

THE COMPANIES ACTS 1985 and 1989

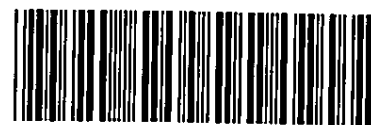
A PUBLIC COMPANY LIMITED BY SHARE

ARTICLES OF ASSOCIATION

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CORE VCT III PLC

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COMPANIES HOUSE

(as adopted by Special Resolution passed on 7 October 2005
and as amended by Special Resolution passed on 4 June 2008)

1 Preliminary

1 1 The regulations in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company

1 2 In these Articles, the words and expressions set out in the first column below shall bear the respective meanings set opposite them

the Act	the Companies Act 1985 and every other Act for the time being in force and affecting companies,
these Articles	these Articles of Association as from time to time altered,
the Auditors	the auditors for the time being of the Company,
Business Day	a day on which the London Stock Exchange is open for business,
Catch-up Period	the period commencing on the Commencement Date and ending at such time as the holders of the B Shares have received from the Company (by way of dividends, return of capital or otherwise), in aggregate, an amount equal to 150% of all amounts received by all the holders of Ordinary Shares (by way of dividends, return of capital or otherwise) prior to the Commencement Date less an amount equal to 60p per Ordinary Share in issue prior to such commencement date
Commencement Date	the later of 1 January 2009 or the day immediately following the date that the Trigger Event occurs
Completion	completion of the transfer of Ordinary Shares and B Shares held by the Minority Sellers, as specified in the Majority Sale Notice,
debenture	debenture or debenture stock,
the London Stock Exchange	London Stock Exchange plc,
Majority Sale Notice	a notice given by the Majority Sellers in accordance with Article 8 8,

Majority Sellers	those holders of Ordinary Shares and B Shares which in aggregate hold Ordinary Shares and B Shares which represent at least 75% of the aggregate nominal value of the Ordinary Shares and B Shares to which a Takeover Offer relates (as if the same constituted one class of shares) and which have accepted an offer for the purchase of all their Ordinary Shares and B Shares pursuant to a Takeover Offer,
Majority Sellers' Shares	Ordinary Shares and B Shares which are sold by Majority Sellers pursuant to a Takeover Offer,
Manager	Core Growth Capital LLP (Number OC307285),
Management Agreement	any management agreement entered into from time to time and/or deed between the Company and the Manager and relating to management and/or advisory services to be provided by the Manager to the Company,
Minority Sellers	all shareholders of the Company other than those which have accepted the terms of the Takeover Offer,
Offer	the offer for subscription for Ordinary Shares pursuant to the terms of a prospectus to be approved by the Financial Services Authority prior to 30 November 2005,
Office	the registered office for the time being of the Company,
paid	paid or credited as paid,
Proposed Purchaser	any person who at the relevant time has made a Takeover Offer,
Reduction Event	in the event that the B Shares in aggregate exceed, by number, (or but for the provisions of Article 3 would exceed) 60 per cent of the total number of Ordinary Shares and B Shares,
the Regulations	the Uncertificated Securities Regulations 1995 and includes <ul style="list-style-type: none"> (i) any enactment or subordinate legislation which amends or supersedes those Regulations, and (ii) any applicable rules made under those Regulations including those of a relevant system or under any such enactment or subordinate legislation for the time being in force,
Relevant Number	either <ul style="list-style-type: none"> (a) all the B Shares in the event the Company gives notice pursuant to Article 3.3 following a Termination Event, or (b) in the event of a Reduction Event, such number of B Shares that following the application of Articles 3.3 to 3.5 (inclusive) would result in the

number of B Shares in aggregate being equal to 60 per cent of the total number of Ordinary Shares and B Shares. The said aggregate number of B Shares to be so converted and redesignated shall be apportioned between the holders of B Shares, in respect of such shares, pro rata to the number of B Shares held by them,

Relevant Situation	the meaning set out in Article 19A 1,
Seal	the common seal of the Company,
Securities Seal	an official seal kept by the Company by virtue of Section 40 of the Act,
Takeover Offer	an offer to acquire all of the Ordinary Shares and B Shares (other than any Ordinary Shares or B Shares already held by the Proposed Purchaser),
Termination Event	<p>any Management Agreement terminating in any of the following circumstances</p> <ul style="list-style-type: none"> (a) in the event the Manager has committed a material breach of the Management Agreement, which if capable of remedy remains unremedied for 30 days following notification thereof by the Company, (b) in the event that the Manager ceases to be an authorised person or permitted to act as discretionary investment manager pursuant to the terms of the Management Agreement, (c) in the event that the Manager has committed an act of fraud, reckless disregard or gross negligence in relation to its duties under the Management Agreement, (d) in the event the Manager goes into liquidation or has a receiver or administrator appointed over it or any of its undertaking or assets, or (e) in the event that the Management Agreement is terminated by virtue of Walid Fakhry and Stephen Edwards both ceasing (whether at the same time or otherwise) to be members of the Manager, and
Trigger Event	<p>in the event that the holders of Ordinary Shares have received from the Company by way of dividends, return of capital or otherwise, in aggregate, an amount equal to</p> <ul style="list-style-type: none"> (a) 60p per Ordinary Share issued at any time by the Company, and (b) an amount equal to 5 per cent per annum (compounded annually and calculated on a daily basis from the date of issue of the Ordinary

Share) on such part of the said 60p that remains to be paid to the holder of the Ordinary Shares

