

**FONEBAK PLC**  
("Company")

**THE COMPANIES ACTS 1985 AND 1989**

**PUBLIC COMPANY LIMITED BY SHARES**

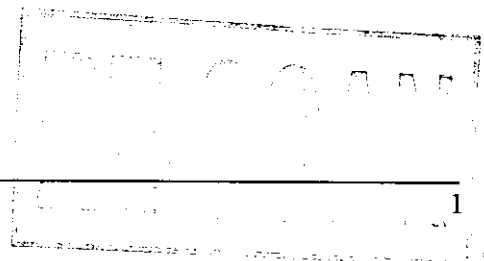
**WRITTEN RESOLUTIONS (NUMBER 1 OF 2)**

We, the undersigned, being all the members of the Company who at the date of these resolutions are entitled to attend and vote at a general meeting of the Company, **HEREBY RESOLVE**, in accordance with Regulation 53 of Table A of the schedule to the Companies (Tables A-F) Regulations 1985 and the articles of association of the Company, to pass the following as written resolutions and agree that the same shall have effect as if passed as ordinary resolutions at a general meeting of the Company duly convened and held.

**WRITTEN RESOLUTIONS**

1. **That** the authorised share capital of the Company be increased from £72,000 to £800,000 by the creation of 591,791 A Ordinary Shares of £0.02 each in the capital of the Company and 35,808,209 Ordinary Shares of £0.02 each in the capital of the Company ranking pari passu in all respects with the existing A Ordinary Shares and Ordinary Shares of £0.02 each in the capital of the Company in issue.
2. **That** pursuant to section 80 of the Companies Act 1985 ("Act"), the directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of section 80 of the Act) up to a maximum amount of £233,099.90 provided that (unless previously revoked, varied or renewed) this authority shall expire on 30 April 2005, save that the Company may make an offer or agreement before such expiry which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to any such offer or agreement as if the authority conferred by this resolution had not expired.
3. **That** the articles of association of the Company be amended by the addition of an additional article to be numbered 9.5 as follows: "The foregoing provisions of this article 9 will not apply to any shares which the Company proposes to issue and allot by way of bonus issue or other capitalisation of reserves."

18.04.05 - 689



4. **That** the sum of £233,099.90 being part of the amount standing to the credit of the share premium account of the Company be capitalised and the directors be authorised and directed to appropriate such sum for distribution to the holders of the issued shares of £0.02 each in the capital of the Company on the register at the date of this resolution as if the A Ordinary Shares and the Ordinary Shares constituted a single class, and to apply it in paying up in full 11,654,995 shares of £0.02 each in the capital of the Company at present unissued but to be allotted and issued credited as fully paid up at par to and amongst the existing holders of Ordinary Shares and A Ordinary Shares in the proportion of 3.2877291961 new Ordinary Shares for every 1 Ordinary Share held and 3.2877291961 new A Ordinary Shares for every 1 A Ordinary Share held and to rank pari passu with the existing issued Ordinary Shares or A Ordinary Shares (as the case may be) provided that fractional entitlements shall be ignored and shareholders shall not be entitled to fractional certificates or to payments in lieu of them. This authority shall expire on 30 April 2005.

Signed by, or by duly authorised representatives on behalf of, all the members of the Company who as at the date of these resolutions would be entitled to attend and vote at a general meeting of the Company had the resolutions been put to such a meeting.

Signed: .....  
Gordon Shields

Dated: 11/3/05

Signed: .....  
Stephen Shields

Dated: 14<sup>th</sup> MARCH 2005

Signed: .....  
Daniel Shields

Dated: 9 March 2005

Signed: .....  
Kathy Woodward

Dated: 8 March 2005

Signed: .....  
Arthur Crocker

Dated: 8 March 2005

Signed: .....  
Dave Challis

Dated: 14/MARCH/2005

Signed: .....  
Gregoire Dumoulin

Dated: 16 March 2005

Signed: .....  
Dominic Wing

Dated: 14<sup>th</sup> March 2005

Signed: .....  
Uberior Investments plc

Dated: .....

4. **That** the sum of £233,099.90 being part of the amount standing to the credit of the share premium account of the Company be capitalised and the directors be authorised and directed to appropriate such sum for distribution to the holders of the issued shares of £0.02 each in the capital of the Company on the register at the date of this resolution as if the A Ordinary Shares and the Ordinary Shares constituted a single class, and to apply it in paying up in full 11,654,995 shares of £0.02 each in the capital of the Company at present unissued but to be allotted and issued credited as fully paid up at par to and amongst the existing holders of Ordinary Shares and A Ordinary Shares in the proportion of 3.2877291961 new Ordinary Shares for every 1 Ordinary Share held and 3.2877291961 new A Ordinary Shares for every 1 A Ordinary Share held and to rank pari passu with the existing issued Ordinary Shares or A Ordinary Shares (as the case may be) provided that fractional entitlements shall be ignored and shareholders shall not be entitled to fractional certificates or to payments in lieu of them. This authority shall expire on 30 April 2005.

Signed by, or by duly authorised representatives on behalf of, all the members of the Company who as at the date of these resolutions would be entitled to attend and vote at a general meeting of the Company had the resolutions been put to such a meeting.

Signed: ..... Dated: .....  
Gordon Shields

Signed: ..... Dated: .....  
Stephen Shields

Signed: ..... Dated: .....  
Daniel Shields

Signed: ..... Dated: .....  
Kathy Woodward

Signed: ..... Dated: .....  
Arthur Crocker

Signed: ..... Dated: .....  
Dave Challis

Signed: ..... Dated: .....  
Gregoire Dumoulin

Signed: ..... Dated: .....  
Dominic Wing

Signed: Mary Jane Brown ..... Dated: 21 March 2005 .....  
Uberior Investments plc UNDER POWER OF  
ATTORNEY

**FONEBAK PLC**  
**("Company")**

**THE COMPANIES ACTS 1985 AND 1989**

**PUBLIC COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS (NUMBER 2 OF 2)**

We, the undersigned, being all the members of the Company who at the date of these resolutions are entitled to attend and vote at a general meeting of the Company, **HEREBY RESOLVE**, in accordance with Regulation 53 of Table A of the schedule to the Companies (Tables A-F) Regulations 1985 and the articles of association of the Company, to pass the following as written resolutions and agree that the same shall have effect as if passed as special resolutions (in the case of resolutions 1, 2 and 4) and as an ordinary resolution (in the case of resolution 3) at a general meeting of the Company duly convened and held.

**WRITTEN RESOLUTIONS**

**That** conditional upon but effective immediately prior to the admission of the entire issued share capital of the Company to trading on the AIM market of the London Stock Exchange plc on or prior to 30 April 2005:

1. the draft regulations attached and initialled by a director for identification purposes be adopted as the new articles of association of the Company to the exclusion of and in substitution for the existing articles of association of the Company;
2. each of the existing issued A Ordinary Shares of £0.02 each in the share capital of the Company be redesignated as one Ordinary Share of £0.02 in the capital of the Company ("**Ordinary Shares**") ranking *pari passu* with the existing Ordinary Shares in the capital of the Company;
3. the directors be generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 ("**Act**") to exercise all the powers of the Company to allot relevant securities (as defined in section 80 of the Act) up to an aggregate nominal value of £127,999.95 provided that such authority shall (unless and to the extent previously revoked, varied or renewed by the Company in general meeting) expire 15 months from the date of this

resolution or at the date of the next AGM if earlier, and provided that such authority shall allow the Company to make an offer or enter into an agreement before the expiry of such authority which would or might require relevant securities to be allotted after the expiry of such authority, and the directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred by the resolution had not expired;

4. the directors be given power pursuant to Section 95 of the Act (with the power expiring at the same time as the Section 80 authority referred to in resolution 3 above to allot equity securities (as defined in the Act) for cash as if Section 89(1) of the Act did not apply to any such allotment, such power being limited to:

- 4.1 the allotment of equity securities up to a maximum amount of £80,000 in connection with the issue and allotment of 4,000,000 new shares to investors by way of a placing (the "**Placing**");

- 4.2 the allotment of equity securities to holders of shares in the capital of the Company by way of rights issue or other pro rata offer where the equity securities respectively attributable to the interests of such holders are proportionate (as nearly as may be practicable) to the respective numbers of shares of the same class in the capital of the Company held by them, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with any fractional entitlements or any legal or practical problems under laws of, or the requirements of any regulatory body or any recognised stock exchange in, any territory;

- 4.3 the allotment (other than pursuant to 4.1 or 4.2 above) of equity securities up to a maximum aggregate nominal amount of £19,200;

except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after the expiry of this power and the directors may allot equity securities in pursuance of such an offer or agreement as if the power had not expired.

Signed by, or by duly authorised representatives on behalf of, all the members of the Company who as at the date of these resolutions would be entitled to attend and vote at a general meeting of the Company had the resolutions been put to such a meeting.

Signature of these resolutions by any holders of any class of shares in the Company shall also constitute their consent as holders of that class of shares to the passing of the resolution numbered 2

set out above and to any variation to or abrogation of the rights of that class of shares resulting from such resolution.

Signed: .....  
Gordon Shields

Dated: 4/3/05

Signed: .....  
Stephen Shields

Dated: 14<sup>th</sup> MARCH 2005

Signed: .....  
Daniel Shields

Dated: 9<sup>th</sup> March 2005

Signed: .....  
Kathy Woodward

Dated: 8 March 2005

Signed: .....  
Arthur Crocker

Dated: 8 March 2005

Signed: .....  
Dave Challis

Dated: 14/MARCH/2005

Signed: .....  
Gregoire Dumoulin

Dated: 16 March 2005

Signed: .....  
Dominic Wing

Dated: 14<sup>th</sup> March 2005

Signed: .....  
Uberior Investments plc

Dated: .....

set out above and to any variation to or abrogation of the rights of that class of shares resulting from such resolution.

Signed: ..... Dated: .....  
Gordon Shields

Signed: ..... Dated: .....  
Stephen Shields

Signed: ..... Dated: .....  
Daniel Shields

Signed: ..... Dated: .....  
Kathy Woodward

Signed: ..... Dated: .....  
Arthur Crocker

Signed: ..... Dated: .....  
Dave Challis

Signed: ..... Dated: .....  
Gregoire Dumoulin

Signed: ..... Dated: .....  
Dominic Wing

Signed: Mary Jane Bowers ..... Dated: 21 March 2005 .....  
Uberior Investments plc

UNDER POWER OF  
ATTORNEY

**Company no. 5113820**

**THE COMPANIES ACT 1985**  
**PUBLIC COMPANY LIMITED BY SHARES**

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**NEW**  
**ARTICLES OF ASSOCIATION**  
of  
**FONEBAK PLC**

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As adopted by a written resolution dated  
21 March 2005



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**THE COMPANIES ACT 1985**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**

of

**FONEBAK PLC<sup>1</sup>**

Adopted by a written resolution  
dated 21 March 2005

**PRELIMINARY**

**1. Regulations not to apply**

No regulations set out in any schedule to, or contained in any order, regulation or other subordinate legislation made under, any statute concerning companies shall apply as regulations or articles of the Company.

**2. Interpretation**

2.1 In these articles, unless the context requires otherwise:

"Act" means the Companies Act 1985.

"Acts" means the Companies Acts 1985 and 1989 and every statute for the time being in force concerning companies (including orders, regulations or other subordinate legislation made under those Acts or statutes), so far as they apply to the Company.

"appointor" means, in relation to an alternate director, the director who has appointed him as his alternate.

"approved depositary" means a custodian or other person (or a nominee for such custodian or other person) appointed pursuant to an arrangement with the Company or otherwise:

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<sup>1</sup> The Company was incorporated with the name Broomco (3469) Limited Limited on 27 April 2004. On 7 September 2004, the name of the Company was changed to Fonebak Group Limited. On 29 October 2004, the Company changed its name back to Fonebak Limited. On 13 January 2005 the Company re-registered as a plc and the name of the Company was changed to Fonebak Plc.

- (a) to hold shares of the Company or any rights or interests in any shares of the Company; and
- (b) to issue securities, documents of title or other documents which evidence the entitlement of the holder of them to or to receive such shares, rights or interests held by the approved depositary,

provided and to the extent that such arrangements have been approved by the board for the purpose of these articles. The trustees (acting in their capacity as such) of any employees' shares scheme established by the Company or any other scheme or arrangements principally for the benefit of employees of the Company and/or its subsidiaries which has been approved by the Company in general meeting shall, unless the board decides otherwise, be treated as an approved depositary; as shall the managers (acting in their capacity as such) of any investment or savings plan which the board has approved.

**"articles"** means these articles of association or such other articles of association of the Company for the time being in force.

**"auditors"** means the auditors for the time being of the Company.

**"board"** means the board of directors from time to time of the Company or the directors present or deemed to be present at a duly convened meeting of the directors or any committee at which a quorum is present.

**"cash memorandum account"** means an account so designated by the Operator of the relevant system concerned.

**"certificated share"** means a share in the capital of the Company that is not an uncertificated share, and references in these articles to a share being held in certificated form shall be construed accordingly.

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

**"committee"** means a committee of the board.

**"Company"** means Fonebak plc (company number 05113820)

**"company"** includes any body corporate (not being a corporation sole) or association of persons, whether or not a company within the meaning of the Acts, other than the Company.

**"director"** means a director for the time being of the Company.

**"dividend"** includes bonus and any other distribution whether in cash or in specie.

**"electronic communication"** means a communication by facsimile or electronic mail and any other form of electronic communication, as defined by the Electronic Communications Act 2000.

**"executed"** in relation to a document includes reference to its being executed under hand or under seal or by any other method permitted by law.

**"holder"** means, in relation to any share, the member whose name is entered in the register as the holder of that share and includes two or more joint holders of that share.

**"member"** means a member of the Company.

**"office"** means the registered office for the time being of the Company.

**"Operator"** means a person approved by the Treasury under the Regulations as an operator of a relevant system.

**"paid up"** means paid up or credited as paid up.

**"participant"** means in relation to a company, a person who holds or is beneficially entitled to shares in that body.

**"recognised person"** means a person to whom the Company is not required to deliver a share certificate in accordance with the provisions of section 185(4) of the Act.

**"register"** means the register of members to be kept pursuant to the Act.

**"Regulations"** means the Uncertificated Securities Regulations 2001 (SI 2001/3755).

**"relevant system"** means a relevant system (as defined in the Regulations) in which the Operator of the relevant system has permitted the shares or securities of the Company (or the relevant shares or securities) to be transferred.

**"seal"** means the common seal of the Company or any official or securities seal that the Company may have or may be permitted to have under the Acts.

**"secretary"** means the secretary for the time being of the Company and includes any assistant or deputy secretary and any person appointed by the board to perform the duties of the secretary.

**"signed"** and **"signature"** include a signature printed or produced by mechanical, electronic or other means or any stamp or other distinctive marking made by or with the authority of the person required to sign the document to indicate it is approved by such person.

**"treasury shares"** has the meaning given by the Act, as amended by The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003.

**"uncertificated share"** means a share in the capital of the Company which is recorded on the register as being held in uncertificated form and title to which may, by virtue of the Regulations, be transferred by means of a relevant system, and references in these articles to a share being held in uncertificated form shall be construed accordingly.

**"written"** and **"in writing"** includes any method of representing or reproducing words in a legible form.

2.2 Unless the context requires otherwise, any word or expression contained in these articles and not defined above shall have the same meaning as in the Act or the

Regulations, but excluding any statutory modification of that meaning not in force when these articles become binding on the Company.

- 2.3 References to electronic communications shall, without limiting the definition above and unless the context otherwise requires, include references to communications made by telephone, fax and e-mail, or by sending a CD-Rom or DVD (digital video disk) by post.
- 2.4 References to a person entitled by transmission are to a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted on the register.
- 2.5 Words which refer to the singular number only include the plural number, and vice versa.
- 2.6 Words which refer to one gender only include the other genders.
- 2.7 Words which refer to persons or people include companies.
- 2.8 Where these articles refer to months or years, these are calendar months or years.
- 2.9 References to legislation, or to a specific provision of legislation, shall include any amendment to or re-enactment of such legislation or provision for the time being in force.
- 2.10 Any headings in these articles are included for convenience only, and shall not affect the meaning of these articles.
- 2.11 Where, for any purpose, an ordinary resolution of the Company is required, a special or an extraordinary resolution shall also be effective for that purpose; and where, for any purpose, an extraordinary resolution is required, a special resolution shall also be effective for that purpose.

## **SHARE CAPITAL**

### **3. Shares**

The authorised share capital of the Company at the date of adoption of these articles is £800,000 divided into 40,000,000 ordinary shares of £0.02 each.

