

RESOLUTION passed at the ANNUAL GENERAL MEETING of the Company held at Kensington Centre, 66 Hammersmith Road, London W14 8UD on Tuesday, 27 July 2010 as a SPECIAL RESOLUTION

**SPECIAL RESOLUTION**

**"THAT:**

- (a) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Act, are to be treated as provisions of the Company's Articles of Association; and
- (b) the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association."

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**CHAIRMAN**

Registered Office: Kensington Centre, 66 Hammersmith Road, London W14 8UD  
Registered in England and Wales on 11 August 2005. Company No. 5534340



Company No: 5534340

**The Companies Act 2006**  
**Public Company Limited by Shares**

COMPANIES HOUSE

**ARTICLES OF ASSOCIATION**  
**of**  
**ACCSYS TECHNOLOGIES PLC**  
**(the "Company")**

**Interpretation**

- 1 In these Articles, if not inconsistent with the subject or context, the following words and expressions shall have the meanings stated

<b>'Act'</b>	the Companies Act 2006 (as amended from time to time),
<b>'address'</b>	shall, in any case where electronic communication is expressly permitted by or pursuant to these articles, have the same meaning given to it by section 1148 of the Act but, in any other case, shall not include any number or address used for such purpose,
<b>'Annual General Meeting'</b>	a meeting of the Company's members held in accordance with section 336 of the Act,
<b>'these Articles'</b>	these Articles of Association, as from time to time altered,
<b>'Auditors'</b>	the auditors of the Company,
<b>'Board' or 'Directors'</b>	the directors of the Company or a quorum of the directors present at a board meeting,
<b>'certificated share'</b>	a share in the capital of the Company that is not an uncertificated share and references to a share being held in certificated form shall be construed accordingly,
<b>'communication'</b>	shall, where the context so admits, have the same meaning as in the Electronic Communications Act,
<b>'Debenture' and 'Debenture Holder'</b>	include debenture stock and debenture stockholder,
<b>'electronic communication'</b>	shall, where the context so admits, have the same meaning as in the Electronic Communications Act,
<b>'Electronic Communications Act'</b>	the Electronic Communications Act 2000 (as amended),
<b>'the holder'</b>	in relation to shares, the person whose name is entered in the register of members as the holder of such shares,
<b>'London Stock Exchange'</b>	The London Stock Exchange plc,
<b>'Month'</b>	calendar month,
<b>'Office'</b>	the registered office from time to time of the Company,
<b>'Operator'</b>	has the same meaning as in the Regulations,
<b>'participating security'</b>	a share to which title is permitted by an Operator to be transferred by means of a relevant system,
<b>'Register'</b>	the register of members of the Company,
<b>'Regulations'</b>	the Uncertificated Securities Regulations 2001 and every

	modification of or regulations made in substitution for the Regulations made under Part 21 of the Act,
<b>'relevant system'</b>	the computer based system and procedures which enable title to shares to be evidenced and transferred without a written instrument and which facilitate supplemental and incidental matters in accordance with the Regulations,
<b>'Seal'</b>	the common seal of the Company and, as appropriate, any official seal kept by the Company by virtue of the Statutes,
<b>'Statutes'</b>	the Act and every other statute or statutory instrument from time to time in force concerning limited companies and affecting the Company,
<b>'UK Listing Authority'</b>	Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 (as amended),
<b>'uncertificated share'</b>	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 to a share being held in uncertificated form shall be construed accordingly,
<b>'United Kingdom'</b>	Great Britain and Northern Ireland,
<b>'In Writing'</b>	written, printed, typewritten, lithographed or expressed in any other mode representing or reproducing words, or partly one and partly another; and
<b>'Year'</b>	calendar year
(a)	Reference to a statutory provision includes any amendment or re-enactment
(b)	Except for the above definitions, words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles
(c)	Words and expressions defined in the Regulations shall bear the same meaning in these Articles (but excluding any modification of the Regulations not in force at the date of incorporation of the Company and words and expressions expressly defined in these Articles) unless inconsistent with the subject or context,
(d)	Where these Articles refer to a relevant system in relation to a share, the reference is to the relevant system in which that share is a participating security at the relevant time
(e)	The headings are inserted for convenience and do not affect the construction of these Articles

#### **Exclusion of Model Articles**

- 2 No articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the articles of the Company

#### **Limited Liability**

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

#### **Change of Name**

- 4 The Company may change its name by resolution of the Board

#### **Business**

- 5 Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such times as they think fit, and may be permitted by them to be in abeyance, whether the branch or kind of business

commenced or not, so long as the Directors deem it expedient not to commence or proceed with it

#### **Registered office**

- 6 The Office shall be at such place in England or Wales as the Directors appoint

#### **Capital**

- 7 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided in the next following Article), a share (whether forming part of the original capital or not) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company by ordinary resolution determines. Such rights and restrictions shall apply to the relevant share as if the same were set out in these Articles

#### **Modification of rights**

- 8 Subject to the provisions of the Statutes, whenever the capital of the Company is divided into different classes of shares or groups and either whilst the Company is a going concern or during or in contemplation of a winding up, the special rights attached to any class or group may be modified or abrogated, unless otherwise provided by the terms of issue of the shares of that class or group (excluding any shares of that class or group held as treasury shares), either with the consent in Writing of the holders of three-quarters of the issued shares of the class or group, or with the sanction of any special resolution passed at a separate General Meeting of the holders (but not otherwise). The consent or resolution shall be binding upon all the holders of shares of the class or group. To every separate General Meeting all the provisions of these Articles relating to, or to the proceedings at, General Meetings shall, mutatis mutandis, apply, except that (a) the necessary quorum shall be two persons at least holding or representing by proxy one-sixth in nominal amount of the issued shares of the class or group (excluding any shares of that class or group held as treasury shares) (but, if at any adjourned meeting of the holders a quorum as above defined is not present, those members who are present shall be a quorum), and (b) any holder of shares in the class or group present in person or by proxy may demand a poll. The special rights conferred upon the holders of any shares or class or group of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the conditions of issue, be deemed to be modified by the creation or issue of further shares ranking *pari passu* with them

#### **Shares**

- 9 Subject to the provisions of the Statutes and any restrictions contained in these Articles and to any direction to the contrary given by the Company in General Meeting or Annual General Meeting, the Directors may allot, grant options over, or otherwise dispose of shares or rights to subscribe for, or to convert any security into, shares to such persons (including a Director) and on such terms as they think fit, but no share shall be issued at a discount
- 10 The Company, in connection with the issue of any share, may exercise the powers of paying commissions conferred or permitted by the Statutes provided that the percentage rate or the amount of the commission paid or agreed to be paid is disclosed as required by law and does not exceed the rate of 10 per cent of the issue price of the shares in respect of which it is paid. Where permitted by the Statutes, the commission may be satisfied wholly or partly by the allotment of fully or partly paid shares. The Company may also on an issue of shares pay such brokerage as is lawful
- 11 Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon any trust. The Company shall not be bound by or be compelled in any way to recognise (even when having notice) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except as otherwise provided by these Articles or as by law required or under an order of court) any other rights in respect of any share except an absolute right to the entirety of it in the registered holder. The Company shall not be bound to register more than four persons as the

joint holders of a share (except in the case of executors or trustees of a deceased member)

## Certificates

- 12 (1) Subject to the provisions of the Regulations, the Board may permit shares of any class to be held in uncertificated form and to be transferred by means of a relevant system in accordance with the Regulations and may determine that any class of shares shall cease to be a participating security
- (2) Shares in the capital of the Company that fall within a certain class shall not form a separate class of shares from other shares in that class because any share in that class is held in uncertificated form or is permitted in accordance with the Regulations to become a participating security
- (3) Where any class of shares is a participating security and the Company is entitled under any provision of the Statutes, the Regulations or the Articles to sell, transfer, 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 Statutes, the Regulations, the Articles and the facilities and requirements of the relevant system
- (i) 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 so long as required by the Company,
  - (ii) 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,
  - (iii) 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 such steps shall be as effective as if they were taken by the registered holder of the share, and
  - (iv) 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 it
- (4) The Company
- (i) shall keep the Register relating to uncertificated shares in the United Kingdom,
  - (ii) shall unless the Directors otherwise determine, treat certificated shares and uncertificated shares held by the same holder or joint holders as separate holdings,
  - (iii) shall comply with the provisions of regulations 21 and 22 of the Regulations in relation to uncertificated shares, and
  - (iv) may change certificated shares into uncertificated shares, and vice versa, in accordance with, and subject as provided by, the Regulations
- 13 (1) Subject to the Statutes a person (except a recognised person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) whose name is entered in the Register as a holder of any certificated shares is entitled to receive within whichever is the earlier of
- (a) (if the Company's shares are at any time listed on the Official List of the UK Listing Authority or admitted to trading on AIM or OFEX) the time (if any) required by the Listing Rules, the AIM Rules or the OFEX Rules (as the case may be), and
  - (b) two Months after allotment (or such longer period as the terms of issue shall provide) or the lodgement of transfer,
- without payment, one certificate for all the certificated shares of each class registered

in his name. In the case of joint holders and delivery of a certificate to any one of joint holders shall be sufficient delivery to all of them. Where part of the shares comprised in a certificate are transferred, the Member transferring is entitled, without payment, to a certificate for his retained certificated holding. Certificated shares of different classes may not be included in the same certificate.