1 3 References in these Articles to statutory provisions shall be construed as referring to those provisions as amended or re-enacted and from time to time in force, and, save for the words and expressions defined in Article 1 2, any words or expressions defined in the Act shall bear the same meaning (if not inconsistent with the subject or context) as therein given to them but excluding any statutory modification thereof not in force at the date of adoption by the Company of these Articles

1 4 Where for any purpose an Ordinary Resolution of the Company is required, a Special or Extraordinary Resolution shall also be effective, and, where for any purpose an Extraordinary Resolution of the Company is required, a Special Resolution shall also be effective

2 Share Capital

2 1 The share capital of the Company at the date of the adoption of these Articles is £55,005 divided into 20,020,000 Ordinary Shares of 0 01 pence each, 30,030,000 B Shares of 0 01 pence each and 50,000 Redeemable Preference Shares of £1 each

2 2 Notwithstanding any other provisions of these Articles, the B Shares and the Redeemable Preference Shares shall have the rights and be subject to the restrictions set out in Article 3

2 3 If at any time the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Act, be varied or abrogated, whether the Company is a going concern or during or in contemplation of its being wound up, either (a) in such manner (if any) as may be provided by such rights or (b) in the absence of any such provision (i) with the consent in writing of the holders of three-quarters in nominal amount of the issued shares of that class or (ii) with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise) To every such separate general meeting all the provisions of these Articles relating to General Meetings of the Company or to the proceedings thereat shall, so far as applicable and with the necessary modifications, apply, except that (a) no member, not being a Director, shall be entitled to notice thereof or to attend thereat unless he be a holder of shares of the relevant class (b) no vote shall be given except in respect of a share of that class (c) the necessary quorum at any such meeting other than an adjourned meeting shall be not less than two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question (d) at an adjourned meeting one person holding shares of the class in question or his proxy shall constitute a quorum and (e) any holder of shares of the class in question present in person or by proxy and entitled to vote at the meeting may demand a poll

2 4 The provisions of Article 2 3 shall apply to the variation or abrogation of the special rights attached to some of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied

2 5 The rights conferred upon the holders of any class of shares issued with preferred or other special rights shall not (unless otherwise expressly provided by these Articles or by the conditions of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto or by the purchase by the Company of its own shares

2 6 The Company may from time to time by Ordinary Resolution increase its share capital by such sum to be divided into shares of such amounts and carrying such rights as the resolution may prescribe All new shares shall (unless the Company shall in General Meeting otherwise determine) be subject to the provisions of these Articles with reference to allotment, payments of calls, forfeiture, surrender, lien, transfer, transmission and otherwise

2 7 The Company may by Ordinary Resolution

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- (b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or been agreed to be taken, by any person, and diminish the amount of its share capital by the nominal amount of the shares so cancelled, and
- (c) sub-divide its shares, or any of them, into shares of smaller amount (subject nevertheless to the provisions of the Act), and so that the resolution whereby any share is sub-divided may determine that, as regards each share so sub-divided, one or more of the shares resulting from such sub-division may have any such preferred or other special rights, or may have such deferred rights, or be subject to any such restrictions as compared with the others, as the Company has power to attach to unissued or new shares

2 8 Upon any consolidation of fully paid shares into shares of larger amount the Directors may as between the holders of shares so consolidated determine which shares are consolidated into each consolidated share and, in the case of any shares registered in the name of one holder being consolidated with shares registered in the name of another holder, may make such arrangements as may be thought fit for the sale of the consolidated share or any fractions thereof and for the distribution among the persons entitled thereto of the net proceeds of such sale, and for such purpose may appoint some person to transfer the consolidated share to the purchaser (or in the case of shares in uncertificated form, take such other action under the Regulations or the rules of the relevant system (such terms being defined for the purposes of this Article and the Articles generally in Article 6) as may be necessary to give effect to the foregoing provisions) Provided that the necessary unissued shares are available, the Directors may alternatively in each case where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share, issue to each such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to such a multiple (such issue being deemed to have been effected immediately prior to the related consolidation), and the amount required to pay up such shares shall be appropriated at their discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares

2 9 The Company may by Special Resolution reduce its share capital and any capital redemption reserve and any share premium account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law

2 10 Subject to the provisions of the Act (and any necessary approval of the proposals by the holders of any convertible securities of the Company sanctioned by an Extraordinary Resolution passed at a separate meeting of such holders) the Company may purchase, or enter into a contract under which it will or may purchase any of its own shares (including any redeemable shares) Neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares

3 B Shares and Redeemable Preference Shares

3 1 Save as set out in the remaining provisions of this Article 3, the Ordinary Shares and the B Shares shall be treated on a par passu basis The remaining provisions of this Article 3 shall apply in

relation to the B Shares and the Redeemable Preference Shares notwithstanding any other provision of these Articles

3 2 The following provisions shall apply in relation to the Ordinary Shares and the B Shares, notwithstanding any other provision of these Articles

- (a) without prejudice to the provisions of Article 3 6, save where the resolution put to the meeting of shareholders is to amend any provision of these Articles or where a Takeover Offer has been made and remains open for acceptance, the holders of the B Shares shall not be entitled in respect of their B Shares to vote at any meeting of the shareholders until such time as a Trigger Event has occurred,
- (b) the holders of the B Shares shall not have any right to receive from the Company any monies in respect of their B Shares whether by way of dividends, return of capital or otherwise until the Commencement Date, and
- (c) the holders of the Ordinary Shares shall not have any right to receive from the Company during the Catch-up Period any monies in respect of their Ordinary Shares whether by way of dividends, return of capital or otherwise