### **4. Allotment**

- 4.1 Subject to the provisions of the Acts, these articles and any authorising resolutions passed in general meetings of the Company and which are for the time being in force, the board shall have unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any unissued shares of the Company (whether forming part of the original or any increased capital) or rights to subscribe for or convert any security into shares of the Company to such persons (including directors) at such times and generally on such terms and conditions as the board may decide.
- 4.2 No share in the capital of the Company shall be allotted at a discount and, save as permitted by the Acts, no share shall be allotted except as paid up at least as to one-quarter of its nominal value and the whole of any premium on it.

**5. Authority to allot shares and power to disapply statutory pre-emption rights**

- 5.1 The board shall be generally and unconditionally authorised, pursuant to and in accordance with section 80 of the Act, to exercise all the powers of the Company to allot relevant securities for each prescribed period up to an aggregate nominal amount equal to the section 80 amount. The authority granted to the board pursuant to this article may be varied or revoked by an ordinary or special resolution of the Company and renewed by an ordinary or special resolution of the Company for a period of not more than 5 years from the date of adoption of these articles.
- 5.2 During each prescribed period, the board shall be empowered to allot equity securities wholly for cash pursuant to and within the terms of the said authority and to sell treasury shares wholly for cash:
- 5.2.1 in connection with a rights issue; and
- 5.2.2 otherwise than in connection with a rights issue, up to an aggregate nominal amount equal to the section 89 amount,
- as if section 89(1) of the Act did not apply to any such allotment.
- 5.3 Pursuant to such authority and/or power, the board may, during such period, make offers or agreements which would or might require the allotment of securities after the expiry of such period as if such power has not expired or been varied or revoked.
- 5.4 For the purposes of this article 5:
- 5.4.1 **"rights issue"** means an offer of equity securities open for acceptance for a period fixed by the board to holders of equity securities on the register on a fixed record date in proportion to their respective holdings of such securities or in accordance with the rights attached to them (but subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any country or territory);
- 5.4.2 **"prescribed period"** means a period of not more than 5 years from the date of adoption of these articles:
- 5.4.2.1 for which the authority conferred by article 5.1 is granted or renewed by an ordinary resolution or a special resolution (as the case may be) stating the section 80 amount for such period; and/or
- 5.4.2.2 for which the power conferred by article 5.2 is granted or renewed by a special resolution stating the section 89 amount for such period;
- 5.4.3 the **"section 80 amount"** shall be stated in the relevant ordinary resolution or special resolution (as the case may be) or any increased amount fixed by ordinary resolution or special resolution;
- 5.4.4 the **"section 89 amount"** shall, for any prescribed period, be that stated in the relevant special resolution; and

- 5.4.5 the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

**6. Redeemable shares**

Subject to the provisions of the Acts and to any rights attached to any existing shares or class of shares, any shares in the capital of the Company may be issued on terms that they are to be redeemed or, at the option of the Company or the holder, are liable to be redeemed.

**7. Power to attach rights**

Subject to the provisions of the Acts and to any rights attached to any existing shares, any new shares in the capital of the Company may be issued with or have attached to them such rights or restrictions as the Company may from time to time by ordinary resolution determine, or, if no such determination is made, as the board shall determine. The Company shall, if required in accordance with the Acts, deliver to the Registrar of Companies a statement in the prescribed form containing particulars of the rights.

**8. Variation of rights**

- 8.1 Subject to the provisions of the Acts, all or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated in such manner (if any) as may be provided by such rights, or, in the absence of any such provision, either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class (excluding any shares of that held as treasury shares) or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with the provisions of these articles, but not otherwise.
- 8.2 The rights attached to any class of shares shall not, unless otherwise expressly provided in the rights attaching to such shares, be deemed to be varied or abrogated by the creation or issue of shares ranking *pari passu* with or subsequent to them or by the purchase or redemption by the Company of any of its own shares.

**9. Commissions and brokerages**

- 9.1 The Company may exercise all the powers conferred or permitted by the Acts to pay commissions or brokerages to any person who:
- 9.1.1 subscribes, or agrees to subscribe, (whether absolutely or conditionally) for shares in the Company; or
- 9.1.2 procures, or agrees to procure, subscriptions (whether absolute or conditional) for shares in the Company.
- 9.2 Subject to the provisions of the Acts, such commission or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or by the grant of an option to call for an allotment of shares or by any combination of such methods.

**10. Trusts not recognised**

Unless ordered by a court of competent jurisdiction or required by law, the Company shall not recognise any person as holding any share, share warrants or rights or interests in any shares

upon any trust and shall not be bound by or be otherwise compelled to recognise (even if it has notice of it) any equitable, contingent, future, partial or other claim to or interest in any share other than an absolute right in the holder to the whole of the share.

#### **11. Renunciation**

Subject to the provisions of the Acts and these articles, the board may, at any time after the allotment of shares but before any person has been entered in the register as the holder, recognise a renunciation of those shares by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation on, and subject to, such terms and conditions as the board considers fit to impose.

### **ALTERATION OF SHARE CAPITAL**

#### **12. Increase, consolidation, sub-division, cancellation and conversion**

12.1 Subject to the provisions of the Acts, the Company may, by ordinary resolution:

- 12.1.1 increase its share capital by such sum to be divided into shares of such amount as the resolution prescribes;
- 12.1.2 consolidate, or consolidate and then divide, all or any of its share capital into shares of a larger amount than its existing shares;
- 12.1.3 sub-divide its shares, or any of them, into shares of a smaller amount, provided that the proportion between the amount paid up and the amount (if any) unpaid on each share resulting from such sub-division is the same as it was in the case of the share which was sub-divided. A resolution to sub-divide shares may also determine that, as between the shares resulting from such sub-division, any of them may have any preference or other advantage or deferred or qualified rights or be subject to any restriction as compared with the others;
- 12.1.4 cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
- 12.1.5 convert all or any of its paid up shares into stock, and re-convert that stock into paid up shares of any denomination.

12.2 Subject to any special rights or restrictions attached to them by their terms of issue, all new shares shall be subject to the provisions of these articles with reference to allotment, payment of calls, forfeiture, lien, transfer, transmission and otherwise.

#### **13. Fractions**

13.1 Subject to any direction by the Company in general meeting, whenever, as the result of any consolidation or consolidation and division of shares, any members of the Company would become entitled to fractions of shares, the board may deal with such fractions as it shall determine. In particular, the board may:

- 13.1.1 arrange for the sale, for the best price reasonably obtainable, of the shares representing the fractions to any person (including, subject to the provisions of the Acts, the Company) and distribute the net proceeds of the sale in due

proportions amongst those members; except that any amount otherwise due to a member, being less than £3, or such other sum as the board may from time to time determine, may be retained for the benefit of the Company. For this purpose, the board may:

13.1.1.1 if the share is in certificated form, authorise any person to execute a transfer of the shares sold to the purchaser of them or to his nominee;

13.1.1.2 if the share is held in uncertificated form, exercise any of the Company's powers under article 19.5 to give effect to the sale,

and, in each case, authorise a person to enter the name of the purchaser or his nominee in the register as the holder of the shares which have been sold. The purchaser shall not be bound to see to the application of the purchase monies, and title to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale. After the name of the purchaser or his nominee has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively; or

13.1.2 subject to the provisions of the Acts, if the necessary unissued shares are available, issue to each such holder credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding to a whole number (such issue being deemed to have been effected immediately before consolidation). The amount required to pay up such shares shall be appropriated, at the board's discretion, from any sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve fund) or to the credit of the profit and loss account and capitalised by applying the same in paying up such shares.

13.2 Subject to the Acts, in effecting any consolidation or consolidation and division of shares, the board may treat a member's shares held in certificated form and uncertificated form as separate holdings. The board may also cause any shares which result and which represent fractions to be entered in the register as shares in certificated form where this is desirable in order to sell them.

#### **14. Reduction of capital**

Subject to the provisions of the Acts, the Company may by special resolution reduce its authorised and issued share capital, any capital redemption reserve and any share premium account in any way.

#### **15. Purchase of own shares**

15.1 Subject to the provisions of the Acts, the Company may purchase all or any of its shares of any class (including any redeemable shares) in any way and at any price (whether at par or above or below par) and may hold such shares as treasury shares.

15.2 Neither the Company nor the board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or in accordance with the rights as to dividends or capital conferred by any class of shares.



- 15.3 The Company may not exercise any right in respect of treasury shares held by it, including any right to attend or vote at meetings, to participate in any offer by the Company to shareholders or to receive any distribution (including in a winding-up) but without prejudice to its right to sell the treasury shares, to receive an allotment of shares in respect of the treasury shares or to receive any amount payable on redemption of any redeemable treasury shares.

**16. Financial assistance**

The Company shall not give any financial assistance for the acquisition of shares in the Company, except and in so far as permitted by the Acts.

**SHARE CERTIFICATES**

**17. Right to certificates**

- 17.1 Subject to these articles and unless the terms of allotment of the shares provide otherwise, every person, upon becoming the holder of any shares in certificated form, shall be entitled, without charge, to one certificate for all the shares of any class registered in his name or, in the case of shares in certificated form of more than one class being registered in his name, to a separate certificate for each class of shares so registered.
- 17.2 Where a member transfers part of his shares comprised in a certificate, he shall be entitled (without charge) to one certificate for the balance of shares retained by him to the extent that the balance is to be held in certificated form.
- 17.3 Such certificate(s) shall be despatched to the person so entitled within two months after allotment or lodgement of a transfer, as the case may be.
- 17.4 The Company shall not be bound to issue more than one certificate in respect of shares in certificated form held jointly by two or more persons. Delivery of a certificate to any one joint holder shall be sufficient delivery to all joint holders.
- 17.5 The Company does not have to issue a certificate to a recognised person.
- 17.6 The Company may deliver a certificate to a broker or agent who is acting for a person who is buying shares in certificated form, or who is having the shares in certificated form transferred to him.
- 17.7 Every certificate of shares shall specify the number and class and the distinguishing numbers (if any) of the shares to which it relates and the amount paid up on them; and shall be issued under the seal, or bearing an imprint or representation of the seal or such other form of authentication as the board may determine, or in such other manner having the same effect as if issued under the seal as the board may approve.

**18. Replacement certificates**

- 18.1 If a member has two or more share certificates for shares of the same class, he may ask the Company for these to be cancelled and replaced by a single new certificate. Provided that such member pays such reasonable charge as the board may decide, the Company must comply with such a request.

- 18.2 A member may ask the Company to cancel and replace a single share certificate with two or more certificates, for the same total number of shares. The Company may comply with such request and may request that the member pays such reasonable charge as the board may decide.
- 18.3 The board may cancel any certificate which is worn out, defaced, lost or destroyed and issue a replacement certificate on such terms (if any) as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out-of-pocket expenses incurred by the Company as the board may decide, and upon delivery up of the original certificate (where it is worn out or defaced).

### UNCERTIFICATED SHARES

#### 19. Uncertificated shares

- 19.1 Subject always to the Regulations and to the facilities and requirements of the relevant system concerned, the board may resolve that any class of shares can be held in uncertificated form and that title to such shares may be transferred by means of a relevant system; and the board may make arrangements for any class of shares to be held and transferred in this form. The board may also resolve that shares of any class must cease to be held and transferred in uncertificated form.
- 19.2 In accordance with and subject to the Regulations, the board will procure that details of, all shares held in uncertificated form are entered in the Register of Members of the Company.
- 19.3 In accordance with and subject to the Regulations, shares held in uncertificated form may be changed to become shares held in certificated form, and shares held in certificated form may be changed to become shares held in uncertificated form.
- 19.4 No provision of these articles shall apply to shares of any class held in uncertificated form to the extent that it is in any respect inconsistent with:
- 19.4.1 the holding of shares of that class in uncertificated form;
  - 19.4.2 the transfer of title to shares of that class by means of a relevant system; or
  - 19.4.3 any provision of the Regulations.
- 19.5 Where any class of shares is a participating security and the Company is entitled under any provision of the Acts, the Regulations or these articles to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share held in uncertificated form, the Company shall be entitled, subject to the provisions of the Acts, the Regulations, these articles and the facilities and requirements of the relevant system:
- 19.5.1 to require the holder of that uncertificated share by notice to change that share into certificated form within the period specified in the notice and to hold that share in certificated form for so long as required by the Company;
  - 19.5.2 to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice;

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

19.5.4 to take any action that the board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.

### **SHARE WARRANTS TO BEARER**

#### **20. Share warrants to bearer**

20.1 Subject to the provisions of the Acts and these articles, the Company may issue a share warrant to bearer with respect to any fully paid share.

20.2 Every share warrant to bearer shall be issued under seal, or in such other manner as the board may approve, and shall state that the bearer is entitled to the shares to which it relates and may provide by coupons or otherwise for the payment of future dividends or other monies on the shares included in it.

20.3 A share included in a share warrant to bearer may be transferred by the delivery of the share warrant to bearer without any written transfer and without registration, and none of the other provisions of these articles relating to the transfer of shares shall apply to any such transfer.

20.4 The board may determine and from time to time may vary the conditions on which a share warrant to bearer shall be issued; and, in particular, all or any of the conditions on which:

20.4.1 the bearer of a share warrant shall be entitled to obtain payment of a dividend or other monies payable in respect of the shares included in it;

20.4.2 the bearer of a share warrant shall be entitled to attend and vote at any general meeting of the Company;

20.4.3 a share warrant to bearer may be surrendered for cancellation and the name of the bearer entered as a member in the register in respect of the shares included in it; and

20.4.4 a new share warrant to bearer or coupon may be issued in the place of one defaced, worn out, lost or destroyed, provided that a new share warrant to bearer or coupon shall only be issued to replace one that is alleged to have been lost, destroyed or damaged if the board is satisfied beyond reasonable doubt that the original share warrant to bearer or coupon has been destroyed.

20.5 The bearer of a share warrant shall be subject to the conditions for the time being in force in relation to share warrants, whether made before or after the issue of the share warrant, and, subject to such conditions and to the provisions of the Acts, the bearer shall be deemed to be a member of the Company and shall be entitled to the same rights as if his name were entered in the register as the holder of the shares included in the share warrant to bearer.

- 20.6 The Company shall not be bound to recognise (even when having notice of it) any interest in or in respect of any share represented by a share warrant to bearer, other than the bearer's absolute right to the share warrant.
- 20.7 The Company shall not be responsible for any loss or damage suffered by any person by reason of the Company entering in the register, upon the surrender of a share warrant to bearer, the name of any person who is not the true and lawful owner of that share warrant to bearer.

#### **LIEN**

#### **21. Company's lien on shares not fully paid**

- 21.1 The Company shall have a first and paramount lien on every share which is not fully paid up for any amount payable in respect of such share, whether the due date for payment shall have arrived or not, and such lien shall apply to all dividends from time to time declared or other monies payable in respect of such share.
- 21.2 The board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or partly exempt from the provisions of this article 21. Unless otherwise agreed with the transferee, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

#### **22. Enforcement of lien by sale**

- 22.1 Subject to article 22.2, the Company may enforce its lien by selling, in such manner as the board may determine, any share subject to it.
- 22.2 The Company shall only be entitled to enforce its lien where:
- 22.2.1 the due date for payment of the amount in respect of which the lien exists has arrived;
- 22.2.2 notice (stating, and demanding payment of, such amount and giving notice of the intention to sell in default of such payment) has been served by the Company on the member concerned (or to any person entitled to the share by transmission); and
- 22.2.3 such payment is not made within 14 clear days of service of such notice.
- 22.3 To give effect to a sale in accordance with article 22.1, the board may:
- 22.3.1 if the share is held in certificated form, authorise any person to execute as transferor a transfer of any share to be sold. Such transfer shall be as effective as if it had been executed by the holder (or person (if any) entitled by transmission to the share);
- 22.3.2 if the share is held in uncertificated form, exercise any of the Company's powers under article 19.5 to give effect to the sale,
- and, in each case, authorise a person to enter the name of the purchaser or his nominee in the register as the holder of the share which has been sold. The purchaser shall not be bound to see to the application of the purchase monies; and the title to the

share shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale. After the name of the purchaser or his nominee has been entered in the register in respect of such share, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**23. Application of proceeds of sale**

- 23.1 The net proceeds of a sale in accordance with article 22.1, after payment of the costs of the sale, shall be applied by the Company in or towards satisfaction of the amount in respect of which the lien exists so far as the same is presently payable. Subject to article 23.2, any residue shall (subject to a like lien for sums not presently payable as existed on the shares before the sale) be paid to the member (or to any person entitled to the share by transmission) immediately before the sale.
- 23.2 In the case of shares held in certificated form, the Company need not pay to the member any amount due in accordance with the provisions of article 23.1 until the certificate for the share which is sold is surrendered to the Company for cancellation (or until an indemnity (with or without security) as to any lost or destroyed certificate is provided to the Company in such form as the board may decide).