- (2) Every certificate shall be issued under the Seal or bearing an imprint or representation of the Seal in accordance with these Articles or such other form of authentication as the Board may determine having regard to the terms of issue and the OFEX Rules or (if applicable to the Company) the rules of the London Stock Exchange (if any) and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up on them. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be signed by any person.
- (3) No Member shall be entitled to more than one certificate in respect of any one share held by him.
- (4) Where a Member holds two or more certificates for certificated shares of one class, the Board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate.
- (5) At the request of a Member, the Board may cancel a certificate and issue two or more in its place (representing certificated shares in such proportions as the Member may specify) on surrender of the original certificate and on payment of such reasonable sum as the Board may determine.
- (6) If any share certificate is worn out, defaced, destroyed or lost, the Board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity (with or without security) and to payment of exceptional out of pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity and security as the Board may decide, but otherwise without charge and, where it is worn out or defaced, on delivery up of the old certificate.

#### **Lien**

- 14 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of the share whether the period for the payment has actually arrived or not, and notwithstanding that it is the joint debt or liability of the member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable on or in respect of it, together with any interest or expenses which may have accrued. The Directors may resolve that any share is wholly or in part exempt from the provisions of this Article.
- 15 The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, has been given to the holder of the share or the person entitled to it by reason of his death or bankruptcy.
- 16 To give effect to the sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money and his title to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale. The net proceeds of sale, after payment of the costs of sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as it is presently payable. Any residue shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the time of the sale.

### **Calls on shares**

- 17 Subject to the terms of issue, the Directors may make calls upon the members in respect of any moneys (whether on account of the nominal value of the shares or by way of premium) unpaid on their shares and not by the conditions of allotment made payable at fixed times, provided that (except as otherwise fixed by the conditions of application or allotment) no call on any share may exceed one-quarter of the nominal amount of the share or be payable within 14 days from the last call. Each member shall (subject to receiving at least 14 days' notice specifying the time and place of payment) pay to the Company at the time and place specified the amount called on his shares. A call may be revoked or postponed as the Directors determine.
- 18 A call shall be deemed to have been made at the time when the resolution of the Directors authorising it was passed. A call may be made payable by instalments.
- 19 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.
- 20 If a call or instalment payable in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on it from the day appointed for payment to the time of actual payment at such rate, not exceeding 15 per cent per annum, as the Directors determine. He shall also pay all costs, charges and expenses which the Company has incurred or become liable for in order to procure payment of or in consequence of the non-payment of the call or instalment. The Directors shall be at liberty to waive payment of the interest, costs, charges and expenses, wholly or in part.
- 21 Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, it becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest, costs, charges and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.
- 22 The Directors may, on the issue of shares, differentiate between the holders in the amount of calls to be paid and the times of payment.
- 23 The Directors may receive from any member all or any part of the money unpaid upon the shares held by him beyond the sums actually called up as a payment in advance of calls. The payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced. Upon the money received, or so much of it as exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the member and the Directors agree. The member shall not be entitled to participate in respect of the advance in a dividend subsequently declared. The Directors may repay the amount advanced upon giving to the member one Month's notice in writing.

### **Transfer of shares**

- 24 The Board may (but if at the relevant time the Company's shares are listed on the Official List of the UK Listing Authority or admitted to trading on AIM or OFEX only in exceptional circumstances approved by the London Stock Exchange or OFEX as the case may be) refuse registration of the transfer of a certificated share provided the exercise of such powers does not disturb the market. The Board may refuse to register the transfer of an uncertificated share in any circumstances permitted by, the Regulations, the rules and regulation and practices of the Operator and (if at the relevant time the Company's shares are listed on the Official List of the UK Listing Authority or admitted to trading on AIM or OFEX) the London Stock Exchange or OFEX (as the case may be) and where, in the case of a transfer to joint holders, the joint transferees exceed four in number.
- 25 1 All transfers of uncertificated shares shall be made in accordance with and be subject to the provisions of the Regulations and the facilities and requirements of the relevant system and, subject thereto, in accordance with any arrangements made by the Directors pursuant to

Articles 12 and 13

- 25 2 The instrument of transfer relating to shares held in certificated form shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it. Subject to the provisions of these Articles, transfers of shares and other documents relating to or affecting the title to any shares shall be registered without payment of any fee. All instruments of transfer which are registered shall be retained by the Company. In the case of a transfer of shares held in certificated form by a market nominee the lodgement of share certificates will only be necessary if and to the extent that share certificates have been issued in respect of the shares in question.
- 26 The Directors may, in their absolute discretion, decline to register any transfer of any shares which are not fully paid. In relation to a certificated share, the Directors may also decline to register any instrument of transfer, unless
- (a) the instrument of transfer, duly stamped (or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty), is deposited at the Office or such other place as the Directors may appoint accompanied by the certificate of the shares to which it relates (save in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued), and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,
  - (b) the instrument of transfer is in respect of only one class of share, and
  - (c) in the case of a transfer to joint holders, they do not exceed four in number.
- 27 If the Board refuses to register a transfer it shall
- (a) (if the shares in question are listed on the Official List of the UK Listing Authority or admitted to trading on AIM or OFEX) within the time required by the Listing Rules, the AIM Rules or the OFEX Rules (as the case may be) and
  - (b) subject to the requirements of the Statutes, (in any case in which paragraph (a) above does not apply, or if no time is specified by such Rules) within two Months after the date on which
    - (i) the instrument of transfer was lodged with the Company (in the case of shares held in certificated form), or
    - (ii) the Operator-instruction requiring the Company to register a transfer of title to shares held in uncertificated form was received by the Company (in the case of shares held in uncertificated form),
- send to the transferee notice of the refusal
- 28 Subject to Part 17 of the Act, nothing in these Articles shall preclude the Directors from allowing the allotment of any share to be renounced by the allottee in favour of some other person. For all purposes of these Articles relating to the registration of transfers of shares, this renunciation shall be deemed to be a transfer and the Directors shall have the same power of refusing to give effect to it as if the renunciation were a transfer.
- 29 The Company shall be entitled to destroy (a) all instruments of transfer of shares (which, together with references to documents, shall for the purpose of this Article include electronically generated or stored communications in relation to the transfer of uncertificated shares and any electronic or tangible copies of the same) and all other documents on the faith of which entries are made in the Register at any time after the expiration of 6 Years from the date of registration, (b) all dividend mandates and notifications of change of name or address (which shall include, in relation to electronic communications, any number or address used for the purposes of communications) at any time after the expiration of 2 Years from the date of recording, and (c) all share certificates which have been cancelled at any time after the expiration of 1 Year from the date of cancellation. If the Company destroys a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant, it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, every share



certificate so destroyed was a valid and effective document duly and properly cancelled and every other document mentioned above so destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company. References in this Article to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system concerning the transfer of such shares. In relation to uncertificated shares, the provisions of this Article shall apply only to the extent the same are consistent with the Regulations. Nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any document at an earlier date than that provided above or if the condition as to good faith and absence of notice is not met. References in this Article to the destruction of any document include references to its disposal in any manner.

#### **Transmission of shares**

- 30 In the case of the death of a member the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares. Nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
- 31 Subject to any other provisions of these Articles, any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of the law may, upon such evidence as to his title being produced as may be required by the Directors and subject as provided below, elect either to be registered as the holder of the share or to have some person nominated by him registered as the holder. All the provisions of these Articles relating to the transfer of shares apply to any such notice or transfer as if the event giving rise to the transmission had not occurred and the notice or transfer were executed by such Member.
- 32 Subject to any other provisions of these Articles, if any person becoming entitled by transmission to a certificated share elects to be registered himself, he shall give notice in Writing to the Company to that effect. If he elects to have another person registered, and the share is a certificated share, he shall execute an instrument of transfer of the share to that person. If he elects to become holder or have another person registered and the share is an uncertificated share, he shall take any action the Board may require (including without limitation the execution of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to the notice or transfer as if the event giving rise to the transmission had not occurred and the notice or transfer were a transfer executed by the member.
- 33 Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, at the discretion of the Directors, receive and give a discharge for any dividends or other moneys becoming payable in respect of the share but shall not otherwise be entitled to receive notices of or to attend or vote at meetings of the Company or to any of the rights or privileges of a member until he has become a member in respect of the share. If he fails either to transfer the share or to elect to be registered as a member in respect of it within 60 days of being required by the Directors to do so, he shall in the case of shares which are fully paid up, be deemed to have elected to be registered as a member in respect of them and may be registered accordingly.