3 3 The Company may following the occurrence of a Termination Event give 14 days prior written notice to each holder of a B Share that the Company requires the Relevant Number of B Shares held by the holder thereof to be converted and redesignated as Deferred Shares following expiry of such notice In addition, the Company may following the occurrence of a Reduction Event require that the Relevant Number of B Shares held by the holder thereof be forthwith converted and redesignated as Deferred Shares and the Company shall be deemed to have given such notice 14 days prior to the Reduction Event, such notice to expire immediately following the Reduction Event

3 4 Following expiry of the notice given by the Company following the occurrence of a Termination Event or immediately following a Reduction Event, the Relevant Number of B Shares shall automatically be converted and redesignated into Deferred Shares The Deferred Shares shall entitle the holders thereof to the following rights (subject to the following restrictions) in relation to their Deferred Shares

- (a) as regards dividend, the holders of Deferred Shares shall not be entitled to any dividend or other distribution in respect of their holding of such shares,
- (b) as regards capital, on a return of assets on a liquidation, reduction of capital or otherwise, the holders of the Deferred Shares shall be entitled in respect of such shares to the nominal value in respect of such shares after the holders of the Ordinary Shares and B Shares shall have received £1,000,000 in respect of each such share held by them,
- (c) as regards voting the holders of the Deferred Shares shall not be entitled to receive notice of and attend general meetings and not be entitled to vote at such meetings in respect of such shares,
- (d) as regards further issues, the rights conferred upon the holders of Deferred Shares shall be deemed not to be modified, varied or abrogated by the creation or issue of any further shares (whether ranking *pari passu* with or in priority to the Deferred Shares or otherwise) or by any other alteration whatsoever to the share capital of the Company, and
- (e) the Deferred Shares shall be redeemable by the Company at any time and on their redemption the holders thereof shall subject to the provisions of the Act be paid 0 01

pence per Deferred Share held The holders of the Deferred Shares shall promptly take all actions required by the Company in relation to or otherwise in connection with any such redemption including, without prejudice to the generality of the foregoing, the delivery of all share certificates in respect of such Deferred Shares to such person and at such time as directed by the Company

3 5 Each holder of B Shares shall within 10 days of the Relevant Number of B Shares being converted and redesignated into Deferred Shares as aforesaid deliver the certificates for his B Shares to the Company (or as it directs) and within 10 days of receipt thereof the Company shall or shall procure the issue of a certificate for the Deferred Shares resulting from the conversion and redesignation and a balancing certificate for the B Shares remaining after such conversion and redesignation

3 6 Notwithstanding any other provision of these Articles

- (a) the aggregate number of votes that certain holders of B Shares, being for the purpose of this Article 3 6(a), such persons which subscribe for 50% of the B Shares pursuant to the terms of an option deed as described in the terms of the Offer, shall be entitled to have whether on a show of hands, on a poll or otherwise shall in aggregate not exceed 29.9 per cent (rounded down if necessary) Such votes shall be apportioned between the holders of the B Shares, in respect of such shares, pro rata to the number of B Shares held by them, and
- (b) no Ordinary Shares may be issued, other than those pursuant to the Offer without the prior written consent of those shareholders who hold more than 50 per cent by number of the B Shares immediately prior to the proposed issue of new Ordinary Shares

3 7 The Redeemable Preference Shares shall

- (a) carry the right to receive a fixed cumulative preferential dividend from the revenue profits of the Company which are available for distribution and which the Directors determine to distribute by way of dividend in priority to any dividend payable on the Ordinary Shares at the rate of 0.1% per annum (exclusive of any imputed tax credit available to shareholders) on the nominal amount thereof but confer no other right to a dividend,
- (b) confer no right to receive notice of, or to attend or vote at general meetings except where the rights of holders of the Redeemable Preference Shares are to be varied or abrogated,
- (c) on a winding up confer the rights to be paid out of the assets of the Company available for distribution the nominal amount paid up on such shares pari passu with, and in proportion to, amounts of capital paid to the holders of Ordinary Shares, but do not confer any right to participate in any surplus assets of the Company, and
- (d) be capable of being redeemed by the Company at any time and on their redemption the holders thereof shall subject to the provisions of the Act be paid £1 per Redeemable Preference Share held and each Redeemable Preference Share which is redeemed shall thereafter be redesignated as and subdivided into 40 Ordinary Shares of 0.01 pence each and 60 B Shares of 0.01 pence each in the authorised but unissued capital of the Company without any further resolution or consent

4 Issues of Shares

4 1 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution

determine (or, in the absence of any such determination, as the Directors may determine), and, subject to the provisions of the Act, the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed

- 4 2 Subject to the provisions of these Articles and of the Act relating to authority, pre-emption rights and otherwise, and of any resolution of the Company in General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors, who may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper
- 4 3 The Company may exercise the powers of paying commissions conferred by the Act to the full extent thereby permitted. The Company may also, on any issue of shares, pay such brokerage as may be lawful
- 4 4 Subject to the provisions of the Act any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares, the grant of options or warrants to call for an allotment of shares or any combination of such methods
- 4 5 The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder thereof recognise a renunciation thereof by the allottee in favour of some other person, and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose
- 4 6 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder

5 Certificates

- 5 1 Every person whose name is entered in the Register of Members (except a stock exchange nominee in respect of whom the Company is not required to complete and deliver a certificate) shall be entitled without payment to one certificate for all his shares of each class, or, upon payment of such fee (if any) for every certificate after the first as the Directors shall from time to time determine, to several certificates, each for one or more of his shares
- 5 2 Every certificate shall be issued within five Business Days after the lodgment with the Company of the transfer of the related shares, not being a transfer which the Company is for any reason entitled to refuse to register and does not register, unless the conditions of issue of such shares otherwise provide. In the case of an allotment of shares subject to a right of renunciation, one or more certificates for such shares shall be issued within one month of the latest date for such renunciation. No certificate shall be issued representing shares of more than one class. Every certificate shall be under the Seal or the Securities Seal, shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up thereon, and the amount paid thereon, and shall state
- (a) the name of any external registrars appointed by the Company, and
 - (b) the address at which transfers of shares should be lodged
- 5 3 The Company shall not be bound to register more than four persons as the joint holders of any share or shares and, in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all

- 5 4 Where a member transfers part of the shares comprised in his holding he shall be entitled to a certificate for the balance of his holding without charge
- 5 5 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares shall thereupon be issued in lieu without charge
- 5 6 Any share certificate, and any certificate for debentures of the Company, which has been approved for sealing by the Directors or a committee of the Directors need not (save to the extent that the terms and conditions for the time being relating to any debentures of the Company otherwise require) be signed or counter-signed by any person Subject as aforesaid, any such certificate may, if the Directors so determine, bear signatures affixed by some mechanical system or process or the names of the Company's issuing agents
- 5 7 If a share certificate be defaced, damaged or worn out, or is alleged to have been lost, stolen or destroyed, it may be replaced upon the request of the holder without charge subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses incurred by the Company as the Directors think fit In the case of shares held jointly by several persons any such request may be made by any one of the joint holders
- 5 8 Notwithstanding the provisions of this Article 5, where, in accordance with the terms of Article 6 hereof, any shares or securities of the Company are issued, transferred, registered or otherwise held in uncertificated form, any references in these Articles requiring title to shares or other securities to be evidenced by or transferred by reference to share certificates or any other form of written instrument shall not apply and the holding, transfer, recording of title to and registration of, shares or other securities in uncertificated form issued by the Company will be governed by reference to the provisions of Article 6 hereof
- 6 Uncertificated Shares**
- 6 1 Notwithstanding anything in these Articles to the contrary, any shares in the Company may be issued, held, registered, converted to, transferred or otherwise dealt with in uncertificated form and converted from uncertificated form to certificated form and vice versa in accordance with the Regulations and practices instituted by the operator of the relevant system Any provisions of these Articles shall not apply to any uncertificated shares to the extent that such provisions are inconsistent with
- (a) the holding of shares in uncertificated form,
 - (b) the transfer of title to shares by means of a relevant system, or
 - (c) any provision of the Regulations
- 6 2 Without prejudice to the generality and effectiveness of Article 6 1
- (a) Articles 5, 8 1 and 8 5 and 14 4(c) shall not apply to uncertificated shares and Article 8 2(d) shall apply in relation to such shares as if the reference therein to the date on which the transfer was lodged with the Company were a reference to the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the facilities and requirements of the relevant system,
 - (b) without prejudice to Article 8 2 in relation to uncertificated shares, the Board may also refuse to register a transfer of uncertificated shares in such other circumstances as may be permitted or required by the Regulations and the relevant system,

- (c) references in these Articles to a requirement on any person to execute or deliver an instrument of transfer or certificate or other document which shall not be appropriate in the case of uncertificated shares shall, in the case of uncertificated shares, be treated as references to a requirement to comply with any relevant requirements of the relevant system and any relevant arrangements or regulations which the Board may make from time to time pursuant to Article 6 2(j) below,
- (d) for the purposes referred to in Article 9 2, a person entitled by transmission on death or bankruptcy to a share in uncertificated form who elects to have some other person registered shall either
 - (i) procure that instructions are given by means of the relevant system to effect transfer of such uncertificated share to that person, or
 - (ii) change the uncertificated share to certificated form and execute an instrument of transfer of that certificated share to that person,
- (e) the Company shall enter on the Register of Members the number of shares which are held by each member in uncertificated form and in certificated form and shall maintain the Register of Members in each case as is required by the Regulations and the relevant system and, unless the Board otherwise determines, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings,
- (f) a class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which applies only in respect of certificated shares or uncertificated shares,
- (g) for the purposes referred to in Article 2 8, the Board may in respect of uncertificated shares authorise some person to transfer and/or require the holder to transfer the relevant shares in accordance with the facilities and requirements of the relevant system,
- (h) for the purposes of Article 23 9, any payment in the case of uncertificated shares may be made by means of the relevant system (subject always to the facilities and requirements of the relevant system) and without prejudice to the generality of the foregoing such payment may be made by the sending by the Company or any person on its behalf of an instruction to the operator of the relevant system to credit the cash memorandum account of the holder or joint holders of such shares or, if permitted by the Company, of such person as the holder or joint holders may in writing direct, and for the purpose of Article 23 10 the making of a payment in accordance with the facilities and requirements of the relevant system concerned shall be a good discharge to the Company,
- (i) subject to the Act the Board may issue shares as certificated shares or as uncertificated shares in its absolute discretion and Articles 4 1, 4 2, 23 11, 23 14 and 23 15 shall be construed accordingly,
- (j) the Board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion think fit in relation to the evidencing and transfer of uncertificated shares and otherwise for the purpose of implementing and/or supplementing the provisions of this Article 6 and the Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article 6,

- (k) for the purposes referred to in Article 26, the Company may in respect of uncertificated shares give any notice or other document by means of the relevant system (subject always to the facilities and requirements of the relevant system),
- (l) the Board may utilise the relevant system to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Act or these Articles or otherwise in effecting any actions,
- (m) the Board may resolve that a class of shares is to become a participating security and may at any time determine that a class of shares shall cease to be a participating security, and
- (n) the Company shall comply with the provisions of Regulations 21 and 22 of the Regulations, in particular in relation to Article 8 3