**CALLS ON SHARES**

**24. Calls**

- 24.1 Subject to the terms of allotment of shares and provided that any monies unpaid are not payable on a date fixed in accordance with such terms of allotment, the board may make calls on the members in respect of any monies unpaid on the shares or any class of shares held by them (whether in respect of nominal value or any premium).
- 24.2 The board shall give 14 clear days' notice to each member concerned (or to any person entitled to the share by transmission) of the amount called on the shares and of when and where payment is to be made.
- 24.3 Subject to article 24.2, each member shall pay to the Company as required by the notice referred to in that article the amount called on his shares.
- 24.4 A call may be required to be paid by instalments.
- 24.5 At any time before receipt by the Company of any sum due under a call, the call may be revoked or payment postponed in whole or in part as the board may determine.
- 24.6 A call shall be deemed to have been made at the time when the resolution of the board authorising such call was passed.
- 24.7 A person on whom a call is made shall remain liable even though the shares in respect of which the call was made are subsequently transferred.
- 24.8 The joint holders of a share shall be jointly and severally liable for payment of all calls in respect of such share.

**25. Power to make different arrangements**

Subject to the terms of allotment of shares, on the issue of shares, the board may make different arrangements, as between the holders of such shares, in the amount and the time of payment of calls.

**26. Interest on calls; costs, charges and expenses for non-payment**

26.1 If the sum payable in respect of any call is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay:

26.1.1 interest on the unpaid amount; and

26.1.2 all costs, charges and expenses incurred by the Company by reason of such non-payment.

26.2 The rate of interest payable may be fixed at the time of allotment of the share or, if no rate is fixed, shall be such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent per annum) as the board may decide.

26.3 Such interest is payable from (and including) the day appointed for payment until (but excluding) the day of actual payment.

26.4 The board may waive payment of the interest, costs, charges and expenses in whole or in part.

**27. Payment in advance**

27.1 The board may, if it thinks fit, receive from any member willing to advance the same all or any part of the monies uncalled and unpaid on the shares held by him.

27.2 The liability on the shares in respect of which a payment in advance of calls is made shall be extinguished to the extent of the amount so paid.

27.3 The Company may pay interest on the monies paid in advance, or on so much of them as from time to time exceed the amount of the calls then made on the shares in respect of which the advance has been made, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent per annum) as the board may decide.

27.4 No part of any monies paid in advance of calls shall be included or taken into account in ascertaining the amount of any dividend payable upon the shares in respect of which such advance has been made.

**28. Sums due on allotment treated as calls**

Any amount which becomes payable in respect of a share on allotment, or at any date fixed pursuant to the terms of allotment, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall be deemed to be a call; and, in the case of non-payment of any such amount, all the provisions of these articles as to payment of interest, costs, charges and expenses, forfeiture or otherwise shall apply as if such sum had become due and payable by virtue of a call.

## **FORFEITURE**

### **29. Notice if call not paid**

If a call remains unpaid after it has become due and payable, the board may at any time give notice to such member (or to any person entitled to the shares by transmission) demanding payment. The notice shall state:

- 29.1 a date, being not less than 14 clear days from the date of the notice, by which payment of the amount of the call outstanding, any interest that may have accrued on that amount and all costs, charges and expenses incurred by the Company by reason of such non-payment shall be made;
- 29.2 the place where payment is to be made; and
- 29.3 that, if the notice is not complied with, the shares in respect of which the call was made will be liable to be forfeited.

### **30. Forfeiture for non-compliance**

- 30.1 If the notice referred to in article 29 is not complied with, any share in respect of which it was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board to that effect.
- 30.2 Forfeiture shall be deemed to occur at the time of the passing of the board resolution referred to in article 30.1.
- 30.3 Forfeiture shall include all dividends declared or other monies payable in respect of the forfeited shares, but not paid before the forfeiture.

### **31. Notice after forfeiture**

- 31.1 When any share has been forfeited, notice of the forfeiture shall be served on the person who was, before forfeiture, the holder of the share (or the person, if any, entitled by transmission to the share); but no forfeiture shall be invalidated by any omission to give such notice.
- 31.2 An entry of the fact and date of forfeiture shall be made in the register. No forfeiture shall be invalidated by an omission to make such an entry in the register.

### **32. Disposal of forfeited shares**

- 32.1 Until cancelled in accordance with the provisions of the Act, a forfeited share, together with all rights attaching to it, 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 the forfeiture, the holder (or the person, if any, entitled by transmission to the share) or to any other person.
- 32.2 Such sale, re-allotment or other disposal shall be made on such terms and in such manner as the board may determine, including (but without limitation to the generality of the preceding wording) with or without any past or accruing dividends and, in the case of re-allotment, with or without any money paid up on it by the former holder being credited as paid up on it on re-allotment.

- 32.3 Where, for the purposes of its disposal, a forfeited share is to be transferred to any person, the board may:
- 32.3.1 if the share is held in certificated form, authorise any person to execute as transferor a transfer of such share to the transferee;
  - 32.3.2 if the share is held in uncertificated form, exercise any of the Company's powers under article 19.5 to give effect to the transfer.
- 32.4 The Company may receive the subscription or purchase monies (if any) given for the share on its re-allotment or disposal, and may register the allottee or, as the case may be, transferee as the holder of the share.
- 32.5 The board may, at any time before any share so forfeited has been cancelled, sold, re-allotted or otherwise disposed of, annul the forfeiture on such conditions as it thinks fit.
- 32.6 A statutory declaration by a director or the secretary that a share has been forfeited on the date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The person to whom the share is re-allotted or disposed of shall not be bound to see to the application of the subscription or purchase monies (if any); and the title to the share shall not be affected by any irregularity in or invalidity of the proceedings relating to the forfeiture or re-allotment or disposal of the share. After the name of the allottee or, as the case may be, transferee has been entered in the register in respect of such share, the validity of the re-allotment or transfer shall not be impeached by any person and the remedy of any person aggrieved by the re-allotment or transfer shall be in damages only and against the Company exclusively.

### **33. Liabilities and claims on forfeiture**

- 33.1 Any person whose shares have been forfeited shall cease to be a member in respect of them and (in the case of shares held in certificated form) shall surrender to the Company for cancellation the certificate for the shares. However, he shall remain liable to pay, and shall immediately pay, to the Company:
- 33.1.1 all calls, interest, costs, charges and expenses owing on or in respect of such shares at the time of forfeiture; and
  - 33.1.2 interest on such amounts. Such interest is payable from (and including) the day of actual forfeiture until (but excluding) the day of payment. The rate of such interest may be fixed at the time of allotment of the shares or, if no rate is so fixed, shall be such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent per annum) as the board may decide,
- and the board may, if it thinks fit, enforce payment of such amounts without any allowance for the value of the shares at the time of forfeiture or for any subscription or purchase monies received on their re-allotment or disposal.
- 33.2 Save for those rights and liabilities expressly saved by these articles or imposed (in the case of past members) by the Acts, the forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities



incidental to the share, as between the member whose share is forfeited and the Company.

**34. Surrender**

The board may accept the surrender of any share liable to be forfeited and, in such case, references in these articles to forfeiture shall include surrender.

**UNTRACED SHAREHOLDERS**

**35. Power of sale**

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

35.1.1 for a period of not less than 12 years (during which at least three cash dividends (whether interim or final) shall have been paid to members of the class to which the shares concerned belong):

35.1.1.1 no cheque, warrant or money order sent by the Company through the post in a pre-paid envelope addressed to the member, or to the person entitled by transmission to the share, at his address on the register (or other last known address given by such member or person to which cheques, warrants and money orders in respect of such share are to be sent) has been cashed; or

35.1.1.2 all funds paid by any bank or other funds transfer system to such member or person in accordance with article 136.1 have been returned to the Company;

35.1.2 at the expiration of such period of 12 years, the Company has given notice of its intention to sell such share by advertisement in both a national newspaper and in a newspaper circulating in the area of the address referred to in article 35.1.1.1 above or the address at which services of notices may be effected in the manner authorised by these articles is located; and

35.1.3 the Company has not, during such period of 12 years or the further period of three months following the last of such advertisements, received any communication in respect of such share from the member or person entitled by transmission.

35.2 If, during the period of not less than 12 years referred to in article 35.1 or during any period ending on the date when all the requirements of articles 35.1.1 to 35.1.3 (inclusive) have been satisfied, any additional shares have been issued by way of a bonus issue in respect of those shares held at the beginning of, or previously so issued during, such periods, and all the requirements of articles 35.1.2 and 35.1.3 have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.

35.3 To give effect to any such sale, the board may:

35.3.1 if the share is held in certificated form, authorise any person to execute as transferor a transfer of such share to the purchaser or his nominee. Such

transfer shall be as effective as if it had been executed by the holder (or person (if any) entitled by transmission to the share);

35.3.2 if the share is held in uncertificated form, exercise any of the Company's powers under article 19.5 to give effect to the sale,

and, in each case, authorise a person to enter the name of the purchaser or his nominee in the register as the holder of the share which has been sold. The purchaser shall not be bound to see to the application of the purchase monies; and the title to the share shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale. After the name of the purchaser or his nominee has been entered in the register in respect of such share, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

35.4 A statutory declaration by a director or the secretary that a share has been sold on the date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share.

### **36. Application of proceeds of sale**

The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all monies in respect of that sale to a separate account. The Company shall be deemed to be a debtor and not a trustee in respect of that money 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 as the board 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 them.

## **TRANSFERS OF SHARES**

### **37. General provisions about transfers of shares**

- 37.1 Subject to the provisions of these articles, a member may transfer all or any of his shares to another person.
- 37.2 The transferor shall be deemed to remain the holder of any share transferred until the name of the transferee is entered in the register in respect of it.
- 37.3 No fee shall be charged by the Company for the registration of any transfer or any other change relating to or affecting the title to any share or the right to transfer it or for making any other entry in the register.

### **38. Transfers of uncertificated shares**

Every transfer of shares which are in uncertificated form must be made by means of a relevant system.

### **39. Transfers of certificated shares**

- 39.1 Every transfer of shares which are in certificated form must be in writing in any usual form or in any form approved by the board.

39.2 Such transfer shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee.

39.3 The Company is entitled to retain any transfer which it registers.

**40. Right to refuse registration**

40.1 The board may, in its absolute discretion and without giving any reason, refuse to register any transfer of certificated shares if:

40.1.1 it is in respect of shares which are not fully paid up provided that, if any of the class of shares which are not fully paid up are admitted to trading on a Recognised Investment Exchange the board shall not refuse to register a transfer if this would stop dealings in that class of shares from taking place on an open and proper basis;

40.1.2 it is in respect of more than one class of shares. Each class needs a separate share transfer form;

40.1.3 it is not duly stamped (if so required); and

40.1.4 it is not delivered for registration to the office or such other place as the board may from time to time determine, accompanied (except in the case of a transfer by a recognised person where a certificate has not been issued) by the certificate for the shares to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer.

40.2 The board may, in its absolute discretion and without giving any reason, refuse to register any allotment or transfer of shares which is in favour of:

40.2.1 a child, bankrupt or person of unsound mind; or

40.2.2 more than four joint allottees or transferees.

40.3 If the board refuses to register any allotment or transfer of a share, it shall notify the person to whom the shares were to be allotted or transferred and, in the case of shares in certificated form, the Company must return the letter of allotment or share transfer form to the person who delivered it to the Company (except in the case of suspected fraud). Such notification shall be made no later than two months after the date:

40.3.1 (in the case of shares held in certificated form) on which the letter of allotment or share transfer form was lodged with the Company;

40.3.2 (in the case of shares held in uncertificated form) on which the instruction from the Operator of the relevant system was received by the Company.

**41. Suspension of registration and closing of register**

41.1 In the case of shares in certificated form, the registration of transfers of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the board may from time to time determine.

- 41.2 In the case of shares in uncertificated form, the register shall not be closed without the consent of the Operator of the relevant system.

## **TRANSMISSION OF SHARES**

### **42. On death**

- 42.1 The personal representatives of a deceased member shall be the only persons recognised by the Company as having any title to shares held by him alone or to which he alone is entitled; but, in the case of shares held by more than one person, only the survivor or survivors shall be recognised by the Company as being entitled to such shares.
- 42.2 Nothing in these articles shall release the estate of a deceased member from any liability in respect of any share which had been held by him solely or jointly with another person.

### **43. Election of person entitled by transmission**

- 43.1 Any person becoming entitled to a share in consequence of the death or bankruptcy of any member or of any other event giving rise to a transmission of such entitlement by operation of law may, on producing such evidence as the board may properly require, elect either to be registered as a member or to have some person nominated by him registered as a member.
- 43.2 If the person so entitled elects to be registered himself, he shall give notice to the Company to that effect. If he elects to have some other person registered, he shall do this:
- 43.2.1 (in the case of shares held in certificated form) by executing as transferor a transfer of the share to that person;
- 43.2.2 (in the case of shares held in uncertificated form) by a transfer by means of a relevant system.

The provisions of these articles relating to the transfer of shares (including the right of the board to decline or suspend registration) shall apply to such notice or transfer (as the case may be) as if it were a transfer by the person previously entitled to the shares.

- 43.3 The board may at any time give notice requiring any such person to elect either to register himself or to transfer the share and, if such notice is not complied with within 60 days, the board may, after that time, withhold payment of all dividends and other monies payable in respect of such share until the requirements of the notice have been complied with.

### **44. Rights on transmission**

- 44.1 When a person becomes entitled to a share in consequence of the death or bankruptcy of a member, or of any other event giving rise to a transmission of such entitlement by operation of law, the rights of the holder in relation to that share shall cease.
- 44.2 However, the person so entitled to the share may give a good discharge for any dividends and other monies payable in respect of it and shall, subject to the provisions of these articles, have the same rights to which he would be entitled if he were the

holder of the share; except that he shall not, before he is registered as the holder of the share, be entitled in respect of it to receive notice of, or to exercise any rights conferred by membership in relation to, meetings of the Company or any separate meeting of the holders of any class of shares in the Company.

### **GENERAL MEETINGS**

#### **45. Annual general meetings**

- 45.1 The Company shall hold an annual general meeting once every year, in addition to any other general meetings which are held in the year. The period between one annual general meeting and the next shall not be more than 15 months.
- 45.2 The Company shall not be required to hold an annual general meeting in the year of its incorporation or in the following year, provided that its first annual general meeting is held within 18 months of its incorporation.

#### **46. Extraordinary general meetings**

- 46.1 All general meetings of the Company other than annual general meetings shall be called extraordinary general meetings.
- 46.2 The board may convene an extraordinary general meeting of the Company whenever it thinks fit.
- 46.3 Immediately on receipt of a requisition from members in accordance with the Acts, the board must convene an extraordinary general meeting of the Company and, in default, *such meeting may be convened by requisitionists, as provided in the Acts.*
- 46.4 At any extraordinary general meeting convened on any such requisition or by such requisitionists, the only business which shall be transacted is that stated by the requisition or proposed by the board.
- 46.5 If, at any time, there are not sufficient directors within the United Kingdom capable of acting to form a quorum, the directors in the United Kingdom capable of acting may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the board.

### **NOTICE OF GENERAL MEETINGS**

#### **47. Length and form of notice**

- 47.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by not less than 21 clear days' notice. All other extraordinary general meetings of the Company shall be called by not less than 14 clear days' notice.
- 47.2 Subject to the provisions of the Acts, a general meeting may be called by shorter notice if it is so agreed:
  - 47.2.1 in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and

47.2.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

47.3 The notice shall specify:

47.3.1 whether the meeting is an annual general meeting or an extraordinary general meeting;

47.3.2 the date, the time and the place of the meeting;

47.3.3 in the case of special business, the general nature of that business;

47.3.4 if the meeting is convened to consider a special or an extraordinary resolution, the intention to propose the resolution as such; and

47.3.5 with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.

47.4 Notice of every general meeting shall be given to the members (other than any who, under the provisions of these articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the directors and to the auditors.

47.5 If the board, in its absolute discretion, considers that it is impractical or undesirable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone the meeting to another date, time and place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be placed in at least one national newspaper in the United Kingdom. Notice of the business to be transacted at such postponed meeting shall not be required.

#### **48. Omission to send notice**

The accidental omission to send notice of a meeting or (in cases where it is sent out with the notice) a form of proxy to, or the non-receipt of either by, any person entitled to receive the same shall not invalidate the proceedings at that meeting.

#### **49. Special business<sup>2</sup>**

All business transacted at a general meeting shall be deemed special, except the following transactions at an annual general meeting:

49.1 the receipt and consideration of the profit and loss account, the balance sheet and reports of the directors and of the auditors (including all documents required by law or by the rules of any regulatory body or stock exchange to be annexed to the balance sheet);

49.2 the declaration or sanction of dividends;

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<sup>2</sup> This article is consistent with the definition of ordinary business set out in the definitions section of the Listing Rules of the UKLA.

