,000,000 Ordinary Shares of 0 1p each and 50,000 Redeemable Preference Shares of £1 each having rights set out in Article 153

PURCHASE OF THE COMPANY'S SHARES

- 4 1 Limited Power Subject to the requirements and restrictions of the Statutes, the Company may purchase any shares in the capital of the Company with the prior authority of a Special Resolution and with the prior sanction, in accordance with Article 5, of the holder or holders of any class of shares in the capital of the Company convertible into shares of another class
- 4 2 General Prohibition Save as aforesaid and except to the extent permitted by the Statutes and these Articles, no part of the assets of the Company shall be employed in the subscription for or purchase of or in loans upon the security of shares in the Company or in any company which is its holding company, nor (save and except as aforesaid) shall the Company directly or indirectly give any financial assistance for the purpose of or in connection with a subscription for or purchase of such shares
- 4 3 Manner of Purchase Neither the Company nor the Board shall be required to select the shares to be purchased ratably, or in any particular manner, as between the holders of shares of the same class, or as between them and the holders of shares of any other class, or in accordance with the rights as to dividends or capital conferred by any class of shares
- 4 4 No Variation Any lawful purchase by the Company of its own shares of any class shall be deemed not to be a variation of the rights of the holders of that or any other class of shares in the capital of the Company unless otherwise expressly provided by these Articles or by the rights attached to the shares of that or such other class of shares

VARIATION OF RIGHTS

- 5 1 Class Consents Subject to the provisions of the Statutes, whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General 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
- 5 2 Class Meetings To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the

proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any one holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll, and that every such holder shall on a poll have one vote for every share of the class held by him

- 5 3 Variation of Special Rights The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class whose special rights are to be varied

- 6 Issue of Shares The rights attached to any class of shares having preferential rights shall not (unless otherwise expressly provided by the terms of their issue) be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto

ALTERATION OF CAPITAL

- 7 1 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

- 7 2 Basis of Share Issues All new shares shall in all respects be subject to the provisions of the Statutes and of these Articles

- 7 3 Share Warrants The Directors may at their discretion issue transferable share warrants on the written application of the registered holder of any shares in the Company and make provision by the issue of coupons or otherwise for the payment of future dividends on such shares. The bearer of such a warrant will be deemed a member of the Company and will enjoy all normal privileges and rights incidental thereto on depositing that warrant with the Company. If a warrant is defaced, worn out, lost or destroyed, the Directors may cause a replacement warrant to be issued if and only if the old warrant is delivered to the Company for retention or upon their being satisfied beyond reasonable doubt that the original has been destroyed, and any such replacement warrant may be issued on such terms as to evidence and indemnity and the payment of any exceptional out of pocket expenses of the Company in investigating evidence and preparing such indemnity as the Directors think fit

- 8 1 Consolidation, Cancellation and Subdivision The Company may by Ordinary Resolution

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- (b) cancel any shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and reduce the

amount of its authorised capital by the amount of the shares so cancelled,

- (c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (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 have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares

8 2 Fractional Holdings If any exercise of the foregoing powers or any issue of shares or other matter gives or would give rise to any fractional shareholding or other difficulty, the Directors may resolve the matter as they see fit and in particular without limitation may arrange for the sale of any fractional entitlement for the account of the Member or Members concerned and may empower any person to effect any such sale and transfer the fractional shares to any purchaser or other person, who shall not be concerned with the regularity of the proceedings and shall receive a good title

9 Reduction of Capital The Company may by Special Resolution reduce its share capital or any Capital Redemption Reserve or Share Premium Account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law save that no purchase by the Company of its own shares will take place other than in accordance with Article 4 1

10 1 Allotment and Disposal of Shares Subject to the provisions of the Statutes and these presents, the shares in the Company (whether part of the original or of any increased capital) shall be at the disposal of the Directors, who may and who for the purposes of Section 80 of the Act (in this Article 10 called "Section 80") are hereby generally and unconditionally authorised to allot, make offers or agreements to allot, grant options or other rights over or rights of conversion into or subscription for them or otherwise dispose of them to such persons, at such times and on such terms as they think proper Provided That in relation to relevant securities (as defined in Section 80)

- (a) such authority shall be limited to an aggregate nominal amount of £500,000 or such other amount as may be specified as the "Section 80 Amount" in any resolution renewing this authority or granting fresh authority in the terms of this Article 10 1
- (b) such authority shall expire at the sooner of 31 December 2005 and the conclusion of the annual general meeting of the Company to be held in 2005 or on such other date as may be specified as the date for expiry of the authority in any resolution renewing this authority or granting fresh authority in the terms of this Article 10 1
- (c) the Directors may before expiry of this authority (whether as originally granted or as renewed or as re-granted) make any offer or agreement

which would, or might, require relevant securities to be allotted after such expiry

- (d) the authority conferred by this Article may be renewed from time to time by Ordinary Resolution of the Company in general meeting and any such renewal resolution shall specify the Section 80 Amount and the date upon which such renewed authority will expire

10 2 Statutory Pre-emption Requirements If and for so long as the Directors are generally authorised pursuant to Section 80 to allot relevant securities they shall have power for the purposes of Sections 89 and 95 of the Act (in this Article 10 called "Section 89" and "Section 95" respectively) to allot equity securities (as defined in Section 94 of the Act) pursuant to that authority as if, in the following cases, Section 89 did not apply

- (a) to the allotment of equity securities whereby there will be an offer of all such securities (whether made by the Company or some other person, open for acceptance for a period fixed or approved by the Directors, to holders of ordinary shares on the register on a fixed record date in proportion to their then holdings of such shares (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or overseas shareholders) and
- (b) to the allotment of equity securities up to an aggregate nominal amount of £500,000 or such other nominal amount as may be specified as the Section 89 Amount in any resolution renewing the power hereby conferred or granting a new power in the terms of this Article 10 2

PROVIDED THAT

- (i) the power hereby conferred shall expire and cease to have effect upon expiry, revocation or other ceasing to have effect of the authority conferred by Article 10 1, and
- (ii) at any time before this power expires or ceases to be exercisable the Company may make an offer or agreement under it which would or might require equity securities to be allotted after it expires or ceases to be exercisable
- (iii) the power hereby conferred may be renewed from time to time by special resolution of the Company in general meeting for a period not longer than that for which the authority conferred by Article 10 1 is renewed and any such renewal resolution shall specify the Section 89 Amount

10 3 Renewal, Modification and Revocation The authorities and powers conferred by or pursuant to Articles 10 1 and 10 2, whether as originally granted or as from time to time renewed, may be revoked or varied by the Company in general meeting at any time or times

10 4 Special Rights Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special

rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of such determination, as the Directors may determine) and subject to the provisions of the Statutes and of these presents and without limiting the foregoing provisions of this Article 10, the Directors may allot and issue on such terms as they consider appropriate any shares which are, or at the option of the Company or the holder are liable, to be redeemed and/or to be converted into any other class of share in the capital of the Company in existence at the relevant time or into any other class of share in the capital of the Company (whether constituted by the terms of these presents or by their terms of issue or otherwise) the rights attached to which are in no respect more favourable than those attached to any class of share in the capital of the Company in existence at the relevant time

- 11 Renunciation of Allotment At any time after the allotment of any share but before any person has been entered in the Register of Members as the holder of it, the Directors may recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose
- 12 Share Issue Commissions The Company may exercise the powers of paying commissions conferred or permitted by the Statutes The rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes and shall not exceed 10 per cent of the price at which the shares in respect of which the commission is paid are issued The Company may also on any issue of shares pay such brokerage as may be lawful Any such commission may be satisfied in cash or by the allotment of fully paid or partly paid shares or the issue of share warrants carrying the right to subscribe for shares in the Company at a specified price or partly in one way or partly in another
- 13 Trusts Affecting Shares Except as required by law, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder

CALLS ON SHARES

- 14 Making of Calls The Directors may from time to time make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium), subject to any terms of issue whereby such monies are to be payable at fixed times, and (subject to being given at least fourteen days' notice) each Member shall pay to the Company the amount called on his shares at the time or times and place specified in the notice The Director will be entitled to revoke or postpone a call A person upon whom a call is made shall remain liable for all calls made upon

him notwithstanding the subsequent transfer of the shares in respect of which the call was made

- 15 Time of Call A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.
- 16 Liability of Joint Holders The joint holders of a share shall be jointly and severally liable to pay all calls in respect of that share
- 17 Interest If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment to the time of actual payment at such rate, not exceeding 20 per cent per annum, as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part
- 18 Sums Payable under Terms of Issue of Shares Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed or ascertainable date shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable and in case of non-payment all the provisions of these Articles relating to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified
- 19 Differentiation between Members The Directors may on the issue of shares differentiate between Members as to the amount of calls to be paid and the times of payment
- 20 Payments in Advance The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the monies (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish so far as the same shall extend the liability upon the shares in respect of which it is made and the Company may pay interest upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, at such rate (not exceeding 15 per cent per annum) as the Member paying such sum and the Directors agree upon