6 3 Where any class of shares in the capital of the Company is a participating security and the Company is entitled under provisions of the Act or the rules made and practices instituted by the operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any shares which are held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the operator of the relevant system) shall include the right to

- (a) request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in uncertificated form, and/or
- (b) require any holder of any uncertificated shares which are the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps, by instructions given by means of a relevant system or otherwise, as may be necessary to sell or transfer such shares, and/or
- (c) appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such shares as may be required to effect a transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned, and/or
- (d) transfer any uncertificated shares which are the subject of any exercise by the Company of any such entitlement by entering the name of the transferee in the Register of Members in respect of that share as a transferred share, and/or
- (e) otherwise rectify or change the Register of Members in respect of that share in such manner as may be appropriate, and
- (f) take such other action as may be necessary to enable those shares to be registered in the name of the person to whom the shares have been sold or disposed of or as directed by him

6 4 For the purposes of this Article 6

- (a) words and expressions shall have the same respective meanings as in the Regulations,
- (b) references herein to an uncertificated share or to a share (or to a holding of shares) being in uncertificated form are references to that share being an uncertificated unit of a security, and references to a certificated share or to a share being in certificated form are references to that share being a unit of a security which is not an uncertificated unit, and

- (c) "cash memorandum account" means an account so designated by the operator of the relevant system

7 Provisions relating to Partly-Paid Shares

- 7.1 The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or, when permitted, by way of premium) but subject always to the terms of issue of such shares, and each member shall (subject to being given at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares
- 7.2 A call may be made payable by instalments. A call may be postponed, or be wholly or in part revoked, as the Directors may determine. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made
- 7.3 If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at the rate fixed by the terms of allotment of the share or in the notice of the call (but not exceeding 17% per annum), but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part
- 7.4 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 amount of the share or by way of premium or as an instalment of a call, shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified
- 7.5 Subject to the terms of allotment, the Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment
- 7.6 The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the money (whether on account of the nominal amount of the shares or by way of premium) uncalled and unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls, and any such payment in advance of calls shall to that extent extinguish the liability upon the shares in respect of which it is advanced, and upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the member paying such sum and the Directors agree. Any such payment in advance of calls on any share shall not entitle the holder of such shares to participate in respect of such amount in any dividend
- 7.7 If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued thereon and any expenses incurred by the Company for reason of such non-payment. The notice shall name a further day (not earlier than 14 days from the date of service thereof) 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 on which the call was made will be liable to be forfeited

- 7 8 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends which shall have been declared on the forfeited shares and not actually paid before the forfeiture. The Directors may accept a surrender of any shares liable to be forfeited hereunder
- 7 9 Subject to the provisions of the Act, a share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit. At any time before a sale, re-allotment or disposal, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if they think fit, authorise some person to execute an instrument of transfer of a forfeited or surrendered share to any other person as aforesaid (or in the case of shares in uncertificated form, the Directors shall take such action under the Regulations or the rules of the relevant system necessary to enter the purchaser, or such person as directed by the purchaser, on its register as the holder of the relevant shares)
- 7 10 A person whose shares have been forfeited or surrendered shall cease to be a member in respect of the forfeited or surrendered shares and shall surrender to the Company for cancellation the certificate for the shares forfeited (or in the case of shares in uncertificated form, the taking of such equivalent action under the Regulations or the rules of the relevant system), but shall notwithstanding such forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares (with interest thereon, unless and to the extent that the Directors resolve to waive interest, at the rate at which interest was payable on those moneys before the forfeiture) from the date of forfeiture or surrender until payment, and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal
- 7 11 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 such share, and the Company shall also have a first and paramount lien on every such share standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person (whether a member of the Company or not). The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article
- 7 12 The Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 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, shall have been served on the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy

- 7 13 The net proceeds of such sale, after payment of the costs thereof, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the share or shares sold (or in the case of shares in uncertificated form, the taking of such equivalent action under the Regulations or the rules of the relevant system) and subject to a like lien for debts or liabilities not presently payable as existed upon the share or shares prior to the sale) be paid to the person entitled to the share or shares at the time of the sale
- 7 14 A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold whether to satisfy a lien of the Company or otherwise on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the share certificate delivered to a purchaser or allottee thereof, shall (subject to the execution of an instrument of transfer if the same be required, or in the case of shares in uncertificated form, the taking of such equivalent action under the Regulations or the rules of the relevant system as the Directors consider appropriate), constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share

8 Transfers of Shares and rights to buy out minorities

- 8 1 Subject as aforementioned, all transfers of shares shall be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the Register of Members in respect thereof. Nothing in these Articles shall preclude the transfer of shares or other securities of the Company in uncertificated form in accordance with the terms of Article 6 hereof, and any references contained in these Articles in relation to the execution of any instrument of transfer or the registration of any transfer of shares or other securities of the Company in uncertificated form, shall be read in accordance with the terms of Article 6 hereof
- 8 2 The Directors may decline to recognise any instrument of transfer, unless
- (a) the instrument of transfer duly stamped is deposited at the Office or such other place as the Directors may appoint, accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer provided that, in the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange as defined in the Financial Services Act 1986, the lodgment of a share certificate will only be necessary if a certificate has been issued in respect of the share in question,
 - (b) the instrument of transfer is in respect of only one class of share,
 - (c) the instrument of transfer is in favour of not more than four transferees, and
 - (d) the instrument of transfer relates to a share in respect of which all sums presently payable to the Company have been paid