- 49.3 the re-appointment of directors and the appointment of directors in place of those retiring and not offering themselves for appointment or otherwise ceasing to hold office;
- 49.4 the re-appointment or appointment of the auditors (when special notice of the resolution for such appointment is not required by the Acts) and the fixing, or determination of the manner of the fixing, of their remuneration;
- 49.5 the grant, renewal or variation of the authorities of the Company in general meeting required by the Acts in relation to the allotment of shares in accordance with article 5;
- 49.6 the grant or renewal of the authority of the Company to repurchase its own shares; and
- 49.7 the renewal or regranting of an existing authority for a scrip dividend alternative.

### **PROCEEDINGS AT GENERAL MEETINGS**

#### **50. Quorum**

- 50.1 No business shall be transacted at any general meeting unless a quorum is present. The absence of a quorum shall not preclude the appointment of a chairman of the meeting in accordance with the provisions of these articles, which shall not be treated as part of the business of the meeting.
- 50.2 The quorum for a general meeting shall, for all purposes, be two members present in person or by proxy and entitled to vote.

#### **51. Procedure if quorum not present**

- 51.1 If a quorum is not present within 15 minutes (or such longer interval as the chairman in his absolute discretion thinks fit) from the time appointed for the commencement of the meeting, or if, during a meeting, a quorum ceases to be present, the meeting, if convened by or on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to such date (being not less than 14 days nor more than 28 days later), time and place as the chairman (or, in default, the board) shall appoint.
- 51.2 At any such adjourned meeting the quorum shall be two members present in person or by proxy and entitled to vote. If a quorum is not present within 15 minutes (or such longer interval as the chairman in his absolute discretion thinks fit) from the time appointed for the commencement of such adjourned meeting, or if, during the meeting, a quorum ceases to be present, the adjourned meeting shall be dissolved.
- 51.3 The Company shall give not less than seven clear days' notice of any such adjourned meeting. The notice shall specify the date, the time and the place of the adjourned meeting and the general nature of the business to be transacted, and shall state the quorum requirement.

#### **52. Chairman**

- 52.1 The chairman (if any) of the board or, in his absence, the deputy chairman (if any) of the board or, in his absence, some other director nominated by the directors, shall preside as chairman at every general meeting of the Company.

52.2 If neither the chairman (if any) nor the deputy chairman (if any) nor such other director is present within 15 minutes after the time appointed for the commencement of the meeting, or none of such persons is willing to act as such, the directors present shall select one of their number to be chairman. If only one director is present and he is willing to act, he shall be chairman. In default, the members present in person and entitled to vote shall choose one of their number to be chairman.

52.3 The decision of the chairman on points of order, matters of procedure or arising incidentally out of the business of the meeting shall be final and conclusive, as shall be his determination, acting in good faith, whether any point or matter is of such a nature.

52.4 For the avoidance of doubt, no provision of these articles restricts or excludes any of the powers or rights of a chairman of a meeting which are given by the general law.

**53. Director's right to attend and speak**

A director shall be entitled, even though he is not a member, to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares or debentures in the capital of the Company.

**54. Power to adjourn**

54.1 The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn any meeting to another date, time and/or place or for an indefinite period.

54.2 Without prejudice to any other power which he may have under these articles or which is given by the general law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting to another date, time and/or place or for an indefinite period if he is of the opinion that:

54.2.1 the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or

54.2.2 the conduct of persons present prevents or is likely to prevent the proper and orderly conduct of the meeting; or

54.2.3 *it has become necessary to ensure that the business of the meeting is properly considered and transacted.*

54.3 For the avoidance of doubt, the provisions of this article 54 shall not apply to a meeting adjourned for want of a quorum (see article 51).

**55. Notice of adjourned meeting**

55.1 Without prejudice to the provisions of these articles, whenever a meeting is adjourned for 28 days or more or for an indefinite period, at least seven clear days' notice shall be given to the members (other than those who, under the provisions of these articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the directors and to the auditors. Such notice shall specify the date, time and place of the adjourned meeting and the general nature of the business to be transacted.



55.2 In all other cases, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at the adjourned meeting.

55.3 For the avoidance of doubt, the provisions of this article 55 shall not apply to a meeting adjourned for want of a quorum (see article 51).

**56. Business at adjourned meeting**

The only business which shall be transacted at any adjourned meeting is that which might properly have been transacted at the meeting from which the adjournment took place.

**57. Conduct and accommodation of members at meeting**

57.1 The board may resolve to enable persons entitled to attend a general meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and shall be entitled to vote at, the general meeting in question. Provided that the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting places are able to participate in the business for which the meeting has been convened, and to hear and see all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise), in the principal meeting place and any satellite meeting place, and to be heard and seen by all other persons so present in the same manner, such meeting shall be duly constituted and its proceedings valid. The chairman of the meeting shall be present at and the meeting shall be deemed to take place at the principal meeting place.

57.2 If it appears to the chairman that the principal meeting place or any satellite meeting place is inadequate to accommodate all members entitled and wishing to attend, the meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that a member who is unable to be accommodated is able to participate in the business for which the meeting has been convened, and to hear and see all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere, and to be heard and seen by all other persons so present in the same manner. The notice of the meeting does not have to give details of any arrangements under this article 57.2.

57.3 The board and, at any general meeting, the chairman may make any arrangement and impose any requirement or restriction which it or he (as appropriate) considers appropriate to ensure the security and orderly conduct of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items which may be taken into the meeting place. The board and, at any general meeting, the chairman is entitled to refuse entry to, or to eject, a person who refuses to comply with these arrangements, requirements or restrictions or who disrupts the proper and orderly conduct of the meeting.

## VOTING

### 58. Method of voting

- 58.1 At any general meeting, a resolution put to the vote of the meeting shall be decided by a show of hands unless before the show of hands, or before or immediately following the declaration of the result of the show of hands, a poll is duly demanded.
- 58.2 Subject to the provisions of the Acts, a poll may be demanded on any question by:
- 58.2.1 the chairman of the meeting;
  - 58.2.2 not less than five members present in person or by proxy and entitled to vote;
  - 58.2.3 a member or members present in person or by proxy 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
  - 58.2.4 a member or members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A demand by a proxy for a member shall be deemed to be a demand by that member.

- 58.3 Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings of the Company, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

### 59. Procedure on a poll

- 59.1 If a poll is properly demanded, it shall be taken in such manner as the chairman of the meeting directs. He may appoint scrutineers, who need not also be members, and may fix a date, time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 59.2 Any poll demanded on the election of a chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on any other question shall be taken at such date, time and place as the chairman directs, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the demand).
- 59.3 No notice need be given of a poll not taken immediately if the date, time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the date, time and place at which the poll is to be taken.
- 59.4 The demand for a poll may be withdrawn, but only with the consent of the chairman. A demand so withdrawn shall validate the result (if any) of a show of hands declared before the demand was made. In the case of a poll demanded before the show of

hands or the declaration of the result of it, the meeting shall continue as if the demand had not been made.

- 59.5 The demand for a poll (other than on the election of the chairman of the meeting or on any question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- 59.6 On a poll, votes may be given in person or by proxy. A member entitled to more than one vote need not, if he votes on the poll, use all his votes or cast all the votes he uses in the same way.

#### **60. Votes of members**

- 60.1 Subject to any terms as to voting upon which any shares may have been issued or may for the time being be held, or any suspension or abrogation of voting rights pursuant to these articles, at a general meeting of the Company:
- 60.1.1 every member present in person shall, on a show of hands, have one vote; and
- 60.1.2 every member present in person or by proxy shall, on a poll, have one vote for every share of which he is the holder.
- 60.2 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. Seniority shall be determined by the order in which the names of the joint holders stand in the register.
- 60.3 A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised for that purpose and appointed by the court or official and any such receiver, curator bonis or other person may, on a poll, vote by proxy; provided, in each case, that evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is deposited at the office (or at such other place as is specified in accordance with these articles for the deposit of forms of proxy) within the time limits prescribed by these articles for the deposit of forms of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.
- 60.4 For the purposes of determining which persons may attend and vote at a general meeting, and the number of votes each such person may have, the notice of the meeting may specify a date and time by which persons must be entered on the register in order to be entitled to attend and vote at the meeting. This date and time must not be more than 48 hours before the time appointed for the commencement of the meeting.

#### **61. Casting vote of chairman**

In the case of an equality of votes, the chairman shall, both on a show of hands and on a poll, have a casting vote. This casting vote is in addition to any vote to which he may be entitled as a member or as a proxy.

**62. Restriction on voting rights**

- 62.1 The provisions of article 72 shall apply to restrict the voting rights of members where a notice has been given in accordance with section 212 of the Act in respect of shares held by such member and the information required by such notice has not been given to the Company.
- 62.2 Unless the board otherwise determines, no member shall be entitled (in respect of any share held by him) to be present or to vote, either in person or by proxy, at any general meeting or at any separate meeting of the holders of any class of shares or on any poll, or to exercise any other rights conferred by membership in relation to any such meeting or poll, if any calls or other monies due and payable in respect of such share remain unpaid. Such restrictions shall cease to apply on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of such non-payment.

**63. Voting by proxy**

- 63.1 Subject to article 63.2, a form appointing a proxy shall be:
- 63.1.1 in writing in the usual form, or in such other form as may be approved by the board;
- 63.1.2 executed by the appointor or his duly constituted attorney or, if the appointor is a corporation, under its seal or under the hand of its duly authorised officer or attorney or other person or persons authorised to sign.
- 63.2 Subject to the Acts, the board may resolve to allow a proxy to be appointed by an electronic communication (including, but not limited to, telephone, fax or e-mail). The ability to appoint a proxy by an electronic communication may be subject to such limitations, restrictions or conditions as the board thinks fit. In particular, but without limitation, the board may require such evidence as it considers appropriate to decide that the appointment of a proxy in this manner is effective.
- 63.3 Subject to any contrary direction contained in the form of proxy or electronic communication appointing a proxy, a proxy may demand or join in demanding a poll and, subject to the provisions of these articles, may vote on any resolution or amendment of a resolution put to, or any other business which may properly come before, the meeting for which it is given, as the proxy thinks fit.
- 63.4 Except to demand a poll, a proxy may not speak to a general meeting without the consent of the chairman.
- 63.5 A proxy need not be a member of the Company.
- 63.6 A member may appoint more than one proxy to attend on the same occasion. When two or more valid but different forms of proxy or electronic communications appointing a proxy are delivered or received in respect of the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that share. If the Company is unable to determine which was last delivered or received, none of them shall be treated as valid in respect of that share.

- 63.7 The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or any adjournment of it or on any poll.
- 63.8 The appointment of a proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting(s) to which it relates. No appointment of a proxy shall be valid after the expiry of 12 months from the date it is given.
- 63.9 The Company shall send out proxy forms, whether by post or (subject to the Acts) by electronic communication, to all of the persons entitled to receive notice of and to vote at any meeting.

#### 64. Delivery of proxy

- 64.1 In order for the appointment of a proxy to be valid:
- 64.1.1 (in the case of an appointment of a proxy by a form of proxy) the form of proxy, together with the relevant documents, if any, must be:
- 64.1.1.1 deposited at the office (or at such other place within the United Kingdom as may be specified in the notice convening the meeting and/or in any form of proxy or other accompanying document sent by the Company in relation to the meeting) by the relevant time; or
- 64.1.1.2 duly delivered in accordance with article 64.3;
- 64.1.2 (in the case of an appointment of a proxy by electronic communication in accordance with the provisions of these articles) the electronic communication appointing the proxy, together with the relevant evidence, must be received at the address by the relevant time.
- 64.2 For the purposes of this article 64:
- 64.2.1 for the purpose of appointing a proxy by electronic communication, the "address" means the number or address which has been specified by the Company for the purpose of receiving electronic communications appointing proxies;
- 64.2.2 "relevant documents" means the power of attorney or other authority relied on to sign the form of proxy, or a copy of such document certified by a notary or certified in some other way approved by the board;
- 64.2.3 "relevant evidence" means all or any evidence required by the board in accordance with the provisions of article 63.2;
- 64.2.4 the "relevant time" shall be:
- 64.2.4.1 48 hours before the time appointed for the commencement of the meeting or adjourned meeting at which the person appointed as proxy proposes to vote; or
- 64.2.4.2 in the case of a poll taken more than 48 hours after it is demanded, 48 hours before the time appointed for the taking of the poll.

- 64.3 If a meeting is adjourned for less than 48 hours, or if a poll is not taken immediately but is taken not more than 48 hours after it was demanded, a form of proxy may also be delivered at the adjourned meeting or at the meeting at which the poll was demanded to any director or the secretary.

**65. When votes by proxy valid though authority revoked**

A vote given or poll demanded by a proxy or a duly authorised representative of a corporation shall be valid even though the authority of the person voting or demanding a poll has previously terminated unless notice of the termination was received by the Company:

- 65.1 (in the case of a duly authorised representative of a corporation) at the office;
- 65.2 (where the proxy was appointed by a form of proxy) at the office (or such other place as is specified for depositing the form of proxy); or
- 65.3 (where the proxy was appointed by an electronic communication) at the address (as defined in article 64.2.1),

in either case:

- 65.4 at least 24 hours before the time appointed for the commencement of the meeting or adjourned meeting at which such vote is given; or
- 65.5 (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) at least 24 hours before the time appointed for the taking of the poll at which the vote is cast.

**66. Corporate representative**

- 66.1 A member of the Company which is a corporation 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 at any separate meeting of the holders of any class of shares. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holding to which the authorisation relates) as that corporation could exercise if it were an individual member. The corporation shall, for the purposes of these articles, be deemed to be present in person at any such meeting if a person so authorised is present at it, and all references to attendance and voting in person shall be construed accordingly.
- 66.2 A director, the secretary or some person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution so authorising him before permitting him to exercise his powers.

**67. Objection to or error in voting**

No objection shall be raised to the qualification of any voter, or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. Any objection made in due time shall be referred to the chairman of the meeting and shall only vitiate the result of the voting if, in the opinion of the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman shall be final and conclusive.

**68. Amendments to resolutions**

- 68.1 No amendment to a special or an extraordinary resolution (other than a clerical amendment to correct a patent error) may be considered in any circumstances.
- 68.2 No amendment to an ordinary resolution (other than a clerical amendment to correct a patent error) may be considered unless either:
- 68.2.1 at least 48 hours' prior written notice of the amendment has been lodged with the Company at the office; or
  - 68.2.2 the chairman of the meeting agrees otherwise.
- 68.3 If any amendment proposed to any resolution under consideration is 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.

**69. Members' written resolutions**

A resolution in writing, executed by or on behalf of each member who would have been entitled to vote on it if it had been proposed at a general meeting at which he was present, shall be as effective as if it had been passed at a general meeting duly convened and held. The resolution in writing may consist of several documents in the same form, each duly executed by or on behalf of one or more members, and may be in any form as the board determines, including fax and other electronic communications.

**70. Confidential information**

No member present at a general meeting, whether in person, by proxy or by representative, shall be entitled to require disclosure of or any information about any detail of the Company's trading, or that may relate to the conduct of the business of the Company, if the board decides that it is in the interests of the Company to keep that information confidential.

**CLASS MEETINGS**

**71. Procedure**

Any separate meeting for the holders of any class of shares shall be convened and conducted in all respects as nearly as possible in the same way as an *extraordinary general meeting* of the Company, and the provisions of sections 369, 370, 376 and 377 of the Act shall (so far as applicable) apply as if references in such sections to meetings are references to such class meetings, provided that:

- 71.1 no member, other than a director, shall be entitled to notice of, or to attend, any such meeting unless he is a holder of shares of that class;
- 71.2 the quorum at any such meeting (other than an adjourned meeting) shall be two persons present in person or by proxy holding or representing by proxy at least one-third in nominal value of the issued shares of the class excluding any shares in the Company held as treasury shares;
- 71.3 the quorum at any adjourned meeting shall be two persons holding shares of the class in question who are present in person or by proxy; and

- 71.4 a poll may be demanded by any member present in person or by proxy and entitled to vote at the meeting. On a poll, each member shall have one vote for every share of the class in question of which he is the holder.

## **DISCLOSURE OF INTERESTS IN SHARES**

### **72. Sanctions for non-disclosure**

- 72.1 Where a member, or any other person appearing to be interested in shares held by that member, has:

72.1.1 been issued with a notice pursuant to section 212 of the Act; and

72.1.2 failed in relation to any shares ("default shares", which expression shall include any further shares which are issued in respect of such default shares) to give the Company the information required by that notice within the prescribed period from the date of service of the notice,

then, unless the board otherwise determines, the sanctions set out in articles 72.2 and 72.3 shall apply.