FORFEITURE AND LIEN

- 21 Notices of Non-Payment If a Member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued

thereon and any expenses incurred by the Company by reason of such non-payment

- 22 Notice of Forfeiture The notice shall name a further day (not being less than seven 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 shares on which the call was made will be liable to be forfeited
- 23 Forfeiture If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof have been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.
- 24 Forfeited Shares Subject to the provisions of the Statutes, a share so forfeited or surrendered shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the Directors think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may if necessary authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid
- 25 Member's Liability on Forfeiture A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares but shall, notwithstanding the forfeiture or surrender, remain liable to pay to the Company all monies which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares, with interest thereon at 20 per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part
- 26 Company's Lien The Company shall have a first and paramount lien on every share not being a fully paid share for all monies, whether presently payable or not, called or payable at a fixed time in respect of such share. The Company's lien (if any) on a share shall extend to all dividends payable thereon. The Directors may resolve that any share for some specified period be exempt from the provisions of this Article
- 27 Sale under Lien The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding

payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy

- 28 Application of Sale Proceeds The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists, so far as the same are presently payable, and (subject to a like lien for debts or liabilities not presently payable as existed upon the shares sold prior to such sale) any residue shall be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser, and execution of the transfer by that person shall be deemed to be execution by the holder of the shares
- 29 Title to Shares Sold A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the share certificate delivered to a purchaser or allottee thereof, shall (subject to the execution of the transfer if the same be required) 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 in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share

CERTIFICATES

- 30 1 Share Certificates Except in the case of a recognised person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate, every person whose name is entered as a Member in the Register of Members shall either be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the terms of issue shall provide) one certificate for all his shares of any one class or, upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Directors shall from time to time decide, several certificates, each for one or more of his shares of any one class. Where a Member transfers part only of the shares comprised in a certificate, the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge
- 30 2 Execution and Contents of Certificates If permitted by the Statutes and the rules of the AIM market of the London Stock Exchange (while any of the Company's shares are listed on AIM), any signature, any representation of a signature, the Seal or any representation of the Seal may be made, produced or affixed to a certificate by any mechanical, electronic, laser or other means approved by the Directors

- 31 1 Replacement Certificate If a share certificate is defaced, worn out, lost or destroyed, it may be renewed without payment of any fee, on such terms (if any) as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in investigating evidence and preparing such indemnity as the Directors think fit
- 31 2 Split Certificates If any Member surrenders for cancellation a share certificate representing shares held by him and requests the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request
- 31 3 Consolidated Certificates Any two or more certificates representing shares of any one class held by any Member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge save reimbursement of out-of-pocket expenses thereby incurred by the Company
- 31 4 Joint Holdings In the case of shares held jointly by several persons any such request may be made by any one of the joint holders
- 32 Uncertificated shares
- 32 1 Notwithstanding anything in these Articles to the contrary, any shares in the Company may be issued, held, registered, converted to, transferred or otherwise dealt with in uncertificated form and converted from uncertificated form to certificated form in accordance with the Regulations and practices instituted by the operator of the relevant system Any provisions of these Articles shall not apply to any uncertificated shares to the extent that such provisions are inconsistent with
- (a) the holding of shares in uncertificated form,
 - (b) the transfer of title to shares by means of a relevant system, or
 - (c) any provision of the Regulations
- 32 2 Without prejudice to the generality of the foregoing.
- (a) Articles 30, 31 and 33 Article 34 4 shall apply in relation to such shares as if the reference therein to the date on which the transfer was lodged with the Company were a reference to the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the facilities and requirements of the relevant system,
 - (b) without prejudice to Article 34 in relation to uncertificated shares, the Board may also refuse to register a transfer of uncertificated shares in such other circumstances as may be permitted or required by the Regulations and the relevant system,
 - (c) references in these Articles to a requirement on any person to execute or deliver an instrument of transfer or certificate or other document which shall not be appropriate in the case of uncertificated shares shall, in the case of uncertificated shares, be treated as references to a requirement to comply with any relevant requirements of the relevant system and any

relevant arrangements or regulations which the Board may make from time to time pursuant to Article 32 2(k) below,

- (d) for the purposes referred to in Article 40, a person entitled by transmission to a share in uncertificated form who elects to have some other person registered shall either
 - (i) procure that instructions are given by means of the relevant system to effect transfer of such uncertificated share to that person, or
 - (ii) change the uncertificated share to certificated form and execute an instrument of transfer of that certificated share to that person,
- (e) the Company shall enter on the Register the number of shares which are held by each member in uncertificated form and in certificated form and shall maintain the Register in each case as is required by the Regulations and the relevant system and, unless the Board otherwise determines, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings,
- (f) a class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which applies only in respect of certificated shares or uncertificated shares,
- (g) references in Article 115 to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system relating to the transfer of such shares,
- (h) for the purposes referred to in Article 8 2, the Board may in respect of uncertificated shares authorise some person to transfer and/or require the holder to transfer the relevant shares in accordance with the facilities and requirements of the relevant system,
- (i) for the purposes of Article 128 1, any payment in the case of uncertificated shares may be made by means of the relevant system (subject always to the facilities and requirements of the relevant system) and without prejudice to the generality of the foregoing such payment may be made by the sending by the Company or any person on its behalf of an instruction to the operator of the relevant system to credit the cash memorandum account of the holder or joint holders of such shares or, if permitted by the Company, of such person as the holder or joint holders may in writing direct and for the purposes of Article 128 1 the making of a payment in accordance with the facilities and requirements of the relevant system concerned shall be a good discharge to the Company,
- (j) subject to the Statutes the Board may issue shares as certificated shares or as uncertificated shares in its absolute discretion and Articles 10, 127 and 130 shall be construed accordingly,

- (k) the Board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion consider appropriate in relation to the evidencing and transfer of uncertificated shares and otherwise for the purpose of implementing and/or supplementing the provisions of this Article 32 and the Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article 32,
- (l) the Board may utilise the relevant system to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Statutes or these Articles or otherwise in effecting any actions, and
- (m) the Board may resolve that a class of shares is to become a participating security and may at any time determine that a class of shares shall cease to be a participating security

32.3 Where any class of shares in the capital of the Company is a participating security and the Company is entitled under any provisions of the Statutes or the rules made and practices instituted by the operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any shares which are held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the operator of the relevant system) shall include the right to

- (a) request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in uncertificated form, and/or
- (b) require any holder of any uncertificated shares which are the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps, by instructions given by means of a relevant system or otherwise, as may be necessary to sell or transfer such shares, and/or
- (c) send a notification to the operator requiring the conversion of those shares into certificated form (such conversion being required to enable the Company to deal with the shares in question in accordance with the Articles), and/or
- (d) appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such shares as may be required to effect a transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned, and/or
- (e) take such other action as may be necessary to enable those shares to be registered in the name of the person to whom the shares have been sold or disposed of or as directed by him

- 32 4 The Company may assume that the entries on any record of securities which it maintains in accordance with the Regulations is regularly reconciled against the relevant operator register of securities that those entries are a complete and accurate copy of the particulars entered in the operator register of securities. The Company shall not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in relying on such assumption, in particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the Register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled)

TRANSFER AND TRANSMISSION OF SHARES

- 33 1 Form of Transfers Subject to and save as permitted by Article 32 and the Relevant Laws referred to therein, all transfers of shares may be effected by transfer in writing in the usual common form, or in such other form as the Directors may accept, and may be under hand only
- 33 2 Execution of Transfers Subject to and save as permitted by Article 32 and the Relevant Laws referred to therein, the instrument of transfer of a share shall be signed by or on behalf of the transferor and in the case of a transfer of partly paid shares shall be signed by both the transferor and the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof. Provided That the Directors may dispense with the execution of the instrument of transfer by the transferee in any case in which they think fit in their discretion so to do
- 34 1 Directors Power to Refuse Registration The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of shares which are not fully paid shares and they may also decline to register any transfer of shares on which the Company has a lien, but they shall not otherwise decline to register any transfer save pursuant to the next following Article 34 2 or as otherwise expressly provided in these Articles. Provided that the Board shall not refuse to register any transfer or renunciation of partly paid shares which are listed on the London Stock Exchange on the grounds that they are partly paid shares in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis
- 34 2 Requirements for Registration The Directors may not decline to recognise any instrument of transfer of shares which are quoted, whether fully or partly paid provided that, subject to Article 32
- (a) the instrument of transfer duly executed and stamped is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do) Provided That in the case of a transfer by a Stock Exchange nominee where no certificate has been issued in respect of

the shares in question, the lodgment of a share certificate shall not be required, and

- (b) the instrument of transfer is in respect of only one class of share, and
- (c) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four

- 34 3 Disfranchised Shares The Directors may refuse to register the transfer of any shares which are the subject of a direction notice pursuant to Article 65 which contains a direction pursuant to paragraph (2) of Article 65 2 unless the requirements in respect of transfer therein specified have been complied with
- 34 4 Notice of Refusal to Transfer If the Directors refuse to register a transfer, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal
- 35 Retention of Transfers All instruments of transfer which are registered may be retained by the Company Any instrument of transfer not registered shall be returned to the person who deposited it
- 36 Suspension of Registration The registration of transfers may be suspended at such times and for such periods as the Directors determine, whether generally or in respect of any class of shares Provided That such registration shall not be suspended for more than thirty days in any year
- 37 No Registration Fees No fee shall be charged by the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, stop notice, notice in lieu of distringas, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the register affecting the title to any share or otherwise relating to any share
- 38 Recognition of Renunciation of Allotments Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person but the Directors shall not recognise such renunciation unless they believe it to have been duly executed and stamped
- 39 Succession on Death In case of the death of a shareholder, the survivors or survivor where the deceased was a joint holder and the executors or administrators 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 interest in the shares but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him

- 40 Dealings on Death and Bankruptcy Upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and subject as hereinafter provided, any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire, or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member. The Directors may at any time require such person either to elect to be registered himself or to transfer the shares and if such person fails to do either within such period (not being less than forty-two days) specified by the Directors in their notice to such person, the Directors may thereafter withhold dividends and other sums payable in respect of the shares until their notice is complied with.
- 41 Entitlement on Death Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member (upon supplying to the Company such evidence as the Directors 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 registered holder of the share except that (save with the authority of the Directors) he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a Member in respect of the share.