The Directors may also refuse to register a transfer if in their opinion (and with the approval of the UK Listing Authority) exceptional circumstances so warrant

- 8 3 The Directors shall register, or refuse to register, each transfer of shares within two Business Days of its being lodged, and, if they refuse to register the same, shall promptly send to the transferor and the transferee notice of such refusal
- 8 4 The registration of transfers of shares, or of any class of shares, may be suspended at such time and for such periods as the Directors may from time to time determine, provided always that the Register of Members shall not be closed for more than 30 days in any year
- 8 5 No fee will be charged by the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members relating to or affecting the title to any shares
- 8 6 All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors refuse to register shall (except in any case of fraud) be returned to the person depositing the same
- 8 7 The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof, and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that
- (a) this Article 8 7 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant,
 - (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or any other liability which would not attach to the Company in the absence of this Article 8 6, and
 - (c) references herein to the destruction of any document include references to the disposal thereof in any manner
- 8 8 If a Takeover Offer has been accepted by the Majority Sellers then the Proposed Purchaser shall have the right to give to the Company a Majority Sale Notice within 28 days of the Majority Sellers' Shares being acquired pursuant to such Takeover Offer The Majority Sale Notice will include details of
- (a) the identity of the Proposed Purchaser,
 - (b) the highest price paid by the Proposed Purchaser for any of the Majority Sellers' Shares pursuant to the Takeover Offer, and
 - (c) the proposed place, date and time of Completion of the proposed purchase of all Ordinary Shares and B Shares held by the Minority Sellers, which shall not be more than 28 days from the date of receipt of the Majority Sale Notice by the Company)

- 8 9 The Directors shall send the Majority Sale Notice in respect of all his Ordinary Shares and B Shares to each of the Minority Sellers and require each of them to sell to the Proposed Purchaser at Completion all of his holding of Ordinary Shares and B Shares on the terms contained in the Majority Sale Notice
- 8 10 Each Minority Seller shall sell all of his Ordinary Shares and B Shares at Completion at the highest price paid for any Majority Sellers' Shares pursuant to the Takeover Offer and otherwise on the terms set out in the Majority Sale Notice Accordingly, at Completion the Minority Sellers shall deliver to the Company his share certificate(s) or a suitable indemnity required by the Directors and the necessary duly executed form of transfer in respect of all his Ordinary Shares and B Shares
- 8 11 If a Minority Seller shall fail or refuse to transfer shares pursuant to Article 8 10 the Directors may authorise some person to execute and deliver the necessary transfer on behalf of such person and the Company may receive the purchase money in trust for the Minority Seller and cause the Proposed Purchaser to be registered as the holder of such shares The receipt by the Company of the purchase money shall constitute a good discharge to the Proposed Purchaser and after such purchaser has been registered the validity of the sale and purchase of the relevant transfer shall not be questioned by any person The Company shall pay the purchase money to the Minority Seller within 28 days after the Minority Seller has delivered to the Company his share certificate(s) or a suitable indemnity required by the Directors and the necessary form of transfer in respect of all his Ordinary Shares and B Shares

9 Transmission of Shares

- 9 1 In the case of the death of a member, the survivors or survivor where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him
- 9 2 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon supplying to the Company such evidence as to his title as may from time to time be required by the Directors, and subject as hereinafter provided, elect either (a) by giving written notice to the Company, to be registered himself as holder of the share or (b) to transfer such share to some other person All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member
- 9 3 Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member shall (upon supplying to the Company such evidence as the Directors may reasonably require as to his title) be entitled to receive and may give a discharge for all benefits arising or accruing on or in respect of the share, but he shall not be entitled in respect of that share to receive notices of or to attend or vote at General Meetings of the Company or at any separate meeting of the holders of any class of shares in the Company nor, save as aforesaid, to any of the rights or privileges of a member, until he shall have become a member in respect of the share provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if within 60 days the notice is not complied with such person shall (but only in the case of a share which is fully paid) be deemed to have elected to be registered as a member in respect thereof and shall be registered accordingly

10 Untraced Shareholders

- 10 1 The Company shall be entitled to sell at the best price reasonably obtainable therefor any share held by a member, or any share to which a person is entitled by transmission, if all the following stipulations are complied with in relation thereto
- (a) during a period of 12 years within which at least three dividend payments in respect of the shares in question have become payable, no cheque or warrant sent by the Company in the manner prescribed by these Articles has been cashed, no communication has been received by the Company from the member or person concerned and no other method of payment permitted by the Articles has been successfully completed,
 - (b) the Company has, at the expiration of such period of 12 years, by advertisement in both a national daily newspaper and in a newspaper circulating in the area of the last known address of the member or the address at which service of notices upon such member or person may be effected in accordance with these Articles, and by notice in writing to the UK Listing Authority if shares of the class concerned are listed thereon, given notice of its intention to sell such share, and
 - (c) the Company has not during a further period of three months after the date of the advertisement and prior to the sale of the share received any communication from the member or person concerned
- 10 2 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such share, and such instrument shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, such share (or in the case of shares in uncertificated form, the Company may take such equivalent action under the Regulations or the rules of the relevant system) The Company shall be liable to account without interest to the member or other person entitled to such share for the net proceeds of such sale and shall be deemed to be his debtor and not a trustee for him in respect of the same