- 72.2 The member shall not be entitled in respect of the default shares and any other shares held by him to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares, or on any poll, or to exercise any other right conferred by membership in relation to any such meeting or poll. The same restrictions shall apply to any transferee to whom any of such default shares are transferred, unless such transfer is an excepted transfer (as defined in article 76).

- 72.3 Where the default shares (excluding any shares in the Company held as treasury shares) the board may in their absolute discretion by notice in writing to such member direct that represent at least 0.25 per cent in nominal value of the issued shares of their class:

72.3.1 any dividend or other monies payable in respect of the default shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to articles 143 or 144, to receive shares instead of that dividend; and

72.3.2 save for an excepted transfer (as defined in article 76) and subject to the requirements of the relevant system in relation to shares in uncertificated form, no transfer of a default share shall be registered unless:

72.3.2.1 the member is not himself in default as regards supplying the information required; and

72.3.2.2 the member proves to the satisfaction of the board that no person in default as regards supplying such information is interested in any of the shares which are the subject of the transfer.

### **73. Cessation of sanctions**

- 73.1 Where the sanctions under article 72 apply in relation to any shares, they shall cease to have effect seven days following the earlier of:



73.1.1 receipt by the Company of notice that the shares have been transferred by means of an excepted transfer; or

73.1.2 receipt by the Company of the information required by the notice issued pursuant to section 212 of the Act.

73.2 The board may at any time give notice cancelling or suspending for a stated period the operation of the sanctions under article 72 in whole or in part.

#### **74. Section 212 notices**

74.1 Any notice issued pursuant to section 212 of the Act may treat certificated and uncertificated shares of a holder as separate holdings and either apply only to certificated shares or to uncertificated shares or make different provision for certificated and uncertificated shares.

74.2 Where, on the basis of information obtained from a member in respect of any share held by him, the Company issues a notice pursuant to section 212 of the Act to any other person, it shall, at the same time, send a copy of the notice to the member. The accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of article 72.

#### **75. Approved depositaries**

75.1 Where a person who appears to be interested in shares has been served with a notice pursuant to section 212 of the Act and the shares in which he appears to be interested are held by an approved depositary, the provisions of articles 72 to 74 (inclusive) shall be treated as applying only to the shares which are held by the approved depositary in which that person appears to be interested and not (so far as that person's apparent interest is concerned) to any other shares held by the approved depositary.

75.2 While the member on which a notice pursuant to section 212 of the Act is served is an approved depositary, the obligations of the approved depositary as a member will be limited to disclosing to the Company any information relating to a person who appears to be interested in the shares held by it which has been recorded by it in accordance with the arrangement under which it was appointed as an approved depositary.

#### **76. Disclosure of interests - definitions**

For the purposes of articles 72 to 75 (inclusive):

76.1 a person, other than the member holding a share, shall be treated as appearing to be interested in that share if:

76.1.1 the member has informed the Company that the person is, or may be, so interested; or

76.1.2 the Company (after taking account of any information obtained from the member or, pursuant to a notice under section 212 of the Act, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;

- 76.2 "interested" shall be construed in the same way as it is construed for the purpose of section 212 of the Act;
- 76.3 reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes reference to his having failed or refused to give all or any part of it and reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
- 76.4 the "prescribed period" means 14 days;
- 76.5 an "excepted transfer" means, in relation to any shares held by a member:
- 76.5.1 a transfer pursuant to the acceptance of a takeover offer for the Company (within the meaning of the Act);
  - 76.5.2 a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company's shares of the same class as the default shares are normally traded; or
  - 76.5.3 a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

**77. Section 216**

Nothing contained in these articles shall limit the power of the Company under section 216 of the Act.

**NUMBER OF DIRECTORS**

**78. Number**

Unless and until otherwise determined by the Company by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.

**ALTERNATE DIRECTORS**

**79. Appointment**

- 79.1 Any director (other than an alternate director) may, by notice delivered to the secretary at the office, or in any other manner approved by the board, appoint any other director or any other person who is approved by the board and is willing to act to be his alternate. No appointment of an alternate director who is not already a director shall be effective until his consent to act as a director has been received at the office and his appointment has been approved by the board.
- 79.2 An alternate director shall not be required to hold any shares in the Company.

**80. Revocation of appointment**

- 80.1 A director may, at any time, by notice delivered to the secretary at the office, revoke the appointment of his alternate director and, subject to the provisions of article 79, appoint another person in his place.
- 80.2 If a director ceases to hold the office of director or if he dies, the appointment of his alternate director shall then also cease. However, if any director retires but is re-elected at the meeting at which such retirement takes effect, any valid appointment of an alternate director which was in force immediately before his retirement shall continue to operate after his re-election as if he had not so retired.
- 80.3 The appointment of an alternate director shall cease on the happening of any event which, if he was a director otherwise appointed, would cause him to vacate office.

**81. Participation in board meetings**

- 81.1 Every alternate director shall (subject to him giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notice of all meetings of the board and all committees of which his appointor is a member.
- 81.2 In the absence from such meetings of his appointor, an alternate director shall be entitled to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor.
- 81.3 A director acting as alternate director shall have, in addition to his own vote, a separate vote at board and committee meetings for each director for whom he acts as alternate director; however, he shall count as only one director for the purpose of determining whether a quorum is present.

**82. Responsibility**

Every person acting as an alternate director shall be deemed to be an officer of the Company, shall alone be responsible for his own acts and defaults, and shall not be deemed to be the agent of his appointor.

**83. Remuneration and expenses**

An alternate director shall not be entitled as against the Company to any fees for his services as an alternate. An alternate director shall be paid by the Company such expenses as might properly have been repaid to him if he had been a director.

**POWERS OF THE BOARD**

**84. Powers of the board**

- 84.1 Subject to the provisions of the Acts, the memorandum of association of the Company and these articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the board which may exercise all the powers of the Company whether relating to the management of the business or not.

84.2 No alteration of the memorandum of association or of these articles and no special resolution of the Company shall invalidate any prior act of the board which would have been valid if such alteration had not been made or such special resolution had not been passed.

84.3 The provisions contained elsewhere in these articles as to any specific power of the board shall not be deemed to limit the general powers given by this article 84.

**85. Powers of directors if less than minimum required number**

85.1 If the number of directors is less than the minimum for the time being prescribed by these articles, the remaining director or directors shall only act for the purpose of appointing an additional director or directors to make up such minimum or to convene a general meeting of the Company for the purpose of making such appointment. If there is no director or if no director or directors are able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.

85.2 Any additional director appointed by the remaining director or directors shall (subject to the provisions of these articles and unless he is re-elected during such meeting) hold office only until the dissolution of the annual general meeting of the Company next following such appointment.

**86. Exercise of voting rights**

The board may exercise or cause to be exercised the voting rights conferred by shares in any other company held or owned by the Company, or any power of appointment to be exercised by the Company, in such manner and in all respects as it thinks fit (including the exercise of the voting rights or power of appointment in favour of the appointment of any director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

**87. Corporate members**

The board may at any time require a corporate member to furnish any information, supported (if the board so requires) by a statutory declaration, which it may consider necessary for the purpose of determining whether or not such member is a close company within the meaning of section 414 of the Income and Corporation Taxes Act 1988.

**88. Provision for employees on cessation or transfer of business**

The board may resolve to exercise any power conferred on the Company by the Acts to make provision for the benefit of any person employed or formerly employed by the Company or any of its subsidiaries (or any member of his family, including a spouse or former spouse or any person who is or was dependent on him) 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.

**89. Overseas register**

Subject to the provisions of the Acts, the board may exercise the powers conferred on the Company with regard to the keeping of an overseas or local or other register and may make and vary such regulations as it thinks fit in respect of the keeping of any such register.

## **90. Borrowing powers**

- 90.1 Subject to the provisions of the Acts, the board may exercise all the powers of the Company:
- 90.1.1 to borrow money;
  - 90.1.2 to mortgage or charge all or any part of the undertaking, property and assets (present or future) and uncalled capital of the Company;
  - 90.1.3 to issue debentures and other securities; and
  - 90.1.4 to give security, either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 90.2 The board may exercise all the powers of the Company to borrow or raise money upon or by the issue or sale of any debentures or securities on such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as it may determine, including (subject to the provisions of the Acts) a right for the holders of debentures or securities to exchange the same for shares in the Company of any class authorised to be issued.
- 90.3 The board may confer upon any mortgagees or persons in whom any debenture or security is vested, such rights and powers as it thinks necessary or expedient. It may vest any property of the Company in trustees for the purpose of securing any monies so borrowed or raised; and confer upon the trustees or any receiver to be appointed by them or by any debenture holder such rights and powers as the board may think necessary or expedient in relation to:
- 90.3.1 the undertaking or property of the Company, or its management or realisation; or
  - 90.3.2 the making, receiving or enforcing of calls on the members in respect of unpaid capital,
- and otherwise, and may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated.
- 90.4 The board may give security for the payment of any monies payable by the Company in the same manner as for the payment of monies borrowed or raised.

## **91. Limit to borrowing powers**

- 91.1 The board shall restrict the borrowings of the Company and shall 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 procure (but as regards such subsidiary undertakings, only in so far as it can procure by such exercise) that the aggregate principal amount outstanding in respect of all borrowings by the group (exclusive of any borrowings which are owed by one group company to another and after deducting cash deposited) shall not, at any time, without an ordinary resolution of the Company, exceed a sum equal to two times the adjusted total of capital and reserves.
- 91.2 No lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this article 91 is observed. No debt incurred or

security given in respect of borrowings in excess of the limit imposed by this article 91 shall be invalid or ineffectual, except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would be exceeded.

- 91.3 A report or certificate by the auditors as to the amount of the adjusted total of capital and reserves and as to the aggregate amount of borrowings for the purposes of this article 91, or to the effect that the limit imposed by this article 91 has not been or will not be exceeded at any particular time or times, shall be conclusive evidence of such amount or fact and binding on all concerned. Nevertheless, for the purposes of this article 91, the board may, at any time, act in reliance on a bona fide estimate of the amount of the adjusted total of capital and reserves, and if, in consequence, the limit on borrowings set out in this article 91 is inadvertently exceeded, an amount borrowed equal to the excess may be disregarded until the expiration of 90 days after the date on which, by reason of a determination of the auditors or otherwise, the board became aware that such a situation has or may have arisen.

- 91.4 In this article 91:

91.4.1 **"adjusted total of capital and reserves"** means a sum equal to the aggregate of:

91.4.1.1 the amount paid up on the allotted share capital of the Company; and

91.4.1.2 the amounts standing to the credit of the reserves of the group (whether distributable or undistributable, and including the profit and loss account, share premium account, capital redemption reserve, revaluation reserve and unappropriated balance of grants (including investment grants)), after deducting any debit balance on the profit and loss account of the group (other than any such debit balance arising only on consolidation);

all as shown in the latest balance sheet, but after:

91.4.1.3 making such adjustments as may be appropriate in respect of:

- (a) any variation in the amount of the paid up share capital, the share premium account or the capital redemption reserve of the Company since the date of the latest balance sheet; and so that, for this purpose, if any proposed allotment of shares by the Company for cash has been underwritten or agreed to be subscribed, then such shares shall be deemed to have been allotted, and the amount (including the premium) of the subscription monies payable in respect of them (not being monies payable later than six months after the date of allotment) shall be deemed to have been paid up to the extent so underwritten or agreed to be subscribed on the date when the issue of such shares was underwritten or agreed to be subscribed (or, in the event that such underwriting or agreement to subscribe was conditional, the date on which it became unconditional); and
- (b) any variation in the interests of the Company in its subsidiary undertakings since the date of the latest balance sheet;

91.4.1.4excluding (so far as not already excluded):

- (a) amounts attributable to minority interests in group companies; and
- (b) any sum set aside for taxation;

91.4.1.5deducting:

- (a) sums equivalent to the book values of goodwill and other intangible assets shown in the latest balance sheet (as adjusted pursuant to the previous provisions of this article 91); provided that there should be added back the amount of goodwill that would have remained on such balance sheet if all goodwill had been carried on the balance sheet as an asset and amortised on a straight line basis over 20 years (or such longer period, as determined by the Company, as may be in accordance with generally accepted accounting practice in the United Kingdom, such amount to be certified by the Company's auditors); and
- (b) the amount of any distribution out of profits accrued up to and including the date of the latest balance sheet declared, recommended or made by any group company to a person other than a group company (to the extent not provided for in the latest balance sheet); and

91.4.1.6making such other adjustments (if any) as the board may consider appropriate or necessary and as are approved by the auditors;

91.4.2 **"borrowings"** shall be deemed to include the following (except in so far as otherwise taken into account):

91.4.2.1the principal amount of any debenture (whether secured or unsecured) of any group company owned otherwise than by any group company;

91.4.2.2the nominal amount of any share capital (not being equity share capital) of any group company which is not owned within the group;

91.4.2.3the nominal amount of any share capital and the principal amount of any borrowings or other indebtedness, the redemption or repayment of which is guaranteed or secured or is the subject of an indemnity given by any group company, but where the beneficial interest in the redemption or repayment of which is not owned within the group;

91.4.2.4the outstanding amount raised by acceptances under any acceptance credit or bills facility opened on behalf of and in favour of any group company by any bank or accepting house, not being acceptances of, or acceptance credits in relation to, trade bills for purchases of goods or services in the ordinary course of business and outstanding for six months or less;

91.4.2.5any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing (but so that any premium payable on final repayment of an amount not to be taken into account as borrowings shall not be taken into account); and

91.4.2.6amounts raised under any transaction (including, without limitation, forward sale or purchase agreements) having the commercial effect of borrowings entered into to enable the financing of operations or capital requirements,

but shall be deemed not to include:

91.4.2.7borrowings made by a group company for the purpose of repaying the whole or any part of borrowings falling to be taken into account for the purposes of this article 91 within six months of being first borrowed, pending their application for such purpose within such period;

91.4.2.8borrowings made by a group company for the purpose of financing any contract in respect of which any part of the price receivable under such contract by that or another group company is guaranteed or insured by any government, governmental agency or body, or by a person (not being a group company) carrying on the business of providing credit insurance, up to the amount not exceeding that part of the price receivable under the contract which is so guaranteed or insured;

91.4.2.9such proportion of the borrowings of any group company which is not a wholly-owned subsidiary of the Company as that part of its issued and paid up equity share capital which is not beneficially owned, directly or indirectly, by a group company bears to the whole of its issued and paid up equity share capital (but an equivalent proportion of borrowings from one such non-wholly-owned subsidiary by any other group company which would otherwise fall to be excluded shall nevertheless be included);

91.4.2.10borrowings of a company which was not a subsidiary undertaking at the date of the latest balance sheet, to the extent that the borrowings do not exceed its borrowings outstanding on the date when it became a group company;

91.4.2.11any sum advanced or paid to any group company (or its agents or nominees) by customers of any group company as unexpended customer receipts or progress payments pursuant to any contract between such customer and a group company;

91.4.2.12the amount of any monies held by any group company whether on deposit or current account or otherwise in connection with any scheme for the benefit of employees or their dependants; and

91.4.2.13sums which fall to be treated as borrowings by any group company by reason only of any current statement of standard accounting practice or other accounting principle or practice;



- 91.4.3 **"cash deposited"** means an amount equal to the aggregate for the time being outstanding of all cash deposits or balances on each current account of the group (whether current or otherwise) with any bank (not being a group company), the realisable value of certificates of deposit and securities of governments and companies or other readily realisable deposits owned by any group company, except that (in the case of any such items owned by a group company which is not a wholly-owned subsidiary) only that portion which is equal to the proportion of that company's issued and paid up equity share capital which is beneficially owned, directly or indirectly, by a group company shall be taken into account);
- 91.4.4 **"group"** means the Company and its subsidiary undertakings from time to time;
- 91.4.5 **"group company"** means any company in the group;
- 91.4.6 **"latest balance sheet"** means the consolidated balance sheet dealing with the state of affairs of the Company and its subsidiary undertakings comprised in the latest group accounts prepared and approved by the board and on which the auditors have made their report pursuant to the Acts.
- 91.5 When the aggregate amount of borrowings required to be taken into account for the purposes of this article 91 on any particular day is being ascertained:
- 91.5.1 any of such monies denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:
- 91.5.1.1 at the rate of exchange used for the conversion of that currency in the latest balance sheet;
- 91.5.1.2 if no rate was so used, at the middle market rate prevailing in London at the close of business on the date of that balance sheet; or
- 91.5.1.3 where the repayment of such monies is expressly covered by 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 exchange rates, at the rate of exchange specified in that document,
- but, if the amount in sterling resulting from conversion at that rate would be greater than that resulting from conversion at the middle market rate prevailing in London at the close of business on the business day immediately preceding the day on which the calculation falls to be made, the latter rate shall apply instead;
- 91.5.2 if, under the terms of any borrowing, the amount of money that would be required to discharge its principal amount in full if it fell to be repaid (at the option of the borrower or by reason of default) on such date is less than the amount that would otherwise be taken into account in respect of that borrowing for the purpose of this article 91, the amount of the borrowing to be taken into account shall be the lesser amount.