UNTRACED SHAREHOLDERS

- 42 1 Company's Power of Sale The Company shall be entitled to sell at the best price reasonably obtainable any share or stock of a Member or any share or stock to which a person is entitled by transmission if and provided that -
- (a) for a period of twelve years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the Member or to the person entitled by transmission to the share or stock at his address on the Register or other the last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person entitled by transmission provided that in any such period of twelve years the Company has paid at least three dividends whether interim or final and no such dividend has been claimed, and
 - (b) the Company has at the expiration of the said period of twelve years, by advertisement in both a leading London daily newspaper and in a newspaper circulating in the area in which the address referred to in paragraph (a) of this Article is located, given notice of its intention to sell such share or stock, and
 - (c) the Company has not, during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale,

received any communication from the Member or person entitled by transmission, and

- (d) the Company has first given notice in writing to the London Stock Exchange of its intention to sell such shares or stock if shares of such class are listed or dealt in on that exchange

- 42 2 Mechanics of Sale To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such share or stock and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such share or stock and the title of the transferee shall not be affected by any irregularity or invalidity in the application of this Article. The Company shall account to the Member or other person entitled to such share or stock for the net proceeds of such sale by carrying all monies in respect thereof to a separate account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such Member or other person. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit. No interest shall be payable in respect of such monies and the Company shall not be required to account for any money earned on the net proceeds of any investments of such monies.

GENERAL MEETINGS

- 43 Annual General Meetings An Annual General Meeting shall be held once in every year at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.
- 44 Extraordinary General Meetings The Directors may whenever they think fit, and shall on a member's requisition in accordance with the Statutes, convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

- 45 1 Notice Subject to Article 45 2, an Annual General Meeting and any 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 has been given to the Company, shall be called by not less than twenty-one days' notice in writing, and any other General Meeting by not less than fourteen days' notice in writing (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to all Members on the Register of Members at the date of issue of such notice other than those who are not under the provisions of these Articles entitled to receive such notices from the Company Provided That.

- (a) The accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any General Meeting,
 - (b) Any member present (in person or by proxy) at any meeting shall be deemed to have received due notice of that meeting and of the purposes for which it was convened
- 45 2 Short Notice Notwithstanding that it has been called by a shorter notice than that specified above, a General Meeting shall be deemed to have been duly called if it is so agreed
- (a) in the case of an Annual General Meeting, by all Members entitled to attend and vote thereat, and
 - (b) in the case of an Extraordinary General Meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right
- 45 3 Auditors Notice of any General Meeting shall be given to the Auditors
- 46 Contents of Notices
- 46 1 Every notice calling a General Meeting shall specify the place and the day and hour 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 a proxy or proxies to attend and vote instead of him and that a proxy need not be a Member of the Company
- 46 2 In the case of an Annual General Meeting, the notice shall also specify the meeting as such
- 46 3 The notice of any General Meeting shall specify the general nature of the business to be transacted at such General Meeting
- 46 4 If at any General Meeting any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect
- 47 Business at General Meetings No business may be transacted at any General Meeting save business the nature of which has been stated in the notice convening the meeting or, in the case of an Annual General Meeting only, business which the Chairman in his discretion admits as being ordinary business of the meeting.
- 48 Members' Requisitions The Directors shall on the requisition of Members in accordance with the provisions of the Statutes, but subject as therein provided

- (a) give to the Members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting,
- (b) circulate to the Members entitled to have notice of any General Meeting, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting

PROCEEDINGS AT GENERAL MEETINGS

- 49.1 Quorum No business shall be transacted at any General Meeting unless a quorum is present when the meeting commences and when the business is voted upon Two Members present in person or proxy or (being a corporation) acting by its representative shall be a quorum for all purposes
- 49.2 Absence of Quorum If within fifteen minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) from the time appointed for a General Meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved In any other case it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the Chairman of the meeting may determine and in the latter case not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting If at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, any two members present in person or by proxy shall be a quorum failing which the meeting shall be dissolved
- 50 Form of Meeting Any meeting shall be held in a single location or in a number of locations linked by audio-visual or other equipment so that each person attending the meeting is able to hear and be heard by the other persons attending the meeting at any of its locations and so that the proceedings at each location proceed simultaneously
- 51 Chairman of Meetings The Chairman, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting If there be no such Chairman or Deputy Chairman for the time being in office, or if at any meeting neither be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one of their number) to be chairman of the meeting
- 52 Adjournments The chairman of the meeting may, if he believes it to be impracticable to hold or continue the meeting, or with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) 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. When a meeting is adjourned sine die or for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. If a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

- 53 Amendments Any amendment to any Ordinary Resolution must be delivered to the Office not less than forty eight hours before the time of the meeting at which it is to be proposed. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 54 Form of Voting At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or upon the withdrawal of any other demand for a poll) a poll is duly demanded. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.
- 55 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.
- 56 1 Demand for Poll Subject to the provisions of the Statutes a poll may be demanded by
- (a) the chairman of the meeting, or
 - (b) not less than three Members present in person or by proxy and entitled to vote, or
 - (c) a Member or Members present in person or by proxy entitled to vote and 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
 - (d) a Member or Members present in person or by proxy and 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.
- 56 2 Withdrawal for Demand for Poll A demand for a poll may be withdrawn with the consent of the chairman of the meeting at any time before the close of the

meeting or the taking of the poll (whichever shall be earlier) If the demand for a poll is withdrawn and no further demand for a poll is thereupon made, the result of any vote already taken on a show of hands shall be effective

- 57 Conduct of Poll If a poll is duly demanded (and the demand be not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets and by post or not) as the chairman of the meeting may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll
- 58 Time of Poll A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman of the meeting may direct No notice need be given of a poll not taken immediately
- 59 Continuance of Business The demand for a poll shall not prevent the meeting continuing for the transaction of any business other than the question on which the poll has been demanded

PROCEEDINGS AT GENERAL MEETINGS

- 60 1 Security The Directors may direct that members or proxies for members who wish to attend any general meeting shall submit to such searches and/or comply with such security arrangements or restrictions as in each case the Directors shall, in their absolute discretion, consider appropriate and may, in their absolute discretion, consider appropriate and may, in their absolute discretion, refuse entry to any member or proxy for a member who fails to comply with any such direction
- 60 2 Simultaneous Meeting In the case of any general meeting the Directors may, notwithstanding the specification in the notice of the place of the general meeting ("the Principal Place") at which the chairman of the meeting shall preside, make arrangements for simultaneous attendance and participation at other places by members and proxies entitled to attend the meeting but excluded from the Principal Place under the provisions of this Article 60 Such arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance at the Principal Place and the other places provided that they shall operate so that any members and proxies excluded from attendance at the Principal Place are able to attend at one of the other places For the purpose of all of the provisions of these Articles any such meeting shall be treated as being held and taking place at the Principal Place
- 60 3 Varying Arrangements The Directors may, for the purpose of facilitating the organisation and administration of any general meeting to which arrangements made under this Article 60 apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to offer to all members and

proxies entitled to attend the meeting an equal opportunity of being admitted to the Principal Place) or the imposition of some random means of selection or otherwise as they shall in their absolute discretion consider to be appropriate, and may from time to time vary any such arrangements or make new arrangements in their place and the entitlement of any member or proxy to attend the meeting at the Principal Place shall be subject to such arrangements as for the time being may be in force whether stated in the notice of the meeting to apply to that meeting or notified to the members concerned subsequent to the provision of the notice of the meeting

VOTES OF MEMBERS

- 61 1 Votes Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every Member who is present in person shall have one vote and on a poll every Member who is present in person or by proxy shall have one vote for every share of which he is the holder
- 61 2 Joint Holders In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding
- 62 Mental Incapacity A Member of unsound mind or in respect of whom or whose property an order has been made by any court having jurisdiction in matters of mental incapacity 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 such court, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote
- 63 Objections to Votes No objection shall be raised as to the admissibility of any vote or the correctness of the result of any voting upon a resolution except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered or the resolution passed, and every vote not disallowed at such meeting and every resolution declared thereat to be passed shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting, whose decision shall be final and conclusive
- 64 Manner of Voting On a poll, votes may be given either personally, which in the case of a body corporate shall include its authorised representative, or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way

DISFRANCHISEMENT

- 65 1 Direction Notice If any Member, or any other person appearing to be interested in shares held by such Member, has been duly served with a notice under Section 212 of the Act and is in default for the prescribed period in supplying to the Company the information thereby required, then the Board may in its absolute discretion at any time thereafter by a notice (a "Direction Notice") to such Member direct that, in respect of the shares in relation to which the default occurred (the "Default Shares" which expression shall include any further shares which are issued in respect of such shares), the Member shall not be entitled to vote either personally or by proxy at a General Meeting of the Company or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to General Meetings of the Company or meetings of the holders of any class of shares of the Company
- 65 2 Additional Directions Where the Default Shares represent at least 0.25 per cent of the issued shares of that class, then the direction notice may additionally direct
- (1) that any dividend or part thereof 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 thereon when such money is finally paid to the Member, and/or
 - (2) that no transfer of any of the shares held by such Member shall be registered unless
 - (a) the Member is not himself in default as regards supplying the information required and the transfer is of part only of the Member's holding which, when presented for registration, is accompanied by a certificate by the Member in a form satisfactory to the Board to the effect that after due and careful enquiry the Member is satisfied that none of the shares the subject of the transfer are Default Shares, or
 - (b) the transfer is an approved transfer
- 65 3 Copies of Direction Notice The Company shall send to each other person appearing to be interested in the shares the subject of any Direction Notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice
- 65 4 Currency of Direction Notice. Any Direction Notice shall have effect in accordance with its terms for so long as the default in respect of which it is issued continues, but shall cease to have effect in relation to any shares which are transferred by any such Member by means of an approved transfer upon the expiry of seven days from the receipt by the Company of notice of such transfer having been made Provided That the Board may at any time give notice cancelling or suspending a Direction Notice
- 65 5 Interpretation For the purposes of this Article
- (1) a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which either (a) names such person as being so interested or (b) fails to establish the identities of

those interested in the shares and (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares,