#### **Forfeiture of shares**

- 34 If a member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment, the Directors may, whilst any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.
- 35 The notice shall name a further day (not being less than 7 days from the date of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that, in the event of non-payment at or before the time and at the place appointed, the

shares in respect of which the call was made or instalment is payable will be liable to be forfeited. The Directors may accept the surrender of any share liable to be forfeited and, in such case, references in these Articles to forfeiture shall include surrender.

- 36 If the requirements of the notice are not complied with, any share in respect of which it has been given may before payment of all calls and interest and expenses due in respect of it have been made be forfeited by a resolution of the Directors. Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.
- 37 Until cancelled in accordance with the requirements of the Statutes, a forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder or entitled to it, or to any other person, upon such terms and in such manner as the Directors think fit. At any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit, subject always to the provisions of the Statutes.
- 38 A shareholder whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the forfeited shares, but shall remain liable to pay to the Company all sums which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with interest from the date of forfeiture until payment at such rate not exceeding 15 per cent per annum as the Directors determine. The Directors shall be at liberty to waive payment of interest wholly or in part and may enforce payment without any allowance for the value of the shares at the time of forfeiture.
- 39 When a share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any failure to give notice.
- 40 A statutory declaration in writing that the declarant is a director or the secretary of the Company and that a share has been duly forfeited on a 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 declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal, together with the relevant share certificate delivered to a purchaser or allottee shall (subject to the execution of a transfer if required) constitute a good title to the share. The person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share. Every Director is authorised to execute on behalf of the shareholder whose share is forfeited a proper instrument of transfer of the share.
- 41 The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if it had been payable by virtue of a call duly made and notified.

#### **Untraced shareholders**

- 42 (A) The Company may sell (in such manner and for such price as the Directors think fit) the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if
- (i) during the period of 12 Years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the first date), being a period during which at least three dividends have been payable, all warrants and cheques in respect of the shares in question sent in the manner authorised by these Articles have remained uncashed, and
  - (ii) the Company on expiry of the period of 12 Years has given notice, by advertisement in both a national newspaper and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised by these Articles

- is located, of its intention to sell the shares, and
- (iii) during the period of 12 Years and the period of 3 Months following the publication of the advertisements, or following the later publication if the two advertisements are published on different dates, the Company has received no indication either of the whereabouts or of the existence of the member or person, and
  - (iv) if the shares are admitted to the official list of the UK Listing Authority or dealt in on the London Stock Exchange, notice has been given to the London Stock Exchange, or the UK Listing Authority (as may be appropriate), of its intention to make the sale
- (B) If during any 12 Year period or 3 Month period referred to in paragraph (A) of this Article further shares shall have been issued in respect of those held at the beginning of such 12 Year period or of any subsequent issue during such periods and all the other requirements of such Article have been satisfied in respect of the further shares, the Company may also sell such further shares
- (C) To give effect to a sale the Company may appoint any person to execute as transferor an instrument of transfer of the shares. The instrument of transfer shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, the shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for an amount equal to the proceeds and shall enter the name of the former member or other person in the books of the Company as a creditor for that amount, unless and until forfeited under this Article. No trust shall be created in respect of the debt, no interest shall be payable in respect of it and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors think fit. If no valid claim for the money has been received by the Company during a period of six Years from which the relevant shares were sold by the Company under this Article, the money will be forfeited and will belong to the Company

#### **Share warrants**

- 43 The Directors may issue warrants ('**share warrants**') in respect of fully paid up shares stating that the bearer is entitled to the shares specified, and may provide by coupons or otherwise for the payment of future dividends on the shares included in the warrants. The Directors may determine and vary the conditions upon which share warrants are issued and upon which a new share warrant or coupon is issued in the place of one worn out, defaced or destroyed. No new share warrant or coupon shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed. The Directors may also determine and vary the conditions upon which the bearer of a share warrant is entitled to receive notices of and attend and vote at General Meetings and Annual General Meetings or to join in requisitioning General Meetings, and upon which a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it. The Directors may require the holder or person who claims to be the holder of a share warrant to produce his warrant and to satisfy them that he continues to be the holder. Subject to such conditions and to these Articles, the bearer of a share warrant shall be a member to the full extent. The holder of a share warrant shall hold it subject to the conditions for the time being in force with regard to share warrants whether made before or after the issue of such warrant.

#### **Alteration of capital**

- 44 As between the holders of the shares resulting from any resolution authorising the sub-division of shares, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to new shares
- 45 Upon a consolidation of fully paid shares into shares of larger amount the Directors may settle any difficulty which arises and in particular may, as between the holders of shares consolidated,

determine which shares are consolidated into each consolidated share. Subject to any direction of the Company in General Meeting or Annual General Meeting, whenever as a result of any consolidation or division of shares members of the Company are entitled to any issued shares of the Company in fractions, the directors may deal with such fractions as they shall determine and in particular may sell the shares to which members are so entitled in fractions to any person (including, subject to the provisions of the Statutes, the Company), and pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sales thereof save for individual entitlements (net of expenses) not exceeding £3 which may be retained for the benefit of the Company. For the purpose of giving effect to any such sale the directors may, in respect of certificated shares, nominate some person to execute a transfer of the shares sold on behalf of members so entitled to or, in respect of uncertificated shares nominate any person to transfer such shares in accordance with the facilities and requirements of the relevant system concerned or make such other arrangements as are compatible for the relevant system concerned or, in either case, in accordance with the directions of the buyer thereof and may cause the name of the transferee(s) to be entered in the register as the holder(s) of the shares comprised in any such transfer, and such transferee(s) shall not be bound to see to the application of the purchase money nor shall any such transferee(s) title to the shares be affected by any irregularity or invalidity of the proceedings in reference to the sale. For the purpose of this Article, any shares representing fractional entitlement to which any member would, but for this Article, become entitled may be issued in certificated form or in uncertificated form.

#### **Redeemable shares**

- 46 Subject to any rights attached to existing shares, any share may be issued which is to be redeemed, or is liable to be redeemed at the option of the Company or the holder. The Board of Directors may determine the terms, conditions and manner of redemption of any redeemable share so issued. Such terms and conditions shall apply to the relevant shares as if the same were set out in these Articles.

#### **Notice of General Meetings and Annual General Meetings**

- 47 1 The accidental omission to give notice of any meeting, or to issue an invitation to appoint a proxy with a notice where required by these Articles to any person entitled to receive notice or the non-receipt (even if the Company becomes aware of such non-receipt) of a notice or of an invitation to appoint a proxy by such person, shall not invalidate the proceedings at any General Meeting or Annual General Meeting.
- 47 2 A member present in person or by proxy at a meeting shall be deemed to have received proper notice of that meeting and, where applicable, of the purpose that meeting.

#### **Proceedings at General Meetings or Annual General Meetings**

- 48 1 The Directors or the chairman of the meeting or any person authorised by the Directors may direct that members, proxies or corporate representatives wishing to attend any General Meeting or Annual General Meeting or anyone else permitted by the chairman of the meeting to attend should submit to such searches or other security arrangements or restrictions (including, without limitation, restriction on items of personal property which may be taken into the meeting) as the Directors or chairman of the meeting or such person authorised by the Directors shall consider appropriate in the circumstances. Such persons shall be entitled in their absolute discretion to refuse entry to, or to eject from, such General Meeting or Annual General Meeting any such person who fails to submit to such searches or otherwise comply with such security arrangements or restrictions.
- 48 2 The Directors or the chairman of the meeting or any person authorised by the Directors may, at any meeting, take such action as is thought fit to secure the safety of the people attending the meeting and to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the chairman of the meeting's decision on matters of procedure or matters arising incidentally from the business of the meeting shall be final, as shall his determination as to whether any matter is of such a nature.
- 49 1 No business shall be transacted at any General Meeting or Annual General Meeting unless a quorum is present when the meeting proceeds to business. Except as otherwise provided in

these Articles, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A corporation which is a member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with the Statutes.