11 General Meetings

- 11 1 The Company shall not more than 18 months after its incorporation and subsequently once in each year hold a General Meeting as its Annual General Meeting in addition to any other General Meetings in that year Not more than 15 months shall elapse between the date of one Annual General Meeting of the Company and that of the next Subject as aforesaid and to the provisions of the Act, the Annual General Meeting shall be held at such time and place as the Directors may determine All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings
- 11 2 The Directors may whenever they think fit, and shall on requisition in accordance with the Act, proceed to convene an Extraordinary General Meeting for a date not later than seven weeks after receipt of the requisition
- 11 3 Subject to the provisions of the Act, an Annual General Meeting and a General Meeting at which a Special Resolution is to be proposed shall be called by 21 days' notice at the least, and all other General Meetings shall be called by 14 days' notice at the least The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held provided that a General Meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed

- (a) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat, and
- (b) in the case of an Extraordinary General Meeting, by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal amount of the shares giving that right,

and provided also that accidental omission to give notice (or any document intended to accompany such notice) to, or non-receipt of notice (or any document intended to accompany such notice) by, any person entitled thereto shall not invalidate the proceedings at any General Meeting

- 11 4 Every notice calling a General Meeting shall be in writing and shall specify the place, the day and the time of meeting, and in the case of an Annual General Meeting shall specify the meeting as such. Notices shall be given as provided by these Articles to all the members, other than those who under the provisions of these Articles or the conditions of issue of the shares held by them are not entitled to receive the notice, to the Directors (including the alternate directors) and to the Auditors and (where required by the Act) former auditors of the Company
- 11 5 In every notice convening a General Meeting of the Company or a meeting of any class of its members there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him, and that a proxy need not also be a member. The notice shall specify the general nature of the business to be transacted at the meeting, and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect
- 11 6 Every such notice sent to a member shall be accompanied by a form of proxy (with or without provision for its return prepaid) either in blank or nominating in the alternative any one or more of the Directors or the chairman of the meeting or any other person or persons. Every such form of proxy shall
 - (a) provide for two-way voting on all resolutions intended to be proposed at the related meeting (except procedural resolutions),
 - (b) state that a member is entitled to appoint a proxy of his own choice and provide a space for the insertion of the name of such proxy, and
 - (c) state that, if it is returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes
- 11 7 Where, by any provision contained in the Act, special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than 28 days (or such shorter period as the Act permits) before the meeting at which it is moved, and the Company shall give to the members notice of any such resolution as required by and in accordance with the provisions of the Act
- 11 8 Any corporation which is a member of the Company may, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company (save that such person may not, by virtue of this Article, appoint a proxy of the corporation), and

such corporation shall, for the purpose of these Articles, be deemed to be present in person at such meeting if a person so authorised is present thereat

12 Proceedings at General Meetings

- 12 1 The Chairman (if any) of the Board of Directors, or in his absence the Deputy or Vice-Chairman (to be chosen, if there be more than one, by agreement amongst them or, failing agreement, by order of appointment) shall preside as chairman at every General Meeting of the Company. If there be no such chairman or Deputy or Vice-Chairman, or if at any meeting none be present within five minutes after the time appointed for holding the meeting, or if none of them be willing to act as chairman, the Directors present shall choose some Director present to be chairman. If no Director be present, or if all the Directors present decline to take the chair, the members present shall choose some member present to be chairman of the meeting.
- 12 2 No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as in these Articles otherwise provided, two members present in person or by proxy and entitled to vote at the meeting shall be a quorum for all purposes.
- 12 3 If within 15 minutes from the time appointed for a General Meeting a quorum is not present, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case it shall stand adjourned to such other day, and at such time and place, as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine, and in the latter case not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At any such adjourned meeting the quorum shall be those persons present.
- 12 4 The chairman shall take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of meeting, and his decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such nature. In particular
- (a) he may invite any person to attend and speak whom he considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting, and
 - (b) he may exclude from the meeting any member or other person who does not submit to, or fails to pass, appropriate security provisions
- 12 5 The chairman of any General Meeting at which a quorum is present may, with the consent of such meeting (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the original meeting. When a meeting is adjourned indefinitely, the time and place for the adjourned meeting shall be determined by the Directors. When a meeting is adjourned for 30 days or more or indefinitely, seven days' notice at least of the adjourned meeting shall be given in like manner as in the case of the original meeting.
- 12 6 The chairman may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) either indefinitely or to another time or place where it appears to him that
- (a) the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting, or

- (b) the conduct of persons present prevents or is likely to prevent the orderly continuation of business, or
 - (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted
- 12 7 Save as hereinbefore expressly provided, it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting
- 12 8 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the related substantive resolution shall not be invalidated by any error in such ruling In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment or to correct a patent error) may in any event be considered or voted upon
- 12 9 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before, or upon the declaration of the result of, the show of hands a poll is demanded
- (a) by the chairman of the meeting, or
 - (b) by not less than five members present in person or by proxy and having the right to vote at the meeting, or
 - (c) by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or
 - (d) by a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid on all the shares conferring that right
- 12 10 Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of General Meetings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution
- 12 11 If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct (including the use of voting papers), and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded The chairman of the meeting may (and if so directed by the meeting shall), in the event of a poll, appoint scrutineers (who need not be members) and may fix some place and time for the purpose of declaring the result of the poll
- 12 12 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall (whether or not - and, if so, regardless of how - he has already voted) be entitled to a casting vote
- 12 13 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith A poll demanded on any other question shall be taken either immediately or at such subsequent time and place as the chairman of the meeting shall direct not being more than 30 days from the date of the meeting or the adjourned meeting at which the poll was demanded No notice need be given of a poll not taken forthwith
- 12 14 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show

of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn with the consent of the chairman, the meeting shall continue as if the demand had not been made. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