**92. Register of charges**

The board shall keep a register of charges in accordance with the Acts and the fee to be paid by any person other than a creditor or member of the Company for each inspection of the register of charges to be kept under the Acts shall be the maximum sum prescribed by the Acts or, failing that, determined by the board.

**DELEGATION OF DIRECTORS' POWERS**

**93. Powers of executive directors**

The board may from time to time delegate or entrust to and confer upon any director holding executive office (including a managing director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit. It may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

**94. Delegation to committees**

94.1 The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) (including powers or discretions relating to the remuneration of or benefits given to the directors) for such time, on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more directors and (if thought fit) one or more other persons (provided that a majority of the members of a committee shall be directors or alternate directors and no resolution of a committee shall be effective unless a majority of those present when it was passed are directors or alternate directors). The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect, and may from time to time revoke, withdraw, alter or vary all or any of such powers, and discharge any such committee in whole or in part.

94.2 All committees shall, in the exercise of the powers delegated to them and in the transaction of business, conform to any mode of proceedings and regulations which may be prescribed by the board. Subject to that, the proceedings of any committee shall be governed by such of these articles as regulate the proceedings of the board, so far as they are capable of applying.

94.3 References in these articles to committees include sub-committees permitted under these articles.

**95. Local and divisional management**

95.1 The board may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any locality in relation to any business, either in the United Kingdom or elsewhere; and it may appoint any person to be a member of such local or divisional board, or a manager or agent, and may fix his remuneration.

95.2 The board may delegate to any local or divisional board, manager or agent so appointed any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members for the time being of any such local or divisional board, or any of them, to fill up any vacancies and to act even though there are vacancies; and any such appointment or delegation may be made for such time, on such terms and subject to such conditions as the board thinks fit. The board may

confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

- 95.3 Subject to any terms and conditions expressly prescribed by the board, the proceedings of any local or divisional board or agency with two or more members shall be governed by such of these articles as regulate the proceedings of the board, so far as they are capable of applying.

**96. Power of attorney**

The board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including, but not limited to, remuneration and the protection and convenience of persons dealing with the agent) and subject to such conditions as it thinks fit. The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

**97. Associate directors**

The board may appoint any person (not being a director) to any office or employment having a designation or title including the word "director", or attach to any existing office or employment with the Company such designation or title, and may terminate any such appointment or the use of such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that such person is, or is deemed to be, or is empowered in any respect to act as, a director of the Company for any of the purposes of the Acts or these articles.

**APPOINTMENT AND RETIREMENT OF DIRECTORS**

**98. Power of the Company to appoint directors**

Subject to the provisions of the Acts and of these articles, the Company may by ordinary resolution appoint any person who is willing to act as a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not exceed any maximum number fixed in accordance with these articles.

**99. Power of the board to appoint directors**

- 99.1 Without prejudice to the power of the Company to appoint any person to be a director pursuant to these articles but subject to the provisions of the Acts and of these articles, the board may, at any time, appoint any person who is willing to act as a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not exceed any maximum number fixed in accordance with these articles.

- 99.2 Any director so appointed shall:

- 99.2.1 (subject to the provisions of these articles and unless he is re-elected during such meeting) hold office only until the dissolution of the annual general meeting of the Company next following such appointment; and

99.2.2 not retire by rotation at such meeting or be taken into account in determining the number of directors who are to retire by rotation at such meeting.

**100. Appointment of executive directors**

100.1 Subject to the provisions of the Acts, the board may from time to time appoint one or more of its body to hold any employment or executive office (including that of chief executive and managing director) for such period and on such terms as the board may determine; and (without prejudice to any claim for damages for breach of any contract of service between the director and the Company and to any claim which may arise by operation of law) the board may revoke or terminate any such appointment.

100.2 A chief executive, managing director or other executive director who ceases to hold the office of director from any cause shall automatically cease to be a managing or executive director immediately.

**101. Eligibility of new directors**

101.1 No person, other than a director retiring (by rotation or otherwise), shall be eligible for appointment or reappointment as a director at any general meeting, unless:

101.1.1 he is recommended by the board; or

101.1.2 not less than seven nor more than 42 days before the date appointed for the meeting, notice by a member (other than the person to be proposed) entitled to attend and vote at the meeting of the intention to propose that person for appointment or reappointment, stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors, together with notice given by that person of his willingness to be appointed or reappointed, is lodged at the office.

101.2 A director shall not be required to hold any shares in the Company.

**102. Voting on resolution for appointment**

A resolution for the appointment of two or more persons as directors by a single resolution shall be void unless an ordinary resolution that it shall be so proposed has first been agreed to *by the meeting without any vote being given against it.*

**103. Retirement by rotation**

103.1 At each annual general meeting of the Company, one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office but so that, if there are fewer than three directors who are subject to retirement by rotation, one shall retire from office.

103.2 In addition to the directors required to retire by rotation under article 103.1 (as determined in accordance with article 104), there shall also be required to retire by rotation any director who at an annual general meeting of the Company shall have been a director at each of the preceding two annual general meetings of the Company, provided that:

103.2.1 he was not appointed or reappointed at either such annual general meeting;  
and

103.2.2 he has not otherwise ceased to be a director (whether by resignation, retirement, removal or otherwise) and been reappointed by general meeting of the Company at or since either such annual general meeting.

**104. Directors subject to retirement**

104.1 Subject to the provisions of the Acts and of these articles, the directors to retire by rotation at each annual general meeting shall:

104.1.1 exclude any director appointed after the date of any notice convening the annual general meeting; and

104.1.2 include, so far as necessary to obtain the number required, first, any director who wishes to retire and not offer himself for re-election, and secondly, those directors who have been longest in office since their last appointment or reappointment. As between two or more directors who have been in office an equal length of time, the director to retire shall, in default of agreement between them, be determined by lot.

104.2 The directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the board at the start of business on the date of the notice convening the annual general meeting, even though the number or identity of the directors after that time but before the close of the meeting may change.

**105. Position of retiring director**

A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be reappointed. If he is not reappointed or is not deemed to have been reappointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

**106. Deemed reappointment**

At any general meeting at which a director retires by rotation, the Company may fill the vacancy. If it does not do so, the retiring director shall, if willing, be deemed to have been reappointed, unless it is expressly resolved not to fill the vacancy or a resolution for the reappointment of the director is put to the vote of the meeting and lost.

**107. No retirement on account of age**

107.1 Subject to any terms of engagement on which a director is appointed, no person shall be or become incapable of being appointed or reappointed a director by reason of his having attained the age of 70 years or any other age, nor shall any special notice be required in connection with the appointment or reappointment or the approval of the appointment or reappointment of such person.

107.2 Subject to any terms of engagement on which a director is appointed, no director shall vacate his office at any time by reason of the fact that he has attained the age of 70 years or any other age, and section 293 of the Act shall not apply to the Company.

- 107.3 Where any general meeting of the Company is convened at which, to the knowledge of the board, a director will be proposed for appointment or reappointment who will, at the date of the meeting, be 70 years old or more, the board shall give notice of his age in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings or any appointment or reappointment of that director at that meeting.

## **REMOVAL AND DISQUALIFICATION OF DIRECTORS**

### **108. Removal by ordinary resolution**

In addition to any power of removal conferred by the Acts and without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company and to any claim which may arise by operation of law, the Company may by ordinary resolution remove any director before the expiration of his period of office; and, subject to the provisions of the Acts and of these articles, the Company may by ordinary resolution appoint another person who is willing to act to be a director in his place. Any person so appointed shall be treated, for the purposes of determining the time at which he or any other director is to retire, as if he had become a director on the day on which the person in whose place he is appointed was last appointed or reappointed a director.

### **109. Vacation of office by director**

- 109.1 Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these articles, the office of a director shall be vacated if:

109.1.1 he resigns by notice delivered to the secretary at the office or tendered at a board meeting;

109.1.2 he ceases to be a director by virtue of any provision of the Acts, is removed from office pursuant to these articles or becomes prohibited by law from being a director;

109.1.3 he becomes bankrupt, has an interim receiving order made against him, makes any arrangement or composition with his creditors generally or applies to the court for an interim order under the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;

109.1.4 *he is or may be suffering from mental disorder or is otherwise incapable of running his affairs and either:*

109.1.4.1 *an order is made by any court or official having jurisdiction for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property and affairs; or*

109.1.4.2 *he is admitted to hospital following an application for admission for treatment under the Mental Health Act 1983 or any similar legislation in any other jurisdiction,*

*and the board resolves that his office be vacated;*

109.1.5 both he and his alternate director (if any) appointed pursuant to the provisions of these articles have been absent, without the permission of the board, from

board meetings for six consecutive months, and the board resolves that his office be vacated;

109.1.6 his contract for his services as a director expires or is terminated for any reason and is neither renewed nor a new contract granted within 28 days; or

109.1.7 (without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company and to any claim which may arise by operation of law) he is removed from office by a notice addressed to him at his last known address and signed by all his co-directors. An alternate director appointed by the director to whom such notice is being given and acting in his capacity as such shall not be required to sign such notice; and a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that the signature of either of them on such notice shall be sufficient.

109.2 If the office of a director is vacated for any reason, he shall cease to be a member of any committee.

109.3 A resolution of the board declaring a director to have vacated office under the terms of this article 109 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

#### **REMUNERATION OF NON-EXECUTIVE DIRECTORS**

##### **110. Ordinary remuneration**

110.1 Unless otherwise determined by the Company by ordinary resolution, a director (other than an alternate director) who does not hold executive office shall be paid for his services as a director fees at such rate (not exceeding £350,000 per annum) as the board may decide.

110.2 The maximum aggregate level of fees stipulated by or in accordance with article 110.1 shall be increased on each anniversary of the date of the adoption of these articles (or, if appropriate, the date upon which the maximum was last fixed by ordinary resolution in accordance with article 110.1) by the same percentage increase as the percentage increase in the General Index of Retail Prices for all items (or such other comparable index as may be substituted for it from time to time before such anniversary) in the 12 months immediately preceding such date.

110.3 Any fee payable pursuant to this article 110 shall be deemed to accrue from day to day and shall be distinct from any salary, remuneration or other amounts payable to a director pursuant to other provisions of these articles.

##### **111. Additional remuneration**

Any director who does not hold executive office and who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs any services on behalf of the Company or its business which, in the opinion of the board, are outside the scope of the ordinary duties of a director, may (without prejudice to the provisions of article 110) be paid such reasonable additional remuneration for such services, whether by way of additional fees, salary, percentage of profits or otherwise, as the board may from time to time determine.

## **REMUNERATION OF EXECUTIVE DIRECTORS**

### **112. Remuneration of executive directors**

The salary or remuneration of any director appointed to hold any employment or executive office in accordance with the provisions of these articles shall be such as the board may from time to time determine, and may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the board.

## **DIRECTORS' EXPENSES**

### **113. Expenses**

Each director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director, including any expenses incurred in attending meetings of the board or of any committees or general meetings or separate meetings of the holders of any class of shares or debentures of the Company.

## **DIRECTORS' INTERESTS**

### **114. Interests**

114.1 Subject to the provisions of the Acts and provided that articles 114.2 and 114.3 are complied with, a director, despite his office:

114.1.1 may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;

114.1.2 (except that of auditor or auditor of a subsidiary of the Company) may hold any other office or place of profit under the Company in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company; and in any such case on such terms as to remuneration and otherwise as the board may arrange either in addition to or in lieu of any remuneration provided for by any other article;

114.1.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and

114.1.4 shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

114.2 A director who, to his knowledge, is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the Company shall (if he knows his interest then exists) declare the nature of his interest at the meeting of the board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, or, in any other case, at the first meeting of the board after he knows that he is or has become so interested. For the purposes of this article 114:



- 114.2.1 a general notice given to the board by a director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in any contract, arrangement, transaction or proposal in which a specified person or class of persons is interested shall be deemed to be a sufficient disclosure under this article in relation to such contract, arrangement, transaction or proposal; and
- 114.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 114.3 Other than as provided in this article 114, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board or of a committee concerning any contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he (together with any person connected with him as detailed in article 114.8) is to his knowledge materially interested, directly or indirectly (otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company). This prohibition shall not apply to a director in respect of a resolution:
- 114.3.1 relating to the giving of any guarantee, security or indemnity in respect of:
- 114.3.1.1 money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings; or
- 114.3.1.2 a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- 114.3.2 where the Company or any of its subsidiary undertakings is offering securities in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
- 114.3.3 involving another company in which he (and any person connected with him) has a direct or indirect interest of any kind (including an interest by holding any position, or by holding an interest in shares, in that company). Provided that this article 114.3.3 shall not apply if the director knows that he (and any person connected with him) hold an interest in shares (as that term is used in sections 198 and 211 of the Act) representing one per cent or more of either any class of equity share capital (excluding any shares of that class held as treasury shares), or the voting rights, in such company;
- 114.3.4 relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- 114.3.5 concerning insurance which the Company proposes to maintain or purchase for the benefit of directors or for the benefit of persons including directors.

- 114.4 A director shall not vote or be counted in the quorum on any resolution of the board or committee concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each director. In such case, each of the directors concerned (if not otherwise debarred from voting under this article 114) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning his own appointment.
- 114.5 If any question arises at any meeting as to the materiality of a director's interest (other than the chairman's interest) or as to the entitlement of any director (other than the chairman) to vote or to be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the chairman of the meeting. The chairman's ruling in relation to the director concerned shall be final and conclusive (except where it subsequently becomes apparent that the nature or extent of the interests of the director concerned have not been fairly disclosed).
- 114.6 If any question arises at any meeting as to the materiality of the chairman's interest or as to the entitlement of the chairman to vote or to be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman). The majority vote of the directors or committee members shall be final and conclusive (except where it subsequently becomes apparent that the nature or extent of the interests of the chairman have not been fairly disclosed).
- 114.7 Subject to the provisions of the Acts, the Company may by ordinary resolution suspend or relax the provisions of this article 114, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of this article 114.
- 114.8 For the purposes of this article 114:
- 114.8.1 section 346 of the Act shall be applied to determine whether a person is connected with a director;
- 114.8.2 an interest of a person who is connected with a director shall be treated as an interest of the director;
- 114.8.3 in relation to an alternate, an interest of his appointor shall be treated as an interest of the alternate, in addition to any interest which the alternate otherwise has; and
- 114.8.4 without prejudice to article 114.8.3, the provisions of this article 114 shall apply to an alternate director as if he were a director otherwise appointed.

## **DIRECTORS' GRATUITIES AND BENEFITS**

### **115. Benefits**

115.1 The board may exercise all the powers of the Company to provide:

115.1.1 pensions or other retirement or superannuation benefits;

115.1.2 death or disability benefits; or

115.1.3 other allowances or gratuities,

by insurance or otherwise, for any person who is, or has at any time been, a director of or employed by or in the service of the Company or any company which is a subsidiary company of the Company, or is allied to or associated with the Company or any such subsidiary, or any predecessor in business of the Company or any such subsidiary.

115.2 The board may also exercise the powers of the Company to extend these arrangements to any family member of such person (including a spouse or former spouse) or any person who is, or was, dependent on him.

115.3 For such purpose, the board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums. The board may procure any of these matters to be done by the Company, either alone or in conjunction with any other person.

115.4 Any director or former director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this article 115 and shall not be obliged to account for it to the Company.

## **PROCEEDINGS OF THE BOARD AND COMMITTEES**

### **116. Board meetings**

Subject to the provisions of these articles, the board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

### **117. Notice of board meetings**

117.1 Any director may, and the secretary at the request of a director shall, summon a board meeting at any time by notice (which need not be in writing) served on the members of the board in accordance with the provisions of article 160. A director may waive the requirement that notice be given to him of any board meeting, either prospectively or retrospectively.

117.2 A director absent or intending to be absent from the United Kingdom may request (by notice in writing to the board) that, during his absence, notices of board meetings be sent to him at any address given by him to the Company for this purpose. If no such request is made, or if oral notice only is given of a board meeting and there is no telephone or facsimile transmission number given, it shall not be necessary to give notice of a board meeting to a director who is absent from the United Kingdom. Where such address is outside the United Kingdom, the Company shall not be obliged to give the director a longer period of notice than he would have been entitled to had he been present in the United Kingdom.

**118. Quorum**

The quorum necessary for the transaction of business may be determined by the board and, until otherwise determined, shall be two directors. A duly convened meeting of the board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the board.