- 49 2 If within half an hour from the time appointed for the meeting a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case the meeting shall stand adjourned to such other day (being not less than ten days later, excluding the day on which the meeting is adjourned and the day for which it is reconvened) and at such other time or place as the chairman of the meeting may decide.
- 50 The chairman (if any) of the Board or, in his absence, a deputy chairman (if any) shall preside as chairman at every General Meeting and Annual General Meeting. If there is no chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within 5 minutes after the time appointed for holding it, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll may elect one of their number to be chairman. Nothing in these Articles shall restrict or exclude any of the powers or rights of a chairman of a meeting which are given by law.
- 51 The chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more or if business is to be transacted at an adjourned meeting, the general nature of which was not stated in the notice of the original meeting, notice of the adjourned meeting shall be given as in the case of an original meeting. It shall not otherwise be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 52 If an amendment shall be proposed to any resolution under consideration but shall be in good faith ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution no amendment thereto (other than an amendment to correct a patent error) may in any event be considered or voted upon and in the case of a resolution duly proposed as an ordinary resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed notice in writing of terms of the amendment and intention to move the same has been lodged at the Office, if the chairman in his absolute discretion decides that it may be considered or voted upon.
- 53 At a General Meeting or Annual General Meeting a resolution put to the vote shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by the chairman or by at least three members present in person or by proxy and entitled to vote or by a member or members present in person or proxy entitled to vote and holding or representing by proxy at least one-tenth part of the total voting rights of all the members having the right to vote at the meeting or by a member or members holding shares conferring a right to vote at the meeting 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. Unless a poll is demanded as above, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 54 If any votes are counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it is pointed out at the same meeting, or at an adjournment, and it is, in the opinion of the chairman of the meeting, of sufficient magnitude to vitiate the resolution. The decision of the chairman on such matters shall be conclusive.
- 55 If a poll is duly demanded, it shall be taken at such time (either at the meeting at which the poll

is demanded or within 30 days of the meeting) and place and in such manner as the chairman directs (including the use of ballot or voting papers or tickets) The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately No notice need be given of a poll not taken immediately The chairman may appoint scrutineers and may adjourn the meeting to some place and time fixed by him for declaring the result of the poll The demand for a poll may be withdrawn before the close of the meeting or the taking of the poll, whichever is the earlier, but, if a demand is withdrawn, the chairman of the meeting or other members entitled to require a poll may himself or themselves demand a poll

- 56 The demand for a poll (other than on the election of a chairman or on a question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded

#### **Votes of members**

- 57 Subject to any special terms as to voting upon which any shares may be issued or may at the relevant time be held and to any other provisions of these Articles, members shall be entitled to vote at a General Meeting whether on a show of hands or on a poll as provided in the Statutes For this purpose, where a proxy is given discretion as to how to vote on a show of hands, this shall be treated as an instruction by the relevant member to vote in the way in which the proxy elects to exercise that discretion
- 58 Where there are joint holders of a share, any one of them may vote at any meeting either personally or by proxy in respect of the share as if he were solely entitled to it, but if more than one joint holder is present at a meeting either personally or by proxy, that one of them whose name stands first in the register of members in respect of the share shall alone be entitled to vote in respect of it
- 59 A member, in respect of whom an order has been made by a competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs, may vote, whether on a show of hands or on a poll, by any person authorised to do so on his behalf and that person may vote by proxy, provided that such evidence as the Directors require of his authority has been deposited at the Office not less than 48 hours (excluding days which are not working days) before the time for holding the meeting
- 60 No member shall be entitled to vote at any General Meeting or Annual General Meeting either personally or by proxy, or to exercise any privilege as a member, unless all calls or other sums presently payable by him in respect of shares in the Company have been paid
- 61 A member holding unclassified shares shall be entitled to vote at any General Meeting or Annual General Meeting in respect of those shares, provided that no ordinary share is in issue
- 62 No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered Every vote not disallowed at the meeting shall be valid for all purposes An objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive
- 63 The appointment of a proxy shall not preclude a member from attending in person at the meeting or poll concerned If a member having appointed one or more proxies, attends and votes in person (if an individual) or by representative (if a corporation) the votes cast by the member in person or by representative shall be counted to the exclusion of those cast by the proxy or proxies
- 64 A proxy need not be a member of the Company
- 65 The appointment of a proxy shall be in any usual or common form, or in any other form which the directors may approve and shall be
- 65 1 Under the hand of the appointor or his attorney duly authorised in writing or

65 2 if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised The Directors may, but shall not be bound to, require evidence of the authority of any officer or attorney, or

65 3 if permitted by the directors, by electronic communication in the manner and form and subject to such terms and conditions as the directors may decide

The signature, if any, on such appointment need not be witnessed

66 1 The appointment of a proxy shall

(a) in the case of an appointment not contained in an electronic communication be deposited at the Office or at such other place or at such other place as is nominated by the Board, or

(b) in the case of an appointment contained in an electronic communication, where an address or other means of communication with the Company has been provided for the purpose of receiving electronic communications in or by way of note to the notice convening the meeting or in any other document accompanying such notice, or in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting, be received at such address or by such means,

in each case, not less than 48 hours before the time for holding the meeting or adjourned meeting (excluding weekends, Christmas Day, Good Friday and Bank Holidays) at which the person named in the appointment proposes to vote at the Office or at such other place as is nominated by the Board Failing previous registration with the Company, the power of attorney or other authority, if any, under which the appointment of a proxy is executed, or a notarily certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 (as amended) of that power of attorney, or a copy certified in some other manner approved by the directors, shall (whether (a) or (b) above shall apply) also be deposited or received at the Office or at such other place specified in accordance with (a) above or (if the Directors so agree) at the address or by the means provided in accordance with (b) above, not later than the time by which the appointment of a proxy is required to be deposited or (as the case may be) received in accordance with this Article An appointment of a proxy which is not, or in respect of which the authority or a copy thereof is not received, in a manner so permitted, will be invalid

66 2 The appointment of a proxy and any other document referred to in the last sentence of Article 66 1 shall be deemed to have been validly deposited or received in accordance with Article 66 1 if the appointment is received at the office or at such other place specified in accordance with Article 66 1 (a) by facsimile transmission within the period of time specified by Article 66 1

66 3 If two or more valid but different appointments of a proxy are delivered or (in the case of electronic communications) received in accordance with Article 66 1 in respect of the same share for use at the same meeting, the one which was last executed shall be treated as replacing and revoking the others as regards that share If the Company is unable to determine which was the last executed, none of them shall be treated as valid in respect of that share If a member appoints more than one proxy and the proxy forms appointing those proxies would give those proxies the apparent right to exercise votes on behalf of the member in a General Meeting over more shares than are held by the member, then each of those proxy forms will be invalid and none of the proxies so appointed will be entitled to attend, speak or vote at the relevant General Meeting

67 A vote or poll demanded given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation In Writing of the death, incapacity, revocation or transfer has been received at the Office or such other place (if any) as is specified for depositing the appointment of proxy or, where the appointment of proxy was contained in an electronic communication, at the address at which such appointment was duly received or by the means of communication by which such appointment was received, in each case in accordance with Article 66 1, before the commencement of the meeting or adjourned meeting or the holding of the poll subsequently thereat at which such vote was given

- 68 (A) If a member, or a person appearing to be interested in shares held by a member, has been duly served with a notice under section 793 of the Act and is in default for the prescribed period in supplying to the Company the required information, the Directors may at any time, by notice (a '**direction notice**') to the member, direct that in respect of the shares in relation to which the default occurred (the '**default shares**') the member is not entitled to vote, either personally or by proxy, at a General Meeting or Annual General Meeting or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to General Meetings of the holders of any class of shares of the Company
- (B) Where the default shares represent at least 0.25 per cent of the issued shares of a class, the direction notice may additionally direct
- (i) that any dividend or other money which would otherwise be payable in respect of each of the default shares shall (in whole or part) be retained by the Company without any liability to pay interest when the dividend or money is paid to the member,
  - (ii) that no transfer of the default shares which is not an approved transfer shall be registered unless
    - (a) the member is not himself in default as regards supplying the information required, and
    - (b) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares the subject of the transfer is a default share
- (C) The Company shall send a copy of the notice to each other person appearing to be interested in the shares the subject of a direction notice but the failure or omission by the Company to do so shall not invalidate the notice
- (D) A direction notice shall have effect in accordance with its terms for so long as the default in respect of which it was issued continues and (unless the direction notice otherwise determine) for a further period of one week but shall cease to have effect in relation to any default shares which are transferred by the member by means of an approved transfer
- (E) For the purpose of this Article
- (i) a person shall be treated as appearing to be interested in shares if the member holding the shares has given to the Company a notification under section 793 of the Act which either (a) names that person as being interested, or (b) fails to establish the identities of those interested in the shares and (after taking into account the notification and any other relevant section 793 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares,
  - (ii) the prescribed period is 14 days from the date of service of the notice under section 793 of the Act, and
  - (iii) a transfer of shares is an approved transfer if
    - (a) it is a transfer of shares to an offer or by way or in pursuance of acceptance of a take-over offer for a company (as defined in section 974 of the Act), or
    - (b) the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the member and with other persons appearing to be interested in the shares, or
    - (c) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services and Markets Act 2000 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded



- (F) Nothing contained in this Article shall limit the power of the Directors under section 794 of the Act

#### **Directors**

- 69 Unless and until otherwise determined by the Company in General Meeting or Annual General Meeting, the Directors (disregarding alternate directors) must not be less than two
- 70 Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate directors) shall not be subject to any maximum
- 71 The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company by ordinary resolution determine. The remuneration shall be divided among them in such proportions and manner as the Directors determine and, in default of a determination within a reasonable period, equally, except that any Director holding office for less than a Year or other period for which remuneration is paid shall rank in the division in proportion to the fraction of the Year or other period during which he has held office. The remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or committees of the Directors or General Meetings or Annual General Meetings or in connection with the business of the Company
- 72 Subject to the provisions of these Articles and without prejudice to the powers of the Directors under these Articles to appoint any person to be a Director, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but the total number of Directors must not at any time exceed any maximum number fixed by or in accordance with these Articles
- 73 Any Director who at the request of the Board performs special services or goes or resides abroad for any purposes of the Company may (unless otherwise expressly resolved by the Company in General Meeting or Annual General Meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board determines
- 74 No shareholding qualification for Directors is required
- 75 Each Director may attend and speak at any General Meeting and any Annual General Meeting
- 76 The office of a Director shall be vacated in any of the following events, namely
- (i) if (not being an executive Director whose contract precludes resignation) he resigns his office by notice In Writing left at the Office,
  - (ii) if he becomes bankrupt or has a receiving order made against him or compounds with his creditors,
  - (iii) if he becomes of unsound mind or a patient for any purpose of any Statute relating to mental health and the Directors resolve that his office should be vacated,
  - (iv) if he is absent from meetings of the Directors for 6 Months without leave, and his alternate Director (if any) does not during that period attend in his stead, and the Directors resolve that his office should be vacated,
  - (v) if he is removed or becomes prohibited from being a Director under any provision of the Statutes, or
  - (vi) if he is requested In Writing by all the other Directors to resign his office
- 77 (A) If the office of a Director is vacated for any reason he shall cease to be a member of any committee or sub-committee of the Board
- Provided he has declared his interest in accordance with Article 77(G), a Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board determines, and may be paid such extra remuneration for it (whether by way of salary, commission, participation in profits or otherwise) as the Board determines. The extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article

- (B) Provided he has declared his interest in accordance with Article 77(G), a Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director
- (C) Provided he has declared his interest in accordance with Article 77(G), a Director may be or become a director or other officer of, or otherwise interested in, a company promoted by the Company or in which the Company is interested, and shall not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in that company. The Board may cause the voting power conferred by the shares in another company held or owned by the Company to be exercised in such manner as it thinks fit, including the exercise in favour of a resolution appointing any of the Directors to be directors or officers of that company, or voting or providing for the payment of remuneration to the directors or officers of that company
- (D) A Director shall not vote or be counted in the quorum on a resolution of the Board concerning his own appointment as the holder of an office or place of profit with the Company or another company in which the Company is interested (including the arrangement or variation of its terms or its termination)
- (E) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms or the termination of the appointment) of two or more Directors to offices or places of profit with the Company or another company in which the Company is interested, a separate resolution may be put in relation to each Director. In such case, each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of its terms or its termination) and except (in the case of an office or place of profit with another company) where the other company is a company in which the Director owns 1 per cent or more of any class of the equity share capital of that company
- (F) Subject to the Statutes and to the next paragraph of this Article, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor or purchaser or in any other manner. Provided he has declared his interest in accordance with Article 77(G), a Director may be party to, or otherwise interested in, any contract with the Company with which the Company has a direct or indirect interest. No contract or arrangement in which a Director is interested shall be liable to be avoided on the grounds of a Director having any type of interest permitted under this Article 77(F) or Articles 77(A), (B) or (C), or where authorised by the Board under Article 78(A). The Director shall not be liable to account to the Company or the members for any remuneration, profit or other benefits realised by the contract or arrangement by reason of his holding that office or of the resulting fiduciary relationship
- (G) A Director who to his knowledge is interested, whether directly or indirectly, in a contract or arrangement or proposed contract or arrangement with the Company must declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or, in any other case, at the first meeting of the Board after he knows that he is or has become interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with the company or firm shall be a sufficient declaration of interest under this Article in relation to any contract or arrangement made with the company or firm. A notice shall not be effective unless either it is given at a meeting of the Board or the Director giving it takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given
- (H) Except as otherwise provided by these Articles, a Director must not vote on (or be counted in the quorum in respect of) any resolution of the Board concerning a contract or arrangement or other proposal in which he is to his knowledge, directly or indirectly, interested. If he does, his vote shall not be counted. This prohibition does not apply where the interest cannot reasonably be regarded as likely to give rise to a conflict of

interest or where the interest arises from one or more of the following matters, namely

- (i) a contract or arrangement for giving to the Director security or a guarantee or indemnity in respect of
    - (a) money lent by him or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries, or
    - (b) a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or part under a guarantee or indemnity or by the giving of security,
  - (ii) where the Company or any of its subsidiary undertakings is offering securities in which offer the Director is, or may be, entitled to participate as a holder of securities or in the underwriting or subunderwriting of which the Director is to participate,
  - (iii) relating to another company in which he does not hold an interest in shares (as that term is used in Part 22 of the Act) representing 1 per cent or more of any class of the equity share capital or of the voting rights in that company,
  - (iv) relating to a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which has been approved by HM Revenue & Customs or is conditional upon that approval or does not award him any privilege or benefit not awarded to the employees to whom the scheme relates, or
  - (v) concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or the benefit of persons including Directors
- (I) A company shall be deemed to be a company in which a Director owns 1 per cent or more if and so long as he is (either directly or indirectly) the holder of or beneficially interested in 1 per cent or more of any class of its equity share capital or of the voting rights available to its members. For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the trust income, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder
- (J) Where a company in which a Director owns 1 per cent or more is materially interested in a transaction, he shall also be deemed materially interested in the transaction
- (K) If any question arises at any meeting of the Board as to the materiality of the interest of a Director or as to the entitlement of a Director (in each case, other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, it shall be referred to the chairman of the meeting. His ruling shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to the Director has not been fairly disclosed to the Board. If the question relates to the chairman of the meeting, it shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but may not vote). The resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman as known to him has not been fairly disclosed to the Board
- (L) The Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article
- 78 (A) Notwithstanding any provisions in these Articles, the Directors may (subject to such terms and conditions as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity whether or not the Company could take advantage of it but excluding any situation which cannot reasonably be regarded as

likely to give rise to a conflict of interest) provided that for this purpose the Director in question and any other interested Director are not counted in the quorum at any Board meeting at which such matter is approved and it is agreed to without their voting or would have been agreed to if their vote have not been counted

- 78 (B) If a matter has been authorised by the Directors in accordance with this Article 78(B) then
- (i) The Director shall not be required to disclose any confidential information relating to such matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter,
  - (ii) the Director may absent himself from meetings of the Directors at which anything relating to that matter will or may be discussed, and
  - (iii) the Director may make such arrangements as such Director thinks fit for Board and committee papers to be received and read by a professional adviser on behalf of that Director
- 78 (C) A Director shall not, save as otherwise agreed by him, be accountable to the Company for any remuneration, profit or other benefit which he derives from any matter which has been authorised by the Directors pursuant to this Article 78

#### **Powers of directors**

- 79 The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting or Annual General Meeting, but subject to any regulations of these Articles, to the provisions of the Statutes, and to such regulations, which are not inconsistent with those regulations or provisions, as may be prescribed by special resolution of the Company in General Meeting or Annual General Meeting No regulation made by the Company in General Meeting or Annual General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made The general powers given by this Article are not limited or restricted by any special authority or power given to the Directors by any other Article
- 80 The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company is interested shall be carried on by or through one or more subsidiaries They may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business or for financing, assisting or subsidising any subsidiary or guaranteeing its contracts, obligations or liabilities They may appoint, remove and reappoint any person (whether a member of their own body or not) to act as a director, managing director or manager of a subsidiary or any other company in which the Company is interested, and may determine his remuneration (whether by way of salary, commission on profits or otherwise) A Director may retain any remuneration payable to him in respect of the appointment
- 81 The Directors may by power of attorney appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they think fit The power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may authorise the attorney to sub-delegate all or any of the powers, authorities and discretions vested in him
- 82 (A) The Directors may procure the establishment and maintenance of or participation in or contribution to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, bonuses, benefits or emoluments to, any person (including directors and other officers whether of the Company or of any other company referred to in this paragraph) who is or has been in the employment of the Company, or of any company which is a subsidiary of the Company or a predecessor in business of the Company or a

subsidiary, or of any allied or associated companies of the Company or any such companies and the spouses, widows, widowers, families, dependants or connections of any such persons. No pension, annuity or other allowance or benefit (except as provided for by or in accordance with any other Article) shall be granted to a Director or former Director who has not been an executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of a Director or former Director, without the approval of an ordinary resolution of the Company.