- (2) the prescribed period is twenty eight days from the date of service of the notice under the said Section 212 except where the Default Shares represent at least 0.25 per cent of the issued shares of that class in which case the prescribed period is fourteen days from such date, and
- (3) a transfer of shares is an approved transfer if
 - (a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer for a company (as defined in Section 428(1) of the Act, or
 - (b) the Board is satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the transferring Member and/or with any other person appearing to be interested in such shares, or
 - (c) the transfer results from a sale made through a recognised investment exchange within the meaning of the Financial Services and Markets Act 2000

65.6 Freedom from Interests The Company shall not be, nor be deemed to be, affected with notice of or put on enquiry as to the rights of any person in any shares as a consequence of this Article or its application.

65.7 Statutory Rights The provisions of this Article are without prejudice to and shall not affect the right of the Company to apply any of the provisions referred to in Part VI of the Act

PROXIES

66.1 Form and Execution An instrument appointing a proxy shall be in writing in the usual common form or in any other form which the Directors may accept and

- (a) in the case of an individual shall be signed by the appointor or by his attorney, and
- (b) in the case of a corporation shall be either given under its common seal (if any) or signed on its behalf by an attorney or a duly authorised officer of the corporation

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed

66.2 Identity of Proxy A proxy need not be a Member of the Company

- 66 3 Application to Adjournments Unless the contrary is stated thereon, an instrument duly appointing a proxy shall be valid as well for any adjournment of the meeting as for the meeting to which it relates
- 67 Uncertificated Proxy Instruction
- 67 1 Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Directors 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, (that is, 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 Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system concerned)), and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means
- 67 2 The Directors may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder
- 68 Lodgment with Company An instrument appointing a proxy, together with the power of attorney or other authority under which it is signed (or a copy thereof certified notarially or in accordance with the Powers of Attorney Act 1971 or as the Directors shall accept) must be left at the Office or such other place (if any) as is specified for that purpose in or by way of note to the notice convening the meeting or adjourned meeting or, in the case of an appointment contained in an electronic communication, at the address specified in such notice or note by the Company for the purpose of receiving such electronic communications, not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or for the taking of the poll at which it is to be used and in default may be treated as invalid
- 69 Power of Proxy An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting
- 70 Revocation A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, Provided That no intimation in writing of such previous death or insanity or revocation has been received by the Company at the Office at least one hour before the

commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

- 71 Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present. It shall not be necessary for any such authority to be lodged with the Company in advance of the meeting but the chairman of the meeting may require there to be produced to him satisfactory evidence of the authority of any person claiming to represent a corporation in default of which that person may not attend, speak or vote at the meeting.

DIRECTORS

- 72 Number Subject as hereinafter provided, the Directors shall not be less than two but unless and until otherwise resolved by the Company in general meeting there shall be no maximum number of Directors. The Company may by Ordinary Resolution from time to time increase or reduce the minimum number of Directors or impose, increase or reduce any maximum number of Directors.
- 73 Vacancies The continuing Directors or Director may act notwithstanding any vacancy in their number, but if and for so long as the number of Directors is less than the minimum number fixed by or in accordance with these Articles, the continuing Director or Directors may act for the purpose of appointing an additional Director or Directors or of summoning a General Meeting of the Company but not for any other purpose. If no Directors are in office and willing and able to act, any two Members may convene a General Meeting of the Company in order to appoint Directors.
- 74 1 No Share Qualification No Director shall be required to hold any shares in the capital of the Company by way of qualification for office.
- 74 2 General Meetings A Director shall by virtue of his office be entitled to attend and speak at any meeting of Members or of any class of Members.

DIRECTORS' REMUNERATION

- 75 Ordinary Remuneration The ordinary remuneration of the Directors for their services as such shall be such sum as the Directors or any committee of the Directors empowered in that behalf shall determine but shall not exceed in aggregate the sum of £100,000 per annum or such higher sum as is from time to time determined by the Company in general meeting. No Director may vote or be counted in a quorum for the purposes of determining his own remuneration.

- 76 Executive Remuneration Any Director who is appointed to any executive office pursuant to Article 80 (including for avoidance of doubt 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 otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid (in addition to any other remuneration to which he may be entitled) such remuneration by way of salary, percentage of profits or otherwise as the Directors or any committee of the Directors empowered in that behalf in their sole discretion may determine
- 77 Expenses The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company and in the performance of his duties as a Director
- 78 Pensions Subject to the provisions of the Statutes, the Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to or to any person in respect of any person, including any Director or ex-Director, who may hold or have held any executive office or any office of profit under the Company or any subsidiary undertaking or the dependants or relations of any of the same and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums No Director shall be accountable to the Company by reason of his office for any benefits received by him from the exercise of this power and receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company
- 79 Conflicts of Interest Subject to the provisions of the Statutes, a Director (or alternate Director) may contract or be interested in any contract or arrangement with the Company or in which the Company may be in any way interested and may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company) under the Company or any other company in which the Company may be interested and he or any firm of which he is a member may act in a professional capacity for the Company, or any such other company and be remunerated therefor and in any such case (unless otherwise agreed) he or his firm (as the case may be) may retain for his or their own absolute use and benefit all profits and advantages accruing to him therefrom or as a consequence thereof A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested or with which the Company has any commercial relations or dealings and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him in respect or by reason of such office or interest The Directors may cause the voting rights attached to any shares in any other company held by the Company to be exercised as they see fit even upon a resolution for their own appointment to an office or place of profit with such company or the voting by such company of remuneration to themselves

EXECUTIVE OFFICE

- 80 1 Appointment. Subject to the provisions of the Statutes, the Directors may from time to time appoint one or more of their body to be the holder of any offices, including without limitation the offices of Chairman, Deputy Chairman, Chief Executive and Managing Director, on such terms and (subject to the Statutes) for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment
- 80 2 Termination of Directorship The Company may terminate the appointment of any Director to any executive office if he ceases from any cause to be a Director, and in the case of the Chairman or Deputy Chairman or Chief Executive his appointment shall automatically terminate if he ceases to be a Director, but in any such case such termination of his appointment shall be without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company
- 80 3 Delegation of Powers The Directors may entrust to and confer upon a Director holding any executive office any of the powers exercisable by them as Directors (save the determination of remuneration of any of the Directors or Alternate Directors) upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers
- 81 President Either the Company in general meeting or the Directors may from time to time appoint any person to the office of President, Honorary President or Life President on such terms and for such period as the resolution appointing him may specify and (whether such appointment was made by the Company in general meeting or by the Directors) may from time to time remove any person from such office or vary the terms or period of his appointment Any person holding such office may do so on an honorary basis or may be paid such remuneration as is specified in his appointment or as the Directors in their discretion shall think fit and may, but need not, be a Director Subject to the terms of his appointment, any person holding such office shall not be entitled by virtue of that office to receive notice of, attend, speak or vote at meetings of the Board of Directors nor receive information which Directors are entitled to receive by virtue of their office nor have any other power, authority or responsibility Any person for the time being holding such office may at any time resign therefrom by notice to the Office

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 82 Termination of Office The office of a Director shall be vacated in any of the following events, namely
- (a) If by law he ceases to be, or he becomes prohibited from acting as, a Director

- (b) If (not being a Director holding office as such for a fixed term) he resigns by writing under his hand left at the Office or if he offers his resignation in writing and that offer is accepted by the Directors
- (c) If he has a receiving order made against him or compounds with his creditors generally.
- (d) If he becomes of unsound mind or a patient for any purpose of any statute relating to mental health and the Board resolves that his office is vacated
- (e) If he is absent from meetings of the Directors for six months without leave, or is convicted of any criminal offence involving dishonesty, and in either event the Directors resolve that his office be vacated
- (f) If he is removed from office pursuant to these Articles
- (g) If, being an Executive Director, his employment with the Company and its subsidiaries and subsidiary undertakings terminates for whatsoever cause, unless in any case the Board otherwise resolves (and for this purpose a Director shall be an Executive Director if he acts as an executive or holds any executive position of or with the Company or any subsidiary or subsidiary undertaking of the Company)
- (h) If he is removed as Director by notice in writing signed by not less than three quarters of the Directors

83 1 Retirement by Rotation At each Annual General Meeting there shall retire from office by rotation every Director who was elected or last re-elected at or before the annual general meeting held in the third calendar year preceding that Annual General Meeting

83 2 Eligibility for Re-election A Director retiring at a meeting shall be eligible for re-election and his retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break

84 Filling of Vacated Office At the meeting at which a Director retires under any provision of these Articles, the Company may by Ordinary Resolution fill the vacated office by electing a person thereto. In default, the retiring Director shall be deemed to have been re-elected unless