**119. Chairman of the board**

The board may appoint one of its body as chairman to preside at every board meeting at which he is present and one or more deputy chairmen, and determine the period for which he is or they are to hold office (and may at any time remove him or them from office). If no such chairman or deputy chairman is elected, or if at any meeting neither the chairman nor a deputy chairman is present within 15 minutes of the time appointed for commencement of the meeting, the directors and (in the absence of their appointors) alternate directors present shall choose one of their number to be chairman of such meeting. In the event of two or more deputy chairmen being present, the senior of them shall act as chairman of the meeting, seniority being determined by length of office since their last appointment or reappointment. As between two or more who have held office an equal length of time, the deputy chairman to act as chairman shall be decided by those directors and (in the absence of their appointors) alternate directors present. Any chairman or deputy chairman may also hold executive office in the Company.

**120. Voting**

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

**121. Participation by telephone**

Provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting, any director, directors or alternate may validly participate in a meeting of the board or a committee through the medium of one or more conference telephones or similar form of communications equipment. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Acts, all business transacted in such manner by the board or a committee shall, for the purposes of these articles, be deemed to be validly and effectively transacted at a meeting of the board or a committee, even though fewer than two directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

**122. Resolution in writing**

A resolution in writing signed by all the directors for the time being entitled to receive notice of a board meeting (not being less than a quorum), or by all members of a committee, shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the board (or committee, as the case may be). The resolution in writing may consist of several documents in the same form, each signed by one or more of the directors or members of the relevant committee, and may be in any form as the board determines including fax and other electronic communications. Such a resolution need not be signed by an alternate director if it is signed by his appointor, and a resolution signed by an alternate need not also be signed by his appointor.

**123. Validity of proceedings of the board or committee**

All acts done by a meeting of the board, or of a committee, or by any person acting as a director, alternate director or member of a committee shall, even though it is afterwards discovered that:

- 123.1 there was some defect in the appointment of any person or persons acting as such; or
- 123.2 they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office,

be as valid as if every such person had been duly appointed, and was duly qualified, and had continued to be a director, alternate or member of a committee and entitled to vote.

**SECRETARY**

**124. Secretary**

- 124.1 Subject to the provisions of the Acts, the board shall appoint a secretary or joint secretaries and shall have power to appoint one or more persons to be an assistant or deputy secretary at such remuneration and on such terms and conditions as it thinks fit. Without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company and to any claim which may arise by operation of law, the board may from time to time remove any person so appointed from office and appoint another or others in his place.
- 124.2 Any provision of the Acts or of these articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.
- 124.3 Anything required or authorised to be done by or to the secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by or to any assistant or deputy secretary or, if there be no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the board.
- 124.4 Persons dealing with the Company shall be entitled to assume that each joint secretary is entitled by himself to do anything required or authorised to be done by the secretary.

**AUTHENTICATION OF DOCUMENTS**

**125. Authentication of documents**

- 125.1 Any director or the secretary or any person appointed by the board for the purpose shall have power to authenticate:
  - 125.1.1 any documents affecting the constitution of the Company (including its memorandum and articles of association);
  - 125.1.2 any resolutions passed by the Company or the board or a committee; and
  - 125.1.3 any books, records, documents and accounts relating to the business of the Company,

and to certify copies of them or extracts from them as true copies or extracts, and any such authentication or certification shall be conclusive and binding on all concerned.

- 125.2 If any books, records, documents and accounts are not kept at the office, the person who holds them shall be deemed to be the person so appointed by the board for the purposes of article 125.1.

## **MINUTES**

### **126. Minutes**

- 126.1 The board shall cause minutes to be made, in books kept for the purpose, of:
- 126.1.1 all appointments of officers made by the board;
  - 126.1.2 all appointments of committees;
  - 126.1.3 the names of directors present at every meeting of the board, committees, the Company or the holders of any class of shares or debentures of the Company; and
  - 126.1.4 all orders, resolutions and proceedings of such meetings.
- 126.2 Any such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings were held, or by the chairman of the next succeeding meeting, or the secretary, shall be sufficient evidence of the matters stated in such minutes.

## **SEALS**

### **127. Safe custody**

The board shall provide for the safe custody of every seal.

### **128. Application of seals**

- 128.1 A seal shall only be used pursuant to the authority of a resolution of the board or of a committee.
- 128.2 The board may determine who shall sign any document to which a seal is affixed or which is intended to take effect as if executed under seal (or, in the case of share certificates, on which the seal is printed), either generally or in relation to a particular document or type of document. The board may also determine, either generally or in any particular case, that such signature may be dispensed with. Unless otherwise determined by the board:
- 128.2.1 share certificates and, subject to the provisions of any document constituting the same, certificates issued in respect of any debentures or other securities need not be signed; and
  - 128.2.2 every other document to which a seal is affixed shall be signed by one director and the secretary or by two directors.

128.3 Any document signed by one director and the secretary or by two directors and expressed to be executed by the Company shall have the same effect as if executed under a seal.

128.4 Nothing in these articles shall require the Company to issue under the seal any certificate or other document which is not by law required to be so issued.

**129. Official seal for use abroad**

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

**130. Securities seal**

Any seal which is to be used as a securities seal shall be used only for sealing securities issued by the Company, and documents creating or evidencing securities so issued. Any such securities or documents sealed with the securities seal shall not be required to be signed.

**CHEQUES, BILLS AND NOTES**

**131. Cheques, bills and notes**

The directors may draw, make, accept or endorse, or authorise any other person or persons to draw, make, accept or endorse, any cheques, bills of exchange, promissory notes or other negotiable instruments, provided that every cheque, bill of exchange, promissory note or other negotiable instrument drawn, made, accepted or endorsed shall be signed by such persons or person as the directors may appoint for the purpose.

**DIVIDENDS AND OTHER PAYMENTS**

**132. Declaration of dividends**

Subject to the provisions of the Acts and of these articles, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests in the profits of the Company, but no dividend shall exceed the amount recommended by the board and no dividend shall be payable in respect of any shares in the Company held as treasury shares.

**133. No dividend except out of profits**

No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Acts.

**134. Interim dividends**

134.1 Subject to the provisions of the Acts, the board may, if it considers that the profits of the Company available for distribution justify such payments:

134.1.1 declare and pay interim dividends on shares of any class of such amounts and on such dates and for such periods as it determines; and

134.1.2 declare and pay the fixed dividend on any class of shares carrying a fixed dividend on the dates prescribed for the payment of such dividends.

134.2 If the share capital is divided into different classes, the board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares with preferred rights, unless at the time of payment any preferential dividend is in arrears.

134.3 Provided that the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferred rights.

### **135. Entitlement to dividends**

135.1 Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid on the record date determined by the board in respect of that dividend.

135.2 No amount paid up on a share in advance of a call shall be treated for the purpose of this article 135 as paid up on the share.

135.3 Subject to article 135.2, all dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

### **136. Method of payment**

136.1 The Company may pay any dividend, interest or other sum payable in respect of a share:

136.1.1 in cash or by cheque, warrant or money order;

136.1.2 by any bank or other funds transfer system;

136.1.3 in respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders, by means of a relevant system (subject always to the facilities and requirements of that relevant system). Without prejudice to the generality of the preceding wording, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may direct in writing; and/or

136.1.4 by such other means and to or through such person as the holder or joint holders may direct in writing.

136.2 Every such cheque, warrant or money order may be sent:

136.2.1 by post to the registered address of the person entitled to it;

136.2.2 in the case of joint holders (or of two or more persons being jointly entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law), to the registered address of that person whose name stands first in the register (or, in the case of persons so entitled on death or



bankruptcy, if their names are not entered in the register, to such of those persons whose surname is first alphabetically); or

136.2.3 to such person and address as the person or persons entitled may direct in writing.

Every cheque, warrant or money order is sent at the risk of the person entitled to the money represented by it. Without prejudice to the generality of the preceding wording, if any such cheque, warrant or money order has or is alleged to have been lost, stolen or destroyed, the board may, if the person entitled to such cheque, warrant or money order requests it, issue a replacement cheque, warrant or money order (subject to compliance with such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as the board thinks fit).

136.3 The Company shall have no responsibility for any sum lost or delayed in the course of transfer by or through any bank or other funds transfer system (including the relevant system concerned) or when it has acted on any directions given in writing by the person or persons entitled to it.

136.4 The payment of the cheque, warrant or money order or the collection of funds from or transfer of funds by a bank or other funds transfer system in accordance with article 136.1 or, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system concerned shall be a good discharge to the Company.

136.5 Any joint holder or other person jointly entitled to any share may give an effective receipt for all dividends and other monies paid in respect of such share.

136.6 Without prejudice to any other provision of these articles, the board may withhold payment of any dividend payable to any person entitled to a share by reason of the death or bankruptcy of the holder, or of any other event giving rise to a transmission of such entitlement by operation of law, until such person has provided such evidence of his right as the board may reasonably require.

### **137. Currency of payment**

137.1 Unless otherwise provided by these articles or the rights attached to any shares, a dividend or any other monies payable in respect of a share may be declared or paid in whatever currency the board may decide.

137.2 The board may decide that a particular approved depository should receive dividends in a currency other than the currency in which it is declared and may make arrangements accordingly. In particular, where an approved depository has elected or agreed to receive dividends in another currency, the board may in its discretion make arrangements with such approved depository for payment of dividends to be made to it for value on the date on which the relevant dividend is paid, or such later date as the board may determine.

137.3 In the event that a dividend is to be paid in a currency other than the currency in which it was declared, the rate of exchange to be used for conversion of the dividend shall be such market rate selected by the board as it shall consider appropriate as at the close of business on the last business day before:

137.3.1 in the case of a dividend declared by ordinary resolution in accordance with the provisions of article 132, the date when the board announces their intention to recommend the particular dividend; or

137.3.2 in any other case, the date when the board declares the particular dividend.

137.4 The decision of the board regarding the rate of exchange shall be final and conclusive.

**138. Dividends not to bear interest**

No dividend or other monies payable by the Company on or in respect of any share shall carry a right to receive interest from the Company, unless otherwise provided by the rights attached to the shares.

**139. Calls or debts may be deducted from dividends**

The board may deduct from any dividend or other monies payable to any person on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to shares of the Company. Monies deducted in this way may be used to pay such amounts owed to the Company in relation to such shares.

**140. Unclaimed dividends etc**

All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the board for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years after having been declared or becoming due for payment shall be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee, and the Company shall not be liable to pay interest, in respect of it.

**141. Uncashed dividends**

If:

141.1 on two consecutive occasions:

141.1.1 cheques, warrants or money orders for dividends or other monies payable in respect of a share sent by the Company to the person entitled to it are returned to the Company or left uncashed during the period for which they are valid; or

141.1.2 any transfer by a bank or other funds transfer system has not been satisfied;  
or

141.2 following one such occasion, reasonable enquiries have failed to establish any new address of the registered holder,

the Company shall not be obliged to send or transfer any dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

**142. Payment of dividends in kind**

- 142.1 Without prejudice to any other provision of these articles, the board may, with the authority of an ordinary resolution of the Company, direct that payment of all or part of any dividend declared may be satisfied by the distribution of specific assets (and, in particular, of paid up shares or debentures of any other company).
- 142.2 The board may settle any difficulty which arises in relation to the distribution, as it thinks fit; and, in particular, may:
- 142.2.1 ignore fractions, or issue certificates for fractions, or authorise any person to sell and transfer fractions;
- 142.2.2 fix the value for the distribution of such specific assets or any part of them;
- 142.2.3 determine that cash payments may be made to any members on the basis of the value so fixed in order to secure equality of distribution; and/or
- 142.2.4 vest any such assets in trustees on trust for the persons entitled to the dividend.

**SCRIP DIVIDENDS AND DIVIDEND REINVESTMENT**

**143. Payment of scrip dividends**

- 143.1 Without prejudice to any other provision of these articles, the board may, with the prior authority of an ordinary resolution of the Company, offer holders of ordinary shares the right to elect to receive further ordinary shares, credited as fully paid, instead of cash in respect of all or part of any dividend or dividends specified by the ordinary resolution.
- 143.2 The board may, in its absolute discretion, exclude or restrict the offer to elect to receive new shares where it considers that this is necessary or desirable to comply with legal or practical problems under the laws of any territory, or the requirements of any recognised regulatory body or any stock exchange in any territory.
- 143.3 The board may offer holders the right to elect to receive new shares instead of cash for:
- 143.3.1 the next dividend; or
- 143.3.2 all future dividends (if a scrip dividend alternative is made available) until such time as they notify the Company that they no longer wish to receive new shares.
- 143.4 The following provisions shall apply where payment of a dividend is satisfied in accordance with article 143.1:
- 143.4.1 the ordinary resolution may specify a particular dividend or may relate to all or any dividends declared or paid within a specified period;
- 143.4.2 a holder is entitled to such number of new shares whose total relevant value is as near as possible to the cash amount (disregarding any associated tax credit) he would have received, but not in excess of it. For such purpose, the

"relevant value" of an ordinary share in the Company shall be the average market value of such shares for the five dealing days commencing, and including, the day when such shares are first quoted "ex-dividend" or a later day chosen by the board. The "average market value" shall be calculated:

143.4.2.1 by reference to the last price for a fully paid ordinary share of the Company on the Alternative Investment Market of the London Stock Exchange, as published in the Daily Official List of the London Stock Exchange; or

143.4.2.2 in such other manner as may be determined by or in accordance with the ordinary resolution, but shall never be less than the par value of the new share;

143.4.2.3 a certificate or report by the auditors as to the value of a new share in respect of any dividend shall be conclusive evidence of that value,

but shall never be less than the par value of the new share.

143.4.3 the board may make such provisions as it considers necessary or expedient in relation to any offer to be made pursuant to this article 143, including (but not limited to):

143.4.3.1 the giving of notice to shareholders of the right of election offered to them;

143.4.3.2 the provision of forms of election (whether in respect of a particular dividend or dividends generally);

143.4.3.3 determining the procedure for making and revoking such elections;

143.4.3.4 specifying the place at which, and the latest time by which, forms of election and any other relevant documents must be lodged in order to be effective; and

143.4.3.5 payment in cash to holders in respect of their fractional entitlements, provision for the accrual, retention or accumulation of all or part of the benefit of fractional entitlements to or by the Company or to or by or on behalf of any holder or the application of any accrual, retention or accumulation to the allotment of fully paid shares to any holder or any other provision for fractional entitlements;

143.4.4 the relevant dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be declared or payable on shares in respect of which an election has been duly made ("**elected shares**"); instead, additional shares shall be allotted to the holders of the elected shares on the basis of allotment calculated as stated in article 143.4.2. For such purpose, the board may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the board may determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on that basis, and apply it in paying up in full the appropriate number of unissued

shares for allotment and distribution to the holders of the elected shares on such basis; and

143.4.5 the additional shares so allotted shall be allotted as at the record date for the dividend in respect of which the right of election has been offered, and shall rank equally in all respects with each other and with the fully paid shares then in issue. Provided that they will not rank for any dividend or other distribution or other entitlement which has been declared, made or paid by reference to such record date.

#### **144. Dividend reinvestment generally**

144.1 The board may implement and maintain one or more share dividend or distribution reinvestment plans, including or instead of offering scrip dividends in accordance with article 143. Any such plan may be suspended or terminated at any time by the board, in its absolute discretion.

144.2 The terms and conditions of any such plan shall be determined by the board in its absolute discretion, and it may amend such terms and conditions as it thinks fit. In particular, the board may determine that any such plan shall only be available to certain members, or to part of the dividends.

144.3 Without prejudice to the provisions of article 144.2, the terms of any such plan may give members the right:

144.3.1 to elect to receive new fully paid shares instead of a cash amount;

144.3.2 to subscribe in cash for unissued shares in the Company, payable in full or by instalments;

144.3.3 to apply cash in paying up in full or by instalments any unpaid or partly paid shares held on the terms of the plan;

144.3.4 to apply cash in purchasing existing issued shares in the Company; or

144.3.5 to accept any other option or participate in any other arrangements thought by the board to be appropriate.

144.4 To the extent that any provision of this article 144 relates to offers to elect to receive new shares instead of a cash dividend, it shall be subject to the provisions of article 143 and of any ordinary resolution passed under article 143.1.

### **CAPITALISATION OF PROFITS AND RESERVES**

#### **145. Capitalisation**

145.1 The board may, with the authority of an ordinary resolution of the Company resolve to capitalise any amount:

145.1.1 standing to the credit of the Company's reserves (including any share premium account, capital redemption reserve or other undistributable reserve); or

145.1.2 standing to the credit of the profit and loss account which is not required for paying any preferential dividend (whether or not such amount is available for distribution).

145.2 The board may use the amount resolved to be capitalised by setting it aside for those members on the register at the close of business on the date stated in the board resolution (or fixed as stated in such resolution) in proportion to the nominal amount of ordinary shares (whether or not fully paid) held by them, respectively. Such amount set aside may be applied:

145.2.1 in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them, respectively;

145.2.2 in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allotting the shares or debentures credited as fully paid up, to the members, or as they may direct, in those proportions; or

145.2.3 partly in one way and partly in the other,

provided that the share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this article 145, only be applied in paying up unissued shares to be issued to members credited as fully paid.