- (B) The Directors may establish, maintain and give effect to any scheme approved by an ordinary resolution for the allotment of or the grant of options to subscribe for shares of the Company to persons (including Directors) in the employment of the Company or any subsidiary of the Company and may exercise all the powers conferred on them by the scheme (including any power to alter or add to its provisions). These Articles shall be deemed to be modified so far as may be necessary to give effect to the scheme in respect of any shares in issue or under option.
- (C) The Directors may procure any of the matters referred to in this Article are done by the Company either alone or in conjunction with any other company.

No Director or former Director shall be accountable to the Company or members for any such benefit provided pursuant to this Article 82 and any such benefit shall not disqualify any person from being a Director of the Company.

- 83 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Directors determine.

#### **Borrowing**

- 84 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital and, subject to the Statutes, to issue Debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

#### **Executive directors**

- 85 The Directors may appoint one or more of their number to an executive office including the office of chairman, vice-chairman, managing Director, joint managing Director, assistant managing Director, finance Director or manager or any other salaried office for such period and on such terms as they think fit. Without prejudice to any claim a Director may have for damages for breach of any contract of service between him and the Company, his appointment shall automatically determine if he ceases from any cause to be a Director, or (subject to the terms of any contract between him and the Company) if the Directors resolve that his term of office as an executive Director should be determined.
- 86 A Director holding office pursuant to the last preceding Article shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors determine. The remuneration shall, unless otherwise agreed, be additional to such remuneration (if any) as is payable to him as a Director. The Director shall be a director for the purposes of and subject to the provisions of section 188 of the Act (where relevant).
- 87 The Directors may entrust to and confer upon a Director holding executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may revoke, withdraw or vary any of the powers.

#### **Rotation of directors**

- 88 At every Annual General Meeting any Directors who are bound to retire under Article 94 and one-third of the other Directors or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. A Director retiring at an Annual

General Meeting shall retain office until the close of the meeting

- 89 The Directors to retire on each occasion shall be those who have been longest in office since their last election but, as between persons who became or were re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the Annual General Meeting. No Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of the notice but before the close of the meeting
- 90 A retiring Director shall be eligible for re-election
- 91 Subject to the provisions of these Articles, the Company at the meeting at which a Director retires may elect a person to fill the vacated office. In default, the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at the meeting it is expressly resolved not to fill the vacated office or unless a resolution for the re-election of the Director has been put to the meeting and lost
- 92 No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any General Meeting or Annual General Meeting, unless not less than 7 nor more than 21 days before the date appointed for the meeting there has been left at the Office a notice In Writing, signed by a member (not being the person to be proposed) duly qualified to attend and vote at the meeting, of his intention to propose the person for election, and a notice In Writing signed by that person of his willingness to be elected
- 93 The Company in General Meeting or Annual General Meeting may increase or reduce the number of Directors and may determine in what rotation the increased or reduced number is to go out of office
- 94 Subject to the provisions of these Articles, the Directors may appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors does not exceed the maximum number fixed by or in accordance with these Articles. The Director shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election. A Director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at the meeting

#### **Proceedings of directors**

- 95 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote. A Director may at any time, and the Secretary on the requisition of a Director shall, summon a Board meeting
- 96 Notice of a Board meeting may be given to a Director personally or by word of mouth or sent In Writing to him at his last known address or any other address given by him to the Company for this purpose. In this Article references "In Writing" include the use of electronic communications delivered to an address which has been specified by a Director for the purpose of his receiving notices of Board Meetings by means of electronic communications and subject to such terms and conditions, if any, as the Directors may decide. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings during his absence are sent to him In Writing at his last known address or any other address given by him to the Company for this purpose. In the absence of a request it shall not be necessary to give notice of a Board meeting to a Director who is absent from the United Kingdom. A Director may waive notice of a meeting either prospectively or retrospectively
- 97 The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless fixed at any other number, shall be two

- 98 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in the Board. If and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act for the purpose of filling vacancies in the Board or of summoning General Meetings, but not for any other purpose. If there are no Directors or no Director able or willing to act, any two members may summon a General Meeting of members for the purpose of appointing Directors.
- 99 If the Directors have not appointed a chairman or vice-chairman pursuant to Article 85, or if at any meeting neither the chairman nor the vice-chairman is present within 5 minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairman of the meeting.
- 100 The Board may establish local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local boards, or to be managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than the power to borrow and make calls), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies and to act notwithstanding vacancies. An appointment or delegation may be made upon such terms and subject to such conditions as the Board thinks fit. The Board may remove any person appointed as above and may revoke or vary any delegation, but a person dealing in good faith and without notice of the revocation or variation shall not be affected by it.
- 101 A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Directors.
- 102 The Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit and may revoke a delegation and discharge a committee in whole or in part. A committee shall in the exercise of the powers delegated to it conform to any regulations that are imposed by the Directors.
- 103 The meetings and proceedings of a committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as they are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
- 104 A member of the Board, or of a committee of the Board, may participate in a meeting of the Board or the committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. The 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.
- 105 A resolution in Writing, signed by all or a majority of the Directors entitled to notice of a meeting of the Directors or by all of the members of a committee, shall be as valid as if it had been passed at a Board meeting or a meeting of the committee duly called and constituted. The resolution may consist of several documents in the like form each signed by one or more of the Directors or members of the committee. For the purpose of this Article, the signature of an alternate Director entitled to notice of a meeting of Directors shall suffice in lieu of the signature of the Director appointing him.
- 106 The Directors shall cause minutes to be made in books provided for the purpose
- (a) of all appointments of officers made by the Directors,
  - (b) of the names of all the Directors present at each Board meeting and meeting of a committee of Directors, and
  - (c) of all resolutions and proceedings at meetings of the Company and of any class of members of the Company and of the Directors and of any committee of Directors.

The minutes, if purporting to be signed by the chairman of the meeting at which the appointments were made, or the Directors were present, or the resolutions were passed or

proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company, or class of members of the Company, or Directors or committee (as the case may be), shall be sufficient evidence without any further proof of the facts stated in it

- 107 All actions done by any Board meeting, or meeting of a committee of Directors, or by a person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any Director, or of the person acting as a Director, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if each of them had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote
- 108 The Directors may appoint any person to an office or employment having a title including the word 'director' or attach such a title to any existing employment with the Company and may terminate the appointment or the use of the title. The inclusion of the word 'director' in the title of any office or employment (other than the office of managing or joint managing or deputy or assistant managing director) does not imply that the employee is a Director and the employee shall not as a result be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles

#### **Provision for Employees**

- 109 The Board of Directors may exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

#### **Secretary**

- 110 The Directors may appoint an assistant secretary or assistant secretaries and temporary substitutes for the secretary. An assistant secretary or temporary substitute shall for the purpose of these Articles be deemed to be and may fulfil the duty of the secretary subject to any limitation prescribed by the Directors
- 111 A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the secretary

#### **The Seal**

- 112 The Seal shall be used only by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed. Unless otherwise determined and except as provided in Article 13, it shall be signed by a Director and by the Secretary or by a second Director or by one director in the presence of a witness who attests the signature or by such other persons as approved by the Board. The Directors may by resolution determine that such signatures or either of them shall be fixed by some method or system of mechanical or electronic means. Any instrument to which an official seal is applied need not, unless the Board otherwise decides or the law otherwise requires, be signed by any person

#### **Authentication of documents**

- 113 Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including these Articles) and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the Company's head office, the local manager or other officer of the Company having the custody of them shall be deemed to be a person appointed by the Directors under this Article