- (a) at such meeting it is expressly resolved not to fill up such vacated office or a resolution for the re-election of such Director is put to the meeting and not passed, or
- (b) such Director has given notice in writing to the Company that he is unwilling to be re-elected, or

- (c) the default is due to the moving of a resolution in contravention of the next following Article, or
- (d) such Director has attained any mandatory retirement age specified by the Statutes

A retiring Director who is re-elected or deemed to have been re-elected shall be treated as having continued in office without break and any person (other than a retiring Director) appointed a Director at the meeting shall take up office upon conclusion of the meeting

- 85 General Power of Appointment Subject to the provisions of these Articles, the Company in General Meeting may elect any person to be a Director whether to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not exceed any maximum number for the time being fixed by or in accordance with these Articles
- 86 Separate Resolutions for Appointment A motion for the appointment of two or more persons as Directors by a single resolution shall not be made at any General Meeting unless first agreed by the meeting without any vote being given against it, and any resolution moved in contravention of this provision shall be void
- 87 Eligibility and Notice of Candidacy No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless, not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the day appointed for the meeting, there shall have been left at the Office notice in writing signed by some Member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected
- 88 Removal The Company may by Ordinary Resolution of which Special Notice has been given remove any Director before the expiration of his period of office, notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement. The Company may by a like resolution appoint another person in place of a Director so removed from office. Any person so appointed shall be subject to retirement by rotation at the same time 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 so arising may be filled by the Directors as a casual vacancy
- 89 Directors' Power to Appoint The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the

conclusion of 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. If not reappointed he shall vacate office at the conclusion of such meeting.

- 90 Alternates No director may appoint any person to be his alternate

PROCEEDINGS OF DIRECTORS

- 91 1 Directors Meetings Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director or Alternate Director for the time being absent from the United Kingdom unless he has requested that in such event notice be given to him in writing at an address within the United Kingdom. Subject thereto, notice of any meeting shall be given to each Director verbally or in writing but any Director may waive notice of any meeting, in advance or retrospectively.
- 91 2 Quorum The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and, unless so fixed at any other number, shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. For the purposes of these Articles, any Director shown to be able to participate in any meeting of the Board by way of telephonic communication or electronic communication shall be deemed to be present in person at such meeting and shall be entitled to vote and count in the quorum accordingly. Such meeting of the Board shall be deemed to take place where the largest number of those participating is assembled, or, failing that where the Chairman of the Board meeting then is.
- 92 Voting Questions arising at any meeting of the Directors 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.
- 93 Declaration of Interests A Director who is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with the Company shall declare the nature of his interest in accordance with the provisions of the Statutes. The failure to notify such interest shall not invalidate the proceedings or any resolution passed if, disregarding the vote of such Director and taking into account in the case of a resultant equality of votes the second or casting vote of the Chairman of the meeting (and so that if the Chairman did not in fact exercise his casting vote, he be deemed to have cast it the same way as he cast his first vote as a Director) the resolution would in any event have been passed.
- 94 1 Conflicts of Interest Save as herein otherwise provided, a Director shall not vote upon any resolution of the Directors concerning his own appointment as the holder of any office or place of profit with the Company or any other company in

which the Company is interested (including the arrangement or variation of the terms thereof or the termination thereof) nor shall he vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest other than through his holding of shares, debentures or other securities of the Company or otherwise through the Company (and if he shall do so his vote shall not be counted) nor shall he be counted for the purpose of any resolution regarding the same in the quorum present at the meeting, but (subject to the provisions of the Statutes and to his not having some other material interest) this Article shall not apply to any of the following matters, namely

- (a) Any arrangement for giving to him any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or any of its subsidiary undertakings,
- (b) Any arrangement for the giving by the Company or any of its subsidiaries of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security,
- (c) Any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase by Members or any holders of any securities of the Company or by the public or any section of the public in which offer he is or is to be interested as a subscriber or as a participant in the underwriting or sub-underwriting thereof,
- (d) Any proposal concerning any other company in which he is interested directly or indirectly and whether as an officer or shareholder or otherwise howsoever, Provided That he is not interested in one percent or more of the equity share capital of such company within the meaning of Article 94 3,
- (e) Any such scheme or fund as is referred to in Article 78 which relates both to Directors and to employees or a class of employees and does not accord to any Director as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates,
- (f) Any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme which provides for persons employed by the Company and its subsidiary undertakings (including Directors holding executive positions with the Company or any of its subsidiary undertakings) to acquire shares in the capital of the Company and does not accord to any Director as such any privilege or advantage not generally accorded to other participating employees,
- (g) Any proposal concerning any insurance in respect or for the benefit of any person or persons who is or are or include Directors of the Company, being insurance of the kind referred to in Article 151 or any other insurance which the Company has power to arrange and maintain,
- (h) Any other proposal for the benefit of employees of the Company or any subsidiary of the Company under which a Director benefits in a similar

manner as the employees and which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such proposal relates.

- 94 2 Specific Relaxation of Voting Restrictions The provisions of this Article may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, and any particular contract, arrangement or transaction carried out in contravention of this Article may be ratified by Ordinary Resolution of the Company
- 94 3 Interests in One Per Cent Shareholdings A company shall be deemed to be a company in which a Director is interested in one percent or more of its equity share capital if and so long as (but only if and so long as) the Director together with any persons connected with him within the meaning of the Statutes (a "connected person") is (either directly or indirectly) the holder of or beneficially interested in one percent or more of any class of the equity share capital of such company or of the voting rights available to Members of such company For the purpose of this paragraph there shall be disregarded any shares held by a Director or connected person as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the interest of the Director or connected person is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or connected person is interested only as a unit holder
- 94 4 Decisions upon Director's Material Interest If any question shall arise at any time 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 and his ruling in relation to any other Director shall be final and conclusive unless the nature or extent of the interests of such Director has not been fairly disclosed If any such question shall arise in respect of the chairman of the meeting, it shall be decided by resolution of the Board (for which purpose the chairman shall neither be counted in the quorum nor vote) and such resolution shall be final and conclusive unless the nature or extent of the interests of the chairman have not been fairly disclosed
- 95 Resolutions on Appointments Where proposals are under consideration concerning the appointment (including the arrangement or variation of the terms of appointment or its termination) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under the provisions of Article 94 1) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (including the arrangement or variation of the terms thereof or the termination thereof)
- 96 Election of Officers The Directors may from time to time elect a Chairman and Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office

- 97 Chairman of Meetings Subject as otherwise stated in this Article, the Chairman shall be the chairman of any meeting of the Directors. If there is for the time being no Chairman holding that office, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Deputy Chairman (or if there be more than one Deputy Chairman in office, the one of those present who has the longest continuous period of holding that office or if they be equal in that respect the one appointed to act as chairman by the Directors) shall be the chairman of the meeting. If for the time being there is neither a Chairman nor a Deputy Chairman holding that office, or if at any meeting neither be present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be the chairman of the meeting.
- 98 Written Resolutions A resolution in writing signed or approved by letter, telex, facsimile transmission or other means of telecommunication in writing by all the Directors for the time being entitled to receive notice of a meeting of the Directors (provided their number is sufficient to constitute a quorum) or by all the members of a committee for the time being, shall be as effective as a resolution passed at a meeting of the Directors or (as the case may be) of a committee duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors. Provided That where a Director has appointed an Alternate Director but is not himself in the United Kingdom, or is temporarily unable to act through ill health or disability, the signature of such Alternate Director (if in the United Kingdom) shall be required and shall suffice.
- 99 Telephonic Meetings Any Director may participate in a meeting of Directors or Committee of Directors by means of a conference telephone or similar communications equipment whereby all persons participating in a meeting can hear and be heard by each other. Participation in any such meeting in this way shall be deemed to constitute presence in person at the said meeting and the place of the meeting shall be deemed to be that place where the largest number of directors are present or if none such place as agreed by the meeting.
- 100 Defect in Form All acts done by any meeting of Directors or of a committee of Directors or by any person acting as a Director or as a member of any 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 such Director or person acting as aforesaid, or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

COMMITTEES

- 101 1 Delegation to Committees The Directors may delegate any of their powers (including those relating to the determination of the remuneration of Directors, Associate Directors or Alternate Directors) to committees consisting of such member or members of their body and such (if any) other persons as they think fit save that such other persons shall at all times comprise less than one half of

such committee and no resolution of any meeting of any such committee shall be effective unless a majority of members of such committee present at the meeting at the time that the resolution was put to the vote are Directors. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed by the Directors.

- 101 2 Regulation of Committee Proceedings The meetings and proceedings of any such committee consisting of two or more Directors shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

DIVISIONS, LOCAL BOARDS AND REGIONS

- 102 1 Establishment The Directors may establish any Local Boards or Agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such Local Boards or any Managers or Agents and may fix their remuneration and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise members of any Local Boards or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit and the Directors may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
- 102 2 Divisions The Directors may from time to time provide for the management and carrying on of the business and the affairs of the Company in Divisions whether at home or abroad, in such manner as they think fit, and the particular provisions contained in this Article shall be without prejudice to this general power.
- 102 3 Divisional Boards The Directors from time to time and at any time may establish any Divisional Board for managing and carrying on the business and the affairs of any division of the Company and may appoint any persons to be members of such Divisional Board and may fix their remuneration. Any person so appointed shall be known as a Divisional Director. The Directors from time to time and at any time may delegate to any person or persons so appointed any of the powers, authorities and discretions for the time being vested in the Directors so far as the same relate to the business and the affairs of that Division and may authorise the members for the time being of any Divisional Board or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation. A Divisional Director need not be a member of the Board of Directors of the Company or of any committee of Directors of the Company and, if not a member thereof, shall not be deemed to be a Director of the Company by virtue of his appointment nor shall he be entitled to be present at any meeting of the Board of Directors or of any such committee, except at the request of the Board of Directors or of such committee, nor shall he be entitled to receive notice of any such meeting and, if present at such request, he shall not be entitled to vote thereat.