145.3 Where any difficulty arises with regard to any distribution of any capitalised reserve or other amount, the board may settle the matter as it thinks expedient; and, in particular, in the case of shares or debentures becoming distributable under this article 145 in fractions, make such provisions by ignoring fractions or by payment in cash or otherwise as it thinks fit.

145.4 The board may authorise any person to enter into an agreement with the Company on behalf of all the members entitled under the board resolution. Such an agreement is binding on all concerned. The agreement may provide for either:

145.4.1 the allotment to the members respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or

145.4.2 *the payment up by the Company on behalf of such members (by applying their respective proportions of the profits resolved to be capitalised) of the amounts or any part of the amounts remaining unpaid on their existing shares.*

For the purposes of this article, unless the relevant resolution provides otherwise, if the Company holds treasury shares in the relevant class at the record date specified in the relevant resolution, it shall be treated as if it were entitled to receive the dividends in respect of those treasury shares which would have been payable if those treasury shares had been held by a person other than the Company.

145.5 Further, the board may generally do all acts and things required to give effect to the ordinary resolution of the Company.

## RECORD DATES

### 146. Record date

146.1 Regardless of any other provision of these articles but without prejudice to the rights attached to any shares, the Company or the board may fix any time on any date as the record date for any dividend, distribution, allotment or issue. The holder or holders of shares shown on the register at the record date shall be entitled to such dividend, distribution, allotment or issue, and his or their entitlement will be based on the number of shares registered at that time.

146.2 Such record date may be at any time on or before any date on which such dividend, distribution, allotment or issue is declared, paid or made; or after any such dividend, distribution, allotment or issue is declared.

### 147. Form of records

The board will comply with the requirements of the Acts in respect of the keeping of registers and the inspection, production and furnishing of copies of such register as may be required from time to time.

## ACCOUNTS

### 148. Inspection of accounts

148.1 The board shall cause accounting records to be kept in accordance with the Acts.

148.2 The accounting records of the Company shall be kept at the office or, subject to the provisions of the Acts, at such other place as the board thinks fit; and shall always be available during business hours for inspection by the directors and other officers.

148.3 No member (other than a director or other officer) shall have any right to inspect any accounting record or other document of the Company, unless:

148.3.1 he is so entitled pursuant to the Acts or a proper court order; or

148.3.2 he is authorised by the board.

### 149. Copy to be sent to members

149.1 This article 149 applies to every profit and loss account and balance sheet of the Company (including all documents required by law or by the rules of any regulatory body or stock exchange to be incorporated in or annexed to such documents) which is to be laid before the Company in general meeting (or such documents as may be required or permitted by law to be sent to members in lieu of such meeting).

149.2 Subject to article 154, a copy of every such document shall be sent to every member and every holder of debentures of the Company (whether or not such member or holder is entitled to receive notice of general meetings of the Company) and to the auditors at least 21 clear days before the date of the meeting. This article shall not require a copy of any documents to which it applies to be sent to:

149.2.1 any member or holder of debentures of whose address the Company is unaware;

149.2.2 *more than one of the joint holders of any shares or debentures;*

149.2.3 *any member who has not supplied the Company with an address for service in the United Kingdom; or*

149.2.4 *any member who is not entitled to notices pursuant to article 152.5.*

**150. Summary financial statements**

Where permitted by the Acts, the requirements of article 149 shall be deemed to be satisfied as far as the members are concerned if, instead of the copies referred to in article 149, a summary financial statement derived from the Company's annual accounts and the directors' report in the form, and containing the information, prescribed by the Acts is sent to each member or holder of the debentures of the Company.

**NOTICES**

**151. Notices to be in writing**

Any notice to be given to or by any person pursuant to these articles shall be in writing, except that a notice convening a meeting of the board or of a committee need not be in writing.

**152. Service of notice or other documents on members**

152.1 Any notice or other document may be served on, or delivered to, any member by the Company:

152.1.1 *personally;*

152.1.2 *by sending it through the post in a prepaid envelope addressed to the member at his registered address (or at any other address in the United Kingdom notified for the purpose);*

152.1.3 *by delivering it by hand to or leaving it at that address in an envelope addressed to the member;*

152.1.4 *(except in the case of a share certificate and only when the member has agreed to the sending of notices or other documents by fax) by fax sent to a fax number given by the member to the Company for the purpose of sending such notice or other document;*

152.1.5 *(except in the case of a share certificate and only when the member has agreed to the sending of notices or other documents by electronic communication) by any other form of electronic communication (including, but not limited to, e-mail) sent to an electronic address given by the member to the Company for the purpose of sending such notice or other document;*

152.1.6 *(subject to and in accordance with the provisions of article 154) by publishing such notice or other document on a website;*

152.1.7 *where the notice or other document relates to uncertificated shares, through the relevant system; or*



152.1.8 as authorised in writing by the relevant member.

- 152.2 However, article 152.1 shall not affect any provision of the Acts requiring offers, notices or documents to be served on, or delivered to, a member in a particular way.
- 152.3 In the case of joint holders of a share, all notices and other documents shall be given to the person named first in the register in respect of the joint holding (ignoring any joint holding without a United Kingdom address). Notice so given shall be sufficient notice to all joint holders.
- 152.4 If a member (or, in the case of joint holders, the person first named in the register) has a registered address outside the United Kingdom, but has notified the Company of an address within the United Kingdom at which notices or other documents may be given to him, he shall be entitled to have notices and other documents given to him at that address. Otherwise, no such member (or joint holders) shall be entitled to receive any notice or document from the Company.
- 152.5 If, as a result of all or some of the notices, dividend warrants or other documents given or sent by the Company to a member being returned undelivered to the Company or other reasonable evidence, it is apparent that during a period of at least two consecutive years such documents have not been received by that member, then the Company shall no longer be obliged to give notices to that member until he notifies the Company of another address to be entered as his registered address, or, in the case of a member whose registered address is outside the United Kingdom, another address in the United Kingdom as his address for service.
- 152.6 Any notice or other document to be given or delivered to a member shall be deemed to have been duly given to or delivered to any member who under article 152.4 or 152.5 or any other provision of these articles is not entitled to the same from the Company by exhibiting the same at the office.

### **153. Notice by advertisement**

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 sending notices through the post, the board may (subject in the case of an annual general meeting to section 238 of the Act), in its absolute discretion and as an alternative to any other method of service permitted by these articles, resolve to convene a general meeting by a notice advertised in at least one national newspaper. In any such case the Company shall send confirmatory copies of the notice by post if, at least seven clear days before the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

### **154. Documents available on websites**

Subject to the provisions of the Acts, a notice or other document may be served on, or delivered to, a member by the Company publishing such notice or other document on a website to which such member has access, provided that:

- 154.1 the Company and the relevant member have agreed that, instead of the Company sending notices or other documents to the member, such member will access them on a website;
- 154.2 the notice or other document actually published on the website is a notice or document to which the agreement referred to in article 154.1 applies;

- 154.3 the member is notified, in a manner for the time being agreed for the purpose between the member and the Company and in accordance with the provisions of the Acts, of:
- 154.3.1 the publication of the notice or other document on a website;
  - 154.3.2 the address of that website;
  - 154.3.3 the place on such website where the notice or other document may be accessed and how it may be accessed; and
  - 154.3.4 the period of time for which the documents will be available on the website, which (in the case of a notice of a meeting and accompanying documents) must be for the period commencing with the giving of that notification and ending with the conclusion of the meeting; and
- 154.4 the notice or other document is published on that website throughout the period referred to in article 154.3.4. However, if the documents are published on that website for a part but not all of such period, the notice or document will be treated as published throughout that period if the failure to publish the notice or other document throughout the period is attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

**155. Evidence of service**

155.1 Any notice or other document:

155.1.1 addressed to a member at his registered address or address for service in the United Kingdom shall, if sent by post, be deemed to have been served or delivered:

155.1.1.1(if prepaid as first class) 24 hours after it was posted; and

155.1.1.2(if prepaid as second class) 48 hours after it was posted

and, in proving such service, it shall be sufficient to prove that the envelope containing such notice or document was properly addressed, prepaid and put into a Post Office or any postbox subject to the control of the Post Office;

155.1.2 not sent by post but addressed to a member and delivered by hand to or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day it was so delivered or left;

155.1.3 sent to a member by fax shall be deemed to have been served or delivered 48 hours after the fax was sent and, in proving such service, it shall be sufficient to produce a transaction report or log generated by the fax machine which evidences such fax transmission;

155.1.4 sent to a member by any other form of electronic communication shall be deemed to have been served or delivered:

155.1.4.1 in the case of a notice or other document sent in an electronic form but by a manner authorised by articles 152.1.2 or 152.1.3, in

accordance with the provisions of articles 155.1.1 or 155.1.2, as appropriate;

155.1.4.2 otherwise, 48 hours after the electronic communication was sent and, in proving such service, it shall be sufficient to produce a confirmation setting out either the total number of recipients to whom or each recipient to whom the message was sent;

155.1.5 given by publishing such notice or other document on a website in accordance with the provisions of article 154 shall be deemed to have been served or delivered when the notice required by article 154.3, however sent, shall be deemed to have been served in accordance with the provisions of this article 155;

155.1.6 served or delivered through the relevant system shall be deemed to have been served or delivered when the Company, or any participant in the relevant system acting for the Company, sends the instruction relating to the notice or other document;

155.1.7 given by any other means authorised in writing by the member shall be deemed to have been served or delivered when the Company has done what it was authorised to do by that member for service or delivery.

155.2 Where notice is given by way of a newspaper advertisement, such notice shall be deemed to have been duly served on all members or person(s) entitled to receive notice at noon on the day when the advertisement appears or, if given by way of two or more advertisements which appear on different days, at noon on the last of the days when the advertisement appears.

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

155.4 Any notice or document exhibited at the office shall be deemed to have been served or delivered on that day when it was first so exhibited.

#### **156. Record date for service**

For the purpose of serving notices of meetings or other documents on members, whether in accordance with the Acts, a provision in these articles or any other document, the Company may determine that only those persons entered on the register at the close of business on a day fixed by the Company are entitled to receive such notices or other documents. This day must not be more than 14 days before the day that the notice is sent. No change in the register after that time shall invalidate that service or delivery.

#### **157. Notice binding on transferees etc**

Every person who, by operation of law, transfer or by any other means, becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice served by the Company under section 212 of the Act) which, before his name is entered in the register, has been duly served on or delivered to a person from whom he derives his title.

**158. Notice in case of death, bankruptcy or mental disorder**

In the case of the death or bankruptcy of a member or of any other event giving rise to a transmission of entitlement to a share by operation of law, the Company may serve or deliver a notice or other document to the person entitled in consequence of such event as if he was the holder of a share. Such notice or other document shall be given by addressing it to him by name or by the title of representative of the deceased or trustee of the bankrupt member (or by any similar designation) at an address within the United Kingdom supplied for that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice or document may be served or delivered in any manner in which this might have been done if the death, bankruptcy or other event had not occurred. Service or delivery in accordance with this article 158 shall be deemed to be sufficient notice to all other persons interested in such share.

**159. Notices to the Company**

Anyone can serve any summons, notice, order or other document on the Company or any officer of the Company:

- 159.1 by posting it in a letter (with postage paid) to the Company or any officer of the Company at the office;
- 159.2 by delivering it to that address; or
- 159.3 in any other manner prescribed by these articles for the serving of notice on, or the delivery of documents to, a member by the Company as may from time to time be agreed between the Company and the person so serving any such document as an effective manner of service.

**160. Notices to directors**

The Company may give any notice or other document to a director:

- 160.1 personally;
- 160.2 by sending it through the post in a prepaid envelope to the address given by him to the Company for this purpose;
- 160.3 by delivering it by hand to or leaving it at that address in an envelope addressed to him;
- 160.4 by fax sent to a fax number given by him to the Company for this purpose;
- 160.5 by any other form of electronic communication (including, but not limited to, e-mail) sent to an address given by him to the Company for this purpose.

**DESTRUCTION OF DOCUMENTS**

**161. Document destruction**

- 161.1 Provided that it complies with the Regulations in relation to shares held in uncertificated form, the Company may destroy:

- 161.1.1 any share certificate which has been cancelled, after one year from the date of such cancellation;
  - 161.1.2 any mandate for the payment of dividends or other monies or any variation or cancellation of the same or any notification of change of name or address, after two years from the date such mandate, variation, cancellation or notification was recorded by the Company;
  - 161.1.3 any transfer of shares (including any documents sent to support a transfer and any documents constituting the renunciation of an allotment of shares) which has been registered, after six years from the date of registration;
  - 161.1.4 any other document on the basis of which any entry in the register is made, after six years from the date an entry in the register was first made in respect of it; and
  - 161.1.5 any proxy form, after one year from the poll at which they were used or (if there was no poll) after one month from the meeting to which they relate.
- 161.2 It shall be presumed conclusively in favour of the Company that:
- 161.2.1 every entry in the register purporting to have been made on the basis of a share transfer form or other document so destroyed was duly and properly made;
  - 161.2.2 every share transfer form so destroyed was a valid and effective transfer duly and properly registered;
  - 161.2.3 every share certificate so destroyed was a valid certificate validly cancelled; and
  - 161.2.4 every other document destroyed under this article 161 was a valid and effective document in accordance with the recorded particulars of it in the books or records of the Company,
- provided always that:
- 161.2.5 the provisions of this article 161 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;
  - 161.2.6 nothing contained in this article 161 shall be construed as imposing on the Company any liability in respect of the destruction of any such document earlier than provided for in this article 161 or in any case where the conditions of this article 161 are not fulfilled; and
  - 161.2.7 references in this article 161 to the destruction of any document include references to its disposal in any manner.

## **WINDING UP**

### **162. Power to petition**

The board may present a petition to the court in the name and on behalf of the Company for the Company to be wound up.

### **163. Winding up**

163.1 If the Company is wound up (whether the liquidation is voluntary, under supervision of the court or by the court), the liquidator may, with the authority of an extraordinary resolution and any other sanction required by law, divide among the members in kind the whole or any part of the assets of the Company. This applies whether or not the assets consist of property of one kind or different kinds. For this purpose, the liquidator may set such value as he considers fair on any one or more class or classes of property, and may determine, on the basis of such valuation, how such division shall be carried out as between members or classes of members; however, if any such division is otherwise than in accordance with the existing rights of members, every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution passed in accordance with section 110 of the Insolvency Act 1986. The liquidator may, with the same authority, transfer any part of the assets to trustees on such trusts for the benefit of members as the liquidator, with the same authority, thinks fit. The liquidation may then be closed and the Company dissolved. The liquidator shall not, however (except with the consent of the member concerned), distribute to a member any asset to which there is attached a liability or potential liability for the owner.

163.2 The power of sale of a liquidator shall include a power to sell, wholly or in part, for shares or debentures or other obligations of another company, whether it is already in existence or is about to be formed for the purposes of the sale.

## **INDEMNITY AND INSURANCE**

### **164. Indemnity**

Subject to the provisions of the Acts, but without prejudice to any indemnity to which he may otherwise be entitled, every director, alternate director, secretary, agent or employee for the time being of the Company save for any present or former auditors of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses, damages and liabilities incurred by him:

164.1 in or about the execution of his duties; and/or

164.2 in the exercise of his powers; and/or

164.3 otherwise in relation to or in connection with his duties, powers or office,

including (without prejudice to the generality of the preceding wording) any liability incurred in defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer, agent or employee of the Company;

164.4 in which judgment is given in his favour;

- 164.5 in which he is acquitted;
- 164.6 in which proceedings are otherwise disposed of without any finding or admission of material breach of duty on his part; or
- 164.7 in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

**165. Insurance**

- 165.1 For the purposes of this article 165, each of the following is a **"relevant company"**:
  - 165.1.1 the Company;
  - 165.1.2 any holding company of the Company;
  - 165.1.3 any body, whether incorporated or not, in which the Company or such holding company or any of the predecessors in business of the Company or of such holding company has or has had any interest, whether direct or indirect; and
  - 165.1.4 any body, whether incorporated or not, which is in any way allied to or associated with the Company, or any holding company of the Company or such other body.
- 165.2 For the purposes of this article 165, each of the following is a **"relevant person"**:
  - 165.2.1 any present or former director or other officer (other than the auditors) of any relevant company;
  - 165.2.2 any present or former employee or any relevant company; and
  - 165.2.3 any trustee of any pension fund or other employees' shares scheme in which employees of any relevant company are interested.
- 165.3 Without prejudice to the provisions of article 164, the board may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any relevant person, including insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against in relation to the affairs of the Company.