#### **Alternate directors**



- 114 (A) A Director may appoint any person who is approved by the Board to be an alternate Director, and may remove from office an alternate Director appointed by him
- (B) An alternate Director shall be entitled (subject to his giving to the Company either an address within the United Kingdom or an address (which shall include any number or address) for the purpose of receiving electronic communications at which notices may be served upon him) to receive notices of all meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a Director at any of the meetings at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in the absence of the appointor. When acting also as a Director or as an alternate Director for more than one Director, an alternate Director shall have one vote for every Director he represents, in addition to his own if he is himself a Director, and, where the quorum exceeds two, he shall be considered as two Directors for the purpose of making a quorum
- (C) An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director. If a Director retires by rotation but is re-elected by the meeting at which the retirement takes effect, an appointment made by him under this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not retired
- (D) All appointments and removals of alternate Directors shall be effected by notice In Writing by the Director making or revoking the appointment given to the Company at the Office or at a duly convened and held meeting of the Board or at some other address specified for the purpose of receiving electronic communications
- (E) An alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director. He shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as his appointor by notice In Writing to the Company directs. He shall not otherwise in respect of the appointment be entitled to receive any remuneration from the Company. An alternate Director may be indemnified by the Company to the same extent as a Director
- (F) An alternate Director shall be an officer of the Company. He shall alone be responsible to the Company for his own acts or defaults and shall not be deemed to be the agent of or for the Director appointing him
- (G) In this Article references to "In Writing" and "written" shall include the use of electronic communications delivered to an address which has been specified by the Directors for the purpose of notifying appointments and removals of alternate Directors by means of electronic communications and subject to such terms and conditions, if any, as the Directors may decide

#### **Dividends**

- 115 The Company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board
- 116 The Company may pay any dividend or any other monies payable in cash in respect of shares by direct debit, bank or other funds transfer system (subject always, in the case of uncertificated shares, to the facilities and requirements of the relevant system concerned, where payment is to be made by means of such system), or by cheque, dividend or warrant
- 117 Except where the rights attaching to the share provide otherwise, dividends must be declared and paid according to the amounts paid on the shares in respect of which the dividends are paid. For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portions of the period in respect of which the dividend is paid but, if any share is issued on terms providing that it ranks for dividend as from a particular date, the share shall rank for dividend accordingly
- 118 The Directors must transfer to share premium account as required by the Statutes sums equal

to the amount or value of any premiums at which any shares of the Company are issued

- 119 The Directors may pay such interim dividends as appear to them to be justified by the profits of the Company. If the capital of the Company is divided into different classes of shares the Directors may pay interim dividends in respect of those shares which confer on the holders deferred or non-preferred rights as well as in respect of those shares which confer on the holders preferential or special rights with regard to dividends. Provided that the Directors act bona fide, they shall not incur any responsibility to the holders of any shares for any damage that they suffer by reason of the payment of an interim dividend on any shares. The Directors may also pay half yearly or at other suitable intervals to be settled by them any dividend which is payable at a fixed rate if they are of the opinion that the profits justify the payment.
- 120 A General Meeting or Annual General Meeting declaring a dividend or bonus may direct, and the Board may, in relation to any interim dividend direct payment of the dividend or bonus wholly or partly by the distribution of specific assets and, in particular, of paid up shares or Debentures of another company or in any one or more of these ways. The Directors shall give effect to the resolution and, where a difficulty arises in regard to the distribution, the Directors may settle it as they think expedient. In particular they may issue certificates in respect of fractions and fix the value for distribution of specific assets, may determine that cash payments are made to any members upon the footing of that value in order to adjust the rights of all parties and may vest the assets in trustees as may seem expedient to the Directors.
- 121 A resolution of the Company or of the Directors declaring a dividend may specify any date as the record date for the dividend, whether or not prior to the date on which the resolution is passed.
- 122 The Directors may deduct from any dividend or bonus payable to a member any sums presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 123 No unpaid dividend, bonus or interest shall bear interest as against the Company.
- 124 The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 125 The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is, under the provisions of these Articles relating to the transmission of shares, entitled to become a member, or which any person under those provisions is entitled to transfer, until he becomes a member in respect of the shares or duly transfers them.
- 126 A dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it, or by direct bank transfer to such bank account as the member or person entitled to it directs, and in case of joint holders to any one of them or to such person and such address or such bank account as the joint holders may direct. The cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the member, person entitled or joint holders direct. Payment of the cheque or warrant shall be a good discharge to the Company. Every cheque or warrant shall be sent at the risk of the person entitled to the money which it represents.
- 127 If several persons are registered as joint holders of a share, any one of them may give an effectual receipt for any dividend or other moneys payable on or in respect of the share.
- 128 All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Dividends unclaimed for 12 Years after they became due for payment shall, unless the Directors otherwise resolve, be forfeited and revert to the Company.

#### **Scrip dividends**

- 129 (A) The Directors may, if authorised by an ordinary resolution, offer any holders of ordinary shares (excluding any member holding shares as treasury shares) one or more of the

following options

- (a) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them, either to invest the cash in subscribing for new ordinary shares, payable in full or by instalments, or in paying up in full or by instalments any unpaid or partly paid ordinary shares held by them, or
  - (b) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them, to elect to receive new ordinary shares credited as fully paid, or
  - (c) to forego their entitlement to all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them and to take instead fully paid bonus ordinary shares, or
  - (d) any other option in respect of all or any part (to be determined by the Directors) of any dividend on any ordinary shares held by them as the Directors determine
- (B) In relation to the above options, the following provisions apply
- (a) the ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period,
  - (b) the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement shall be, as nearly as possible, equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that the holder elects to forego. In calculating the entitlement, the Directors may, at their discretion, adjust the figure obtained by dividing the relevant value by the amount payable on the ordinary shares up or down so as to procure that the entitlement of each shareholder to new ordinary shares is represented by a simple numerical ratio. For this purpose, '**relevant value**' shall be calculated by reference to the average of the middle market quotations for the Company's ordinary shares on the London Stock Exchange as derived from the Daily Official List (or if the Company's shares are not listed or dealt in or traded on a market whose share prices are shown in the Daily Official List, then by reference to the average of the middle market quotations for the Company's ordinary shares by the person who conducts or operates any market on which the Company's shares are traded, and if there is more than one such market, then the average of such prices), on such five consecutive dealing days as the Directors determine, provided that the first day is on or after the day on which the ordinary shares are first quoted 'ex' the relevant dividend, or in such other manner as may be determined by or in accordance with the ordinary resolution,
  - (c) on or as soon as practicable after announcing that they are to declare or recommend any dividend the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention and shall, after determining the basis of allotment if they decide to proceed with the offer, notify the holders of ordinary shares in Writing of the right of election offered to them and specify the procedure to be followed and the place at which and the latest time by which elections must be lodged in order for elections to be effective,
  - (d) the Directors shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised and the Board has authority to allot sufficient shares to give effect to it after the basis of allotment is determined,
  - (e) the Directors may exclude from any offer any holders of ordinary shares where the Directors believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them,

- (f) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been made (the '**elected ordinary shares**') and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated above. For this purpose the Directors may capitalise, out of any amount standing to the credit of any reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or any other undistributable reserve) whether or not it is available for distribution as the Directors determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected ordinary shares on that basis,
- (g) the additional ordinary shares when allotted shall rank *pari passu* in all respects with the fully paid ordinary shares then in issue except that they will not be entitled to participate in the relevant dividend or in that part of the dividend in respect of which the right of election was offered,
- (h) the Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of ordinary shares may elect to receive ordinary shares credited as fully paid instead of cash in respect of all future rights offered to that holder under this Article until the election mandate is revoked or deemed to be revoked in accordance with the procedure,
- (i) the Directors may undertake and do such acts and things as they consider necessary or expedient for the purpose of giving effect to this Article including (without limitation) making such provisions as they think fit in relation to any fraction of an ordinary share which may or would arise from the application of this paragraph (B) (including provisions whereby, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the Company rather than to the shareholders concerned or under which fractional entitlements are accrued or retained (without interest) and in each case accumulated on behalf of any shareholder and the accruals or retentions are applied to the allotment of fully paid ordinary shares by way of bonus to, or cash subscription on behalf of, the shareholder)

### **Reserves**

- 130 The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied. Pending application the sum reserved may either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors think fit. The Directors may, without placing them to reserve, carry forward any profits which they think it prudent not to divide.