- 102 4 Local Divisional Directors The Directors may at any time and from time to time appoint any person to advise and assist any Divisional Board Any person so appointed shall be known as a Local Divisional Director but he shall not be a member of the Divisional Board The Directors shall determine the period of his appointment, the powers and duties to be exercisable or undertaken by him and the amount or manner of his remuneration

ASSOCIATE DIRECTORS

- 103 1 Appointment The Directors may at any time and from time to time appoint any person or persons to the office of an associate director bearing such qualified title including the word 'director' (with or without the word 'associate') as the Directors shall think fit
- 103 2 Status Any person so appointed as an associate director shall not be a Director of the Company and shall not have power by virtue of this appointment to exercise any of the rights or powers of a Director of the Company, save only as may from time to time be specifically delegated to him by the Directors
- 103 3 Term of Office Any person appointed as an associate director shall hold that office for so long as the Directors think fit and regardless of any provision in any contract between him and the Company may be removed from such office by resolution of the Directors and as otherwise provided by the terms of his appointment
- 103 4 Delegation of Powers The Directors may from time to time delegate to any person appointed an associate director such powers, duties and responsibilities as they shall think fit but such associate director shall exercise the same in all respects subject to and in accordance with the directions of the Directors
- 103 5 Meetings An associate director shall not be entitled to attend, speak or vote at any meeting of the Directors save at the express invitation of the Directors, but if invited to attend, shall be entitled to speak but not to vote upon any matter under discussion at the meeting so attended Any associate director present at a meeting of the Directors shall not be counted in the quorum of Directors required for such meeting
- 103 6 Remuneration An associate director shall not be entitled to any remuneration or other benefits in connection with his appointment save only any which may be specifically agreed between the Directors and the appointee

BORROWING POWERS

- 104 1 General Power Subject as hereinafter provided and to the provisions of the Statutes, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party

104 2 Restrictions on Power The Directors 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 its subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Directors can secure) that the aggregate of the amounts at any time remaining undischarged of all monies borrowed by the Group (which expression in this Article means and includes the Company and its subsidiaries at the relevant time) and then owing to persons outside the Group less the Cash Deposits of the Group shall not without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to four times Adjusted Capital and Reserves

104 3 "Borrowings" For the purposes of this Article

104 3 1 The expression "borrowings" shall be deemed to include the following except in so far as otherwise taken into account

- (a) the principal amount for the time being owing in respect of any debenture within the meaning of section 738 of the Companies Act 2006,
- (b) the principal amount raised by the Company or a subsidiary undertaking by acceptances under any acceptance credit opened on its behalf by any bank or accepting house, not being acceptances in relation to the purchase or sale of goods in the ordinary course of trading,
- (c) the nominal amount of any issued share capital and the principal amount of any monies borrowed, the redemption or repayment of which is guaranteed or secured by the Company or a subsidiary and the beneficial interest in which is not owned by the Company or a subsidiary undertaking,
- (d) the nominal amount of any issued share capital (not being equity share capital) of a subsidiary undertaking owned otherwise than by the Company or a subsidiary,
- (e) any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing, and
- (f) any amounts payable under the terms of any finance leases or hire purchase agreements

but shall not include

- (i) the proportion of the total monies borrowed by a partly-owned subsidiary undertaking (otherwise than from the Company or another subsidiary undertaking) which corresponds to the proportion of the shares (as defined in section 1161 of the Companies Act 2006) in that subsidiary undertaking not attributable directly or indirectly to the Company but only to the extent that such proportion exceeds any monies borrowed from such subsidiary undertaking by the Company or another subsidiary undertaking, or

- (ii) amounts borrowed for the purpose of repaying the whole or any part of any monies borrowed by the Company or a subsidiary undertaking (other than from a subsidiary undertaking of the Company and other than monies falling within Article 104 5) for the time being outstanding (including any fixed or minimum premium payable on final repayment) and intended to be applied for that purpose within six months of the borrowing thereof (pending their being so applied), or
- (iii) monies borrowed from bankers or others for the purpose of financing any contract in respect of which any part of the price receivable is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade, or any institution in the opinion of the Directors carrying on similar business, to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured, or
- (iv) amounts borrowed or raised which are for the time being deposited with H M Customs and Excise or any other body designated by any relevant legislation or order in connection with import deposits or any similar governmental scheme to the extent that the Company or any of its subsidiary undertakings retains its interest therein; or
- (v) amounts borrowed on terms that the lender has limited its right of recourse to certain existing or future assets to the extent that such borrowings exceed the value at which such assets are entered in the consolidated balance sheet of the Company and its subsidiary undertakings

104 3 2 An undertaking is a subsidiary undertaking if it is or would be included in the consolidation of the Company's accounts pursuant to section 405 of the Companies Act 2006

104 4 "Cash Deposits" For the purposes of this Article "Cash Deposits" means an amount equal to the aggregate for the time being outstanding of all cash with banks (not being the Company or any subsidiary of the Company), certificates of deposit and securities of governments and companies and similar instruments owned by the Company and/or any subsidiary undertaking of the Company, but excluding a proportion of the total amount for the time being outstanding of cash deposits and certificates of deposit and securities of governments or companies and similar instruments owned by any partly owned subsidiary undertaking, such proportion being that which the issued ordinary share capital of such partly owned subsidiary undertaking which is not for the time being beneficially owned directly or indirectly by the Company bears to the whole of its issued Ordinary Share capital

104 5 Adjusted Capital and Reserves For the purposes of this Article

- (a) "Group" means the Company and its subsidiary undertakings for the time being,

- (b) "relevant balance sheet" means the most recent audited consolidated balance sheet of the Group at the relevant time, and
- (c) "Adjusted Capital and Reserves" means a sum equal to the aggregate, as shown by the relevant balance sheet, of the amount paid up or credited or deemed to be paid up on the issued or allotted share capital of the Company and the amount standing to the credit of the reserves (including, without limitation, the profit and loss account and any share premium account or capital redemption reserve) of the Company and its subsidiary undertakings included in the consolidation in the relevant balance sheet but after
- (i) making such adjustment as may be appropriate to reflect the profit or loss of the Company since the relevant balance sheet,
 - (ii) excluding any amount set aside for taxation (including any deferred taxation) or any amounts attributable to outside shareholders in subsidiary undertakings of the Company,
 - (iii) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital and or any reserves (other than the profit and loss account) after the date of the relevant balance sheet. For this purpose, if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription monies paid for them (other than money to be paid more than six months after the allotment date) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional),
 - (iv) making such adjustments as may be appropriate in respect of any distribution declared, recommended, made or paid by the Company or its subsidiary undertakings (to the extent not attributable directly or indirectly to the Company) out of profits earned up to and including the date of the relevant balance sheet to the extent such distribution is not provided for in such balance sheet,
 - (v) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiary undertakings (including a variation where an undertaking ceases to be a subsidiary undertaking) since the date of the relevant balance sheet, and
 - (vi) making such adjustments as the auditors of the Company may consider appropriate "

104 6 Currency Positions When the aggregate amount of borrowings required to be taken into account for the purposes of this Article on any particular day is to be ascertained, any such borrowings denominated or repayable in a currency other than sterling shall be converted for the purposes of calculating the sterling equivalent either

- 104 6 1 at the rate of exchange prevailing on that day in London Provided That any of such borrowings shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate at the close of business as quoted to the Company by such London clearing bank as it may choose), or
- 104 6 2 at the rate of exchange specified in a forward purchase contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in rates of exchange in respect of repayment of those moneys (a "hedging agreement"), or
- 104 6 3 if repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of
- 104 6 3 1 the rate of exchange used for the conversion of that currency in the relevant balance sheet, or
- 104 6 3 2 if no rate was used, the middle-market rate of exchange quoted by such bank in the City of London as the Directors shall select at the close of business in London on the date of the relevant balance sheet, or
- 104 6 3 3 if it would result in a lower figure the middle-market rate of exchange quoted by a bank so selected at the close of business in London on the business day immediately preceding the day on which the calculation falls to be made
- 104 7 Acquisitions If immediately after and as a result only of the acquisition by the Company or any subsidiary undertaking of immovable property subject to a mortgage or charge, or of a subsidiary with borrowings outstanding at the date of acquisition, the aggregate principal amount to be taken into account above exceeds the limit imposed by this Article, such acquisition shall not constitute a breach thereof if within twelve months of the acquisition the aggregate nominal or principal amount to be taken into account as aforesaid is reduced to an amount not exceeding such limit
- 104 8 Temporary Excess If, upon the publication of a new audited consolidated balance sheet of the Company and its subsidiary undertakings, it appears that the limit on borrowings has thereby been exceeded, an amount borrowed equal to the excess may be disregarded until the expiry of one hundred and eighty days following the date of such publication
- 104 9 Auditors Certificate A certificate or report by the Auditors as to the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this Article
- 104 10 Third Parties No person dealing with the Company or any of its subsidiary undertakings shall by reason of the foregoing provision be concerned to see or enquire whether this limit is observed and no debt incurred or security given in

excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or the security given express notice that the limit hereby imposed had been or would thereby be exceeded