### **Capitalisation of profits and reserves**

- 131 Subject to Part 17 of the Act, the Company in General Meeting or Annual General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise an amount standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that it is set free for distribution among the members who would have been entitled to it if distributed by way of dividend and in the same proportions on condition that it is not paid in cash but is applied either in or towards paying up any amounts unpaid on shares held by the members or paying up in full shares or Debentures of the Company to be allotted and distributed, credited as fully paid up, to and among those members in those proportions, or partly in the one way and partly in the other. The Directors shall give effect to the resolution.
- 132 Whenever a resolution is passed under the preceding Article, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised. Subject to Part 17 of the Act, the Directors shall make all allotments and issues of fully paid shares, Debentures or securities, if any, and generally shall do all acts and things required to give effect

to the resolution. The Directors may make such provision by the issue of certificates in respect of fractions or by payment in cash or otherwise as they think fit for the case of shares, Debentures or securities becoming distributable in fractions. The Directors may authorise any person to enter into an agreement with the Company, on behalf of the members interested, providing for the allotment to them, credited as fully paid up, of any shares, Debentures or securities to which they may be entitled upon the capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application of their proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under the authority shall be effective and binding on all the members.

#### **Discovery and secrecy**

- 133 No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading, any accounting record, book or document of the Company, or any matter in the nature of a trade secret or secret process which relates to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the members of the Company to communicate to the public.

#### **Accounts**

- 134 The Directors shall not be bound, unless expressly instructed so to do by a special resolution of the Company in General Meeting or Annual General Meeting, to publish any list or particulars of the securities or investments held by the Company or to give to any shareholder any information relating to them.
- 135 The Company may, in accordance with section 426 of the Act and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in the preceding Article.

#### **Auditors**

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

#### **Notices**

- 137 Any notice or document (including a share certificate) or other information may be served by the Company on any member (a) personally or (b) by sending it through the post in a prepaid letter addressed to him at his registered address as appearing in the register of members (c) where appropriate, by sending it using electronic communication to an address for the time being notified for that purpose to the Company by that member in a manner specified by the Directors or otherwise permitted by the Statutes. A member is entitled to receive notices from the Company notwithstanding that his registered address as appearing in the register of members is outside the United Kingdom. In the case of joint holders of a share, notices shall be given to that one of the joint holders whose name stands first in the register of members and notice given to him shall be sufficient notice to all the joint holders.
- 138 1 Any notice or other document, if served by post, shall be deemed to have been served at the expiration of 24 hours after the time when the letter containing it is posted. In proving service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.
- 138 2 Where a notice or other document is sent using electronic communications, service of the notice or other document shall be deemed to be effected by sending it using electronic communications to an address for the time being notified to the person giving the notice or as otherwise permitted by the Statutes for that purpose, and to have been effected at the latest at the expiration of 48 hours from when it was sent. In proving such service it shall be sufficient to prove that the notice or other document was sent in accordance with guidance from time to time issued by the Institute of Chartered Secretaries and Administrators.

- 139 A notice or other document may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law by sending it through the post in a pre-paid letter, or by sending it using electronic communications as hereinafter mentioned, in each case addressed to them by name or by title of the representatives of the deceased, or trustee of the bankrupt, or by any like description to (in the case of a notice or other document being sent through the post) the address, if any, within the United Kingdom supplied for the purpose by the persons claiming to be so entitled or (in the case of a notice or document being sent using electronic communications) to an address for the time being notified for that purpose by such person to the Company, in a manner specified by the Company, by those persons or as otherwise permitted by the Statutes or (until such an address has been so supplied or notified) by giving the notice or other document in any manner in which the same might have been given if the death or bankruptcy or other event had not occurred. The service shall for all purposes be deemed a sufficient service of the notice or document on all persons interested in the share (whether jointly with or as claiming through or under him).
- 140 A notice required to be given by the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting or Annual General Meeting by notice sent through the post, it may be convened by notice advertised in at least two leading daily newspapers with appropriate circulation, of which one is a leading London daily newspaper. The notice shall be deemed to have been duly served on all members entitled to it at noon on the day when the advertisement appears. The Company shall send confirmatory copies of the notice by post if at least 48 hours prior to the meeting the posting of notices to addressees within the United Kingdom again becomes practicable.
- 141 Every person who by operation of law, transfer or other means becomes entitled to any share shall be bound by every notice in respect of the share which, prior to his name and address being entered in the register of members, has been duly given to the person from whom he derives his title other than a notice given under Article 68 or section 793 of the Act.

#### **Electronic Communications**

- 142 Notwithstanding anything in these Articles to the contrary, but subject to the Statutes
- 142.1 any notice or other document to be given or sent to any person by the Company is also to be treated as given or sent where
- (a) the Company and that person have agreed that any notice or other document required to be given or sent to that person may instead be accessed by him on a website,
  - (b) the meeting (in the case of a notice of meeting) or other document (in any other case) is one to which that agreement applies,
  - (c) that person is notified, in a manner for the time being agreed between him and the Company, of the publication of the notice or (as the case may be) the document on a website, the address of that website and the place on that website where the notice (or as the case may be) other documents may be accessed and how it may be accessed,
  - (d) in the case of a notice of meeting, such notice of meeting is published in accordance with Article 142.2 below and the notification referred to in (c) above states that it concerns a notice of a Company meeting served in accordance with the Act, specifies the place, date and time of the meeting, and states whether the meeting is to be an Annual General Meeting or a General Meeting, and
  - (e) in the case of a document referred to in Section 238 of the Act, and in the case of a document comprising a summary financial statement referred to in Section 426 of the Act such document is published in accordance with Article 142.2 below,
- and in the case of a notice of meeting or document so treated, such notice or other document is to be treated as so given or sent, as the case may be, at the time of the notification mentioned in (c) above, and

- 142 2 where a notice of meeting or other document is required by Article 142 1 (d) or (e) above to be published in accordance with this Article 142 2, it shall be treated as so published only if
- (a) in the case of a notice of meeting, the notice is published on the website throughout the period beginning with the giving of the notification referred to in Article 142 1 (c) above and ending with the conclusion of the relevant meeting, and
  - (b) in the case of a document referred to in Article 142 1 (e) above, the document is published on a website throughout the period beginning at least 21 days before the date of the relevant meeting and ending with the conclusion of the meeting and the notification referred to in Article 142 1 (c) above is given not less than 21 days before the date of the meeting,
- but so that nothing in this Article 142 2 shall invalidate the proceedings of the meeting where the notice or other document is published for a part, but not all, of the period mentioned in (a) or, as the case may be (b) of this Article 142 2 and the failure to publish the notice or other document throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid, and
- 142 3 the directors may from time to time make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the giving of notices or other documents by electronic communication by or to the Company and otherwise for the purpose of implementing and/or supplementing the provisions of these Articles and the Statutes in relation to electronic communications, and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article

#### **Winding up**

- 142 On a winding up of the Company, the balance of the assets available for distribution, after deduction of any provision made under section 719 of the Act and subject to any special rights attaching to any class of shares, shall be applied in repaying to the members of the Company the amounts paid up on the shares held by them. Any surplus assets will belong to the holders of any ordinary shares then in issue according to the numbers of shares held by them or, if no ordinary shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them
- 143 If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of properties of different kinds. He may for that purpose set such value as he deems fair upon any one or more class or classes of property and may determine how the division is carried out as between the members or different classes of members. He may, with the same authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the same authority thinks fit, but no contributory shall be compelled to accept any shares in respect of which there is a liability
- 144 The power of sale of a liquidator includes a power to sell wholly or partially for shares or Debentures, or other obligations of another company either then already constituted or about to be constituted, for the purpose of carrying out the sale

#### **Indemnity**

- 145 Except so far as the provisions of this Article are avoided by any provisions of the Statutes, the Directors, executive Directors, secretary and other officers of the Company, and their respective executors or administrators, shall to the extent permitted by the Statutes be indemnified out of the assets of the Company against all actions, costs (to include legal and financial costs of such proceedings but not criminal fines, regulatory penalties, liabilities owed to the Company or the costs of criminal proceedings if judgement is given against them), charges, losses, damages and expenses which they may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices (including acts of negligence, default, breach of duty or breach of trust in the performance of his or her duties). Subject to the provisions of the Statutes and as required by law, none of them shall be answerable for the acts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys

or assets of the Company are lodged or deposited for safe custody, or for the insufficiency or deficiency or any security upon which any moneys of the Company are placed out or invested, or for any other loss or damage which happens in the execution of their offices, unless resulting from their own wilful neglect or default. Subject to the provisions of the Act, the Directors may purchase and maintain insurance at the expense of the Company for the benefit of any Director or other officer of the Company against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done by him as a Director or officer. No Director or secretary of the Company shall be accountable to the Company or the members for any benefit provided pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company. In this Article, the terms "Director", "secretary" and "officer" shall include former Directors, former secretaries and former officers, respectively.