GENERAL POWERS OF DIRECTORS

- 105 General Authority The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations (being not inconsistent with the aforesaid regulations or provisions) as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article
- 106 Provision for Employees The Directors may by resolution exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

APPOINTMENT OF ATTORNEYS

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

OVERSEAS SHARE REGISTERS

- 108 Subject to and to the extent permitted by the Statutes, the Company or the Directors on behalf of the Company may cause to be kept an overseas or local register wherever the Directors think expedient and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register

NEGOTIABLE INSTRUMENTS

- 109 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall from time to time by resolution determine

SECRETARY

- 110 Appointment, Terms and Removal Subject to the provisions of the Statutes, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company
- 111 Joint and Assistant Secretaries The Directors may appoint more than one person to act as Joint Secretaries and may appoint any person or persons to act as Assistant Secretary Any person so appointed may exercise such of the powers of the Secretary as may be conferred upon him in his appointment

SEALS AND EXECUTION OF DOCUMENTS

- 112 1 Power to Have Seal The Company may exercise the powers conferred by the Statutes with regard to having official seals and such powers shall be vested in the Directors
- 112 2 Use of Seal The Directors shall provide for the safe custody of the Seal and any official seal, which shall be used only by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf and, subject as otherwise provided by these Articles, every instrument to which any seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose The Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature
- 112 3 Execution of Documents To the extent permitted by the Statutes, any document signed by a Director and the Secretary of the Company, or by two of the Directors and expressed (in whatever form of words) to be executed by the Company, shall have the same effect as if executed under the Seal Provided That any document which makes it clear on its face that it is intended to be a deed shall be so signed without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf

DOCUMENTS

- 113 Power to Authenticate Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books,

records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid

- 114 Certified Minutes A document purporting to be a copy of a resolution of Members or of the Directors or an extract from the minutes of a meeting of Members or the Directors which is certified as such in accordance with the provisions of the last preceding Article, shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors

- 115 Destruction of Documents The Company may destroy

- (a) any share certificate which has been cancelled, at any time after the expiry of one year from the date of such cancellation,
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address, at any time after the expiry of two years from the date such mandate, variation cancellation or notification was recorded by the Company,
- (c) any instrument of transfer of shares which has been registered, at any time after the expiry of six years from the date of registration, and
- (d) any other document on the basis of which any entry in the Company's register of members is made, at any time after the expiry of six years from the date an entry in the Company's register of members was first made in respect of it,

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company Provided always that

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim,
- (ii) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled, and
- (iii) references in this Article to the destruction of any document include references to its disposal in any manner

RESERVES

- 116 Establishment and Application The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

DIVIDENDS

- 117 1 Declaration. Subject to the provisions of the Statutes, the Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be declared or paid except out of the profits of the Company or in excess of the amount recommended by the Directors.
- 117 2 Fixed and Interim Dividends Subject to the provisions of the Statutes and if and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends of such amounts and on such dates and in respect of such periods as they think fit.
- 118 1 Entitlement and Apportionment Unless and to the extent that the special rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall 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, save that if any share is issued on terms providing that it shall rank for dividend in whole or in part as from a particular date, such share shall rank for dividend accordingly.
- 118 2 Record Date The Company or the Directors may determine any date as the record date for any dividend, distribution, allotment or issue whether it is before or after the date upon which the same is declared made or paid.
- 119 Pre-acquisition Profits Subject to the provisions of the Statutes, where any asset, business or property is acquired by the Company as from a past date (whether before or after incorporation of the Company) upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses, at the discretion of the Directors may be carried to revenue account, in whole or in part, and treated for all purposes as profits or losses of

the Company Subject as aforesaid, if any shares or securities are purchased cum dividend or interest such dividend or interest may at the discretion of the Directors be treated as revenue and it shall not be obligatory to capitalise the same or any part thereof

- 120 Share Premium Account If the Company shall issue shares at a premium, whether for cash or otherwise, the Directors shall, subject to the provisions of the Statutes, transfer a sum equal to the aggregate amount or value of the premiums to an account to be called "Share Premium Account" and any amount for the time being standing to the credit of such account shall not be applied in the payment of dividends
- 121 No Interest Payable No dividend or other monies payable on or in respect of a share shall bear interest as against the Company
- 122 1 Deduction of Calls The Directors may deduct from any dividend or other monies payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company
- 122 2 Exercise of Lien The Directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists
- 123 Disfranchised Shares The Directors may cause to be withheld any dividends otherwise payable in respect of any shares which are for the time being the subject of a direction pursuant to paragraph (1) of Article 65 2
- 124 Shares Subject to Transmission The Directors may retain the dividends payable upon shares in respect of which any person is entitled to become a Member under the provisions as to the transmission of shares hereinbefore contained, 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
- 125 1 Unclaimed Dividends The payment into a separate account by the Directors of any unclaimed dividend or other monies payable on or in respect of a share shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company
- 125 2 Power to Withhold If on two consecutive occasions a cheque or warrant for a dividend payable to a Member is returned undelivered or remains uncashed, the Directors may cause any further dividends upon shares held by that Member to be withheld until they receive notice from that Member of an address to which payment may be sent

- 126 Dividend Waivers The waiver in whole or in part of any dividend or any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company
- 127 1 Dividends in Specie The Company, upon the recommendation of the Directors, may by Ordinary Resolution direct or offer payment of a dividend or a series of dividends in respect of a specified period in whole or in part by the issue or distribution of specific assets (and in particular of paid-up shares or debentures of any other company) or in any one or more of such ways and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors
- 127 2 Scrip Dividends The Directors may, with the sanction of an Ordinary Resolution of the Company, offer the holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, in whole or in part instead of cash in respect of such dividend or dividends or parts thereof as are specified by such resolution ("the foregone dividend rights") and the following provisions shall apply
- (a) the said resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period, ending not later than the beginning of the Annual General Meeting next following the date of the meeting at which such resolution is passed,
 - (b) the entitlement of each member to Ordinary Shares so offered shall be so that the aggregate value thereof shall be as nearly as possible equal to (but not in excess of) the cash amount of his foregone dividend rights. For this purpose the value of the entitlement shall be calculated by reference to the average of the middle market quotations for Ordinary Shares on The London Stock Exchange as derived from the Daily Official List, on the day when the Ordinary Shares are first quoted "ex" the foregone dividend rights and the four subsequent dealing days,
 - (c) the basis of allotment shall be such that no member may receive a fraction of a share,
 - (d) the Directors, after determining the basis of allotment, shall notify the holders of Ordinary Shares in writing of the right of election offered to them and shall send with, or following, such notification forms of election and specify the procedure to be followed and place at which, and the latest time by which, duly completed forms of election must be lodged in order to be effective,
 - (e) the foregone dividend rights shall not be payable in respect of ordinary shares in respect of which the election has been duly made ("the elected

Ordinary Shares") and instead thereof additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Directors shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Directors may determine, a sum equal to the aggregate nominal amount of the additional ordinary Shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued Ordinary Shares for allotment and issue to the holders of the elected Ordinary Shares on such basis,

- (f) the additional Ordinary Shares so allotted shall rank *pari passu* in all respects with the fully paid Ordinary Shares then in issue save only as regards the foregone dividend rights

128 1 Manner of Payment Any dividend or other monies payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such person or persons or to such person at such address as such member or person or persons may by writing direct or by bank or other funds transfer system as the Directors may consider appropriate. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct, and payment of the cheque shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the monies represented thereby

128 2 Returned Cheques or Warrants Notwithstanding the provisions of Article 128 or any direction given to the Company pursuant thereto, the Company may stop sending dividend cheques or warrants by post in relation to a share if

- (a) dividend cheques or warrants have been sent by post and returned undelivered or left uncashed for a period of at least six months on two consecutive occasions, or
- (b) a dividend cheque or warrant has been sent by post to the registered address of the member or other person entitled to the dividend on that share and returned undelivered or left uncashed for a period of at least six months and thereafter reasonable enquiries have failed to establish any new address of such member or person

If the Company exercises the right conferred upon it by the foregoing provisions of this Article, it shall not be required to use any other method of paying dividends on the share in question but, subject to the provisions of these Articles, shall recommence sending cheques or warrants (or using another method of payment) in respect of dividends on that share if the member or other person entitled to the dividend claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way

- 129 Joint Holders If two or more persons are registered as joint holders of any share or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other monies payable on or in respect of the share

CAPITALISATION OF PROFITS AND RESERVES

- 130 Power of Capitalisation The Company, upon the recommendation of the Directors, may from time to time by Ordinary Resolution resolve that it is desirable to capitalise any sum standing to the credit of any of the Company's reserve accounts (including Share Premium Account and Capital Redemption Reserve) or any sum standing to the credit of profit and loss account or otherwise available for distribution and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised to the Members or any class of Members who would be entitled thereto if distributed by way of dividend and in the same proportions and to 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 such Members respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid or partly in one way and partly in the other Provided That the Share Premium Account and Capital Redemption Reserve may be applied hereunder only in the paying up of unissued shares to be issued to Members as fully paid
- 131 Implementation by Directors The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned or whereby fractional entitlements are retained and accumulated on behalf of any holder of Ordinary Shares and such retained entitlements are applied in the allotment of fully paid Ordinary Shares by way of bonus to such member or cash subscription of fully paid Ordinary Shares on such member's behalf) The Directors may authorise any person to enter into an agreement with the Company on behalf of all the members interested providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned

MINUTES AND BOOKS

- 132 Minutes of Proceedings The Directors shall cause minutes to be made in books to be provided for the purpose
- (a) Of all appointments of officers made by the Directors
 - (b) Of the names of the Directors present at each meeting of Directors and of any committee of Directors

- (c) Of all resolutions and proceedings at all meetings of the Company and of any class of Members of the Company and of the Directors and of Committees of Directors

- 133 **Statutory Registers** The Directors shall duly comply with the provisions of the Statutes in regard to keeping a Register of Members, a Register of Directors and Secretaries, a Register of Directors' Interests, a Register of Debenture Holders, a Register of Mortgages and Charges and a Register of interests in the voting shares of the Company and in regard to the production and furnishing of copies of such registers of the Company.
- 134 **Form of Records** Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept by making entries in bound books or by making entries in computer software, or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

ACCOUNTS

- 135 **Books of Account** The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Statutes. The books of account shall be kept at the Office or at such other place within Great Britain as the Directors think fit and shall always be open to the inspection of the Directors. No Member (other than a Director) shall have any right of inspecting any book of account or document of the Company except as conferred by law or authorised by the Directors.
- 136 **Preparation and Submission of Accounts** The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.
- 137 **Summary Financial Statements** Subject to compliance with the provisions of Section 251 of the Act (as amended by the Companies Act 1989) and of any relevant regulations made by the Secretary of State, the Directors may send summary financial statements to Members instead of the documents referred to in Section 238(1) of the Act.
- 138 **Despatch of Accounts** A copy of the summary financial statement, or, if the Directors do not send or are not permitted to send to Members summary financial statements, then a printed copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) together with a copy of every report of the Auditors relating thereto and of the Directors' report shall, not less than twenty-one days before the date of the meeting, be sent to every Member and every debenture holder of the Company and to every other person who is entitled to receive notices from the Company.

under the provisions of the Statutes or of these Articles Provided That this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of any joint holders, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office

- 139 Information on Investments Save as may be necessary for complying with the provisions of the Statutes or as the Company may by Extraordinary Resolution otherwise resolve, the Directors shall not be bound to publish any list or particulars of the securities or investments held by the Company or to give any information with reference to the same to any Member

AUDITORS

140. Appointment and Duties Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes
- 141 Defective Appointment 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 become disqualified
- 142 General Meetings The Auditors shall be entitled to attend any General Meeting and to receive 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 him as Auditor

NOTICES

- 143 Manner and Time of Service Any notice or document may be served by the Company on any Member either personally by electronic communication to an address for the time being notified to the Company by the Member for the purpose of receiving electronic communications or by sending it through the post in a prepaid letter addressed to such Member at his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices Where a notice or other document is served in an electronic communication, service shall be deemed to be effected at the expiration of 48 hours after the time it was sent Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators from time to time shall be conclusive evidence that the notice was given An electronic communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements In the case of a notice served by first class post, service shall be deemed to be effected twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the letter containing the same is posted (save that, if the foregoing provisions of this sentence would otherwise

result in a notice or other document being deemed to have been served on a Sunday or a Bank Holiday (as defined in the Act), such service shall be deemed to be effected at 9 00am on the next following day which is not a Sunday or a Bank Holiday) and in proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered at the time when it is so delivered or left.

- 144 Joint Holdings In respect of joint holdings, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be sufficient notice to all the joint Members.
- 145 Death or Bankruptcy A person entitled to a share in consequence of the death or bankruptcy of a Member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the Member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder.
- 146 Absence of U K Address A Member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.
- 147 Postal Notice of Meeting If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least two leading national daily newspapers with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
- 148 Overriding 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.

WINDING-UP

- 149 If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may with the like authority vest 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 and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is liability. The Liquidator may make any provision or arrangement sanctioned by the Court.

INDEMNITY

- 150 Indemnity Subject to the provisions of the Statutes, every Director, Alternate Director, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution, discharge or exercise of his duties or powers or otherwise in relation to his duties, powers, office or employment including without limitation any liability incurred by him in defending any proceedings (whether civil or criminal) relating to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or he is acquitted or the proceedings in which are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court.
- 151 Liability Insurance Subject to the provisions of the Statutes, the Directors shall have power to effect and maintain insurance for or in respect of or for the benefit of any person or persons who hold or at any time held office as a director, secretary or auditor of, or is or was employed by, the Company or any other company which is its holding company or in which the Company or any such holding company or any predecessor of the Company or any such holding company has any direct or indirect interest or which is in any way associated with the Company or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company are interested, including without limitation insurance against any liability which any such person might incur by reason of their holding any such office, employment or position or of any act or omission in the actual or purported execution, discharge or exercise of any of their duties or powers.

SECRECY

- 152 Secrecy No member or general meeting or other meeting of members shall be entitled to require discovery of or any information respecting any detail of the

Company's trading or the trading of any of its subsidiaries or any matter that is or may be in the nature of a trade secret or secret process, or that may relate to the conduct of the business of the Company or any of its subsidiaries which in the opinion of the Board it would be inexpedient in the interests of the Company to communicate to the public

RIGHTS ATTACHED TO THE PREFERENCE SHARES

- 153 The special rights attaching to the Preference Shares shall be as follows -
- 153 1 The Preference Shares shall carry the right in priority to each other class of shares in the capital of the Company to be paid a fixed cumulative preference dividend of 5% per annum ("the Fixed Dividend") payable half yearly on 30 June and 31 December, the first such Fixed Dividend to be payable on 30 June 2004 in respect of the period from the date of issue to such date
- 153 2 No dividend shall be declared or paid to the holders of any other class of shares or any other class of shares redeemed unless and until all the accrued entitlement to the Fixed Dividend has been paid
- 153 3 On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied first in paying to the holders of the Preference Shares the sum equal to the unpaid arrears or accruals of the Fixed Dividend (whether or not earned or declared or due or payable) calculated down to the date of such payment and the amount paid upon each Preference Share
- 153 4 Subject to the provisions of the Act, all (but not some only) of the Preference Shares shall be redeemed on or (save as provided in paragraph 153 5 below) at the Company's election before, 31 December 2005
- 153 5 Subject as aforesaid all (but not some only) of the Preference Shares shall (unless the holders of 75% majority of the Preference Shares give notice in writing to the Company to the contrary) be redeemed immediately upon the first of the following dates -
- (a) the date of admission of the share capital of the Company to trading on the Alternative Investment Market and the London Stock Exchange,
 - (b) the date upon which a Sale is completed or takes effect or becomes unconditional in all respects
- 153 6 On the dates fixed for any redemption the Company shall pay (or procure that a third party pays an equal amount) to each registered holder of Preference Shares the sum equal to any unpaid arrears or accruals of the Fixed Dividend (whether or not earned or declared or due or payable) calculated down to the date of redemption together with the amount paid upon each Preference Share and upon receipt of that amount each such holder shall surrender to the Company the certificate for his shares which are to be redeemed in order that they may be cancelled provided that if any certificate so surrendered includes any shares not redeemable at that time the Company shall issue a fresh certificate for the balance of the shares not redeemed to the holder

- 153 7 The holders of the Preference Shares shall be entitled to notice of and to attend any General Meetings of the Company but shall not entitle the holder to vote upon any resolution other than a resolution for winding up the Company or reducing its share capital or a resolution directly or adversely varying or abrogating any of the special rights attached to such Preference Shares

DEFERRED SHARES

- 154 The rights attaching to the Deferred shares of 4 pence each (each a "Deferred Share") shall be as follows:
- i) the Deferred Shares shall confer no right to participate in the profits of the Company,
 - ii) on a winding-up or a return of capital, the assets of the Company available for distribution following the distribution of assets shall be applied in paying to the holders of the Deferred Shares the nominal capital paid up or credited as paid up on such Deferred Shares only after paying to the holders of the ordinary shares the nominal capital paid up or credited as paid up on the ordinary shares held by them respectively, together with the sum of £10,000,000 on each ordinary share,
 - iii) the holders of the Deferred Shares shall not be entitled to any further right of participation in the assets of the Company,
 - iv) the holders of the Deferred Shares shall not be entitled to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting,
 - v) the Deferred Shares shall not be listed on any stock exchange nor shall any share certificate be issued in respect of such shares. The Deferred Shares shall not be transferable except in accordance with Article 154 (viii)(b) below or with the written consent of the Board,
 - vi) the Company may from time to time create, allot and issue further shares, whether ranking par passu with or in priority to the Deferred Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the Deferred Shares) shall be treated as being in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Deferred Shares,
 - vii) the reduction by the Company of the capital paid up on the Deferred Shares and the cancellation of such shares shall be in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital (subject to the confirmation of the court in accordance with the 2006 Act) without obtaining the consent of the holders of the Deferred Shares,
 - viii) the Company has the irrevocable authority at any time to do all or any of the following without obtaining the sanction of the holder or holders of the Deferred Shares

- (a) to appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any part thereof and/or an agreement to transfer the same (without making any payment therefor) to such person as the directors may determine (whether or not an officer of the Company) and who is willing to accept the same,
- (b) to purchase all or any of the Deferred Shares in accordance with the 2006 Act without obtaining the consent of the holders thereof and in consideration of the payment to each of the holders whose shares are purchased of an amount equal to one penny in respect of all the Deferred Shares then being purchased by the Company,
- (c) for the purposes of any such purchase under Article 154 (viii)(b) above, to appoint any person to execute, as his or its attorney and agent, on behalf of any holder of Deferred Shares a contract for the sale to the Company of any such Deferred Shares held by him or it, and
- (d) to cancel all or any of the same so purchased under Article 154 (viii)(b) above in accordance with the 2006 Act