13 Votes of Members

- 13 1 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.
- 13 2 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names of the holders stand in the Register of Members in respect of the share.
- 13 3 No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to vote at any General Meeting or at any separate meeting of the holders of any class of shares in the Company either personally or by proxy, or to exercise any right as a member, unless all calls or other sums presently payable by him in respect of that share in the Company have been paid.
- 13 4 Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.
- 13 5 No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
- 13 6 On a poll votes may be given either personally or by proxy. On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- 13 7 Any person (whether a member or not) may be appointed to act as a proxy. The instrument appointing a proxy shall be in writing in any usual or common form, or such other form as may be approved by the Directors, and shall be signed by the appointor or by his attorney duly authorised in writing, or if the appointor is a corporation shall be either under its common seal or under the hand of a duly authorised officer or attorney of the corporation. The Directors may, but shall not be bound to, require evidence of the authority of such officer or attorney. An instrument of proxy need not be witnessed.
- 13 8 The instrument appointing a proxy together with (unless the Directors waive such requirement) the power of attorney or other authority (if any) under which it is signed, or a notarially certified or office copy of such power or authority, shall be deposited at the Office, or at such other place in the United Kingdom as may be specified for that purpose in the notice calling the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be

treated as valid. The like time limit shall also apply to the cancellation or revocation of any such instrument. Subject to Article 13.2, where more than one instrument of proxy is delivered in respect of the same shares, that delivered last shall prevail, if it is not clear which was delivered latest, none shall be valid. An instrument appointing a proxy to vote at any meeting and deposited as aforesaid shall, unless the contrary is stated thereon, be valid to empower the proxy so appointed to vote on any poll taken or demanded at such meeting or at any adjournment of such meeting. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution, except on a poll demanded at a meeting or an adjourned meeting in cases where the original meeting was held within 12 months from such date.

13.9 An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.

13.10 A vote given in accordance with the terms of an instrument of proxy or by the duly authorised representative of a corporate member, or a poll demanded by proxy or by the duly authorised representative of a corporate member, shall be valid notwithstanding (in the case of a proxy) the previous death or mental disorder of the principal or the revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed or (in the case of a duly authorised representative of a corporate member) the revocation of his appointment, provided that no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office or (in the case of an instrument of proxy) such other place at which it was required to be deposited under Article 13.8 three hours at least before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

14 Disclosure of Interests

14.1 Section 212 of the Act ("Section 212") shall be deemed to be incorporated into these Articles and accordingly to apply as between the Company and each member. If a notice is given under Section 212 ("a Section 212 notice") to a person appearing to be interested in any shares a copy shall at the same time be given to the holder of those shares but the accidental omission to do so or the non-receipt by the member shall not prejudice the operation of the provisions of this Article 14. The provisions of this Article 14 shall be without prejudice to the provisions of Section 216 of the Act, and in particular the Company shall be entitled to apply to the court under Section 216(1) whether or not these provisions apply or have been applied.

14.2 If a member or any person appearing to be interested in any shares held by a member has been duly served with a Section 212 notice and is in default for the relevant period (as defined in Article 14.7) from such service in supplying to the Company the information thereby required, the provisions of Articles 14.3 and 14.4 shall apply. The restrictions imposed by those paragraphs in relation to any shares shall continue until a relevant event occurs in relation to those shares and shall lapse when it does so. For this purpose, a "relevant event" is either of the following

- (a) the default being remedied to the satisfaction of the Board, or
- (b) the shares being registered in the name of a purchaser or offeror (or that of his nominee) pursuant to an arm's-length transfer (as defined in Article 14.5)

Any dividends withheld pursuant to Article 14.4 shall be paid to the member as soon as practicable after the restrictions contained in that Article lapse.

14.3 If the member has a holding of less than 0.25 per cent of any class of shares, then, subject to Article 14.5 and unless the Directors otherwise determine, the member shall not be entitled in

respect of the shares concerned to attend or vote at a General Meeting either personally or by proxy

14 4 If the member has a holding of at least 0.25 per cent of any class of shares, then, subject to Article 14.5 and unless the Directors otherwise determine, the member shall not be entitled in respect of the shares held by him (whether or not referred to in the section 212 notice)

- (a) to attend or vote at a General Meeting either personally or by proxy, or
- (b) to receive any dividend (including shares issued in lieu of a dividend) payable in respect of such shares, or
- (c) to transfer or agree to transfer any of such shares, or any rights therein

14 5 The restrictions in Articles 14.3 and 14.4 shall be without prejudice to the right of either the member holding the shares concerned or, if different, the beneficial owner of those shares to effect or agree to sell those shares by way of an arm's-length transfer. For the purposes of this Article 14, an "arm's-length transfer" in relation to any shares is a transfer to a bona fide unconnected third party including

- (a) a sale of those shares on a recognised investment exchange (as defined in the Financial Services Act 1986) or on any stock exchange outside the United Kingdom on which the shares are normally traded, or
- (b) an offer made to all the holders (or all the holders other than the person making the offer and his nominees) of the shares in the Company to acquire those shares or a specified proportion of them, or to all the holders (or all the holders other than the person making the offer and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them

14 6 For the purposes of this Article 14, the Company shall be entitled to treat any person as appearing to be interested in any shares if

- (a) the member holding such shares or any person who is or may be interested in such shares either fails to respond to a Section 212 notice (or has given to the Company a notification pursuant to a Section 212 notice which in the opinion of the Directors fails to establish the identities of those interested in the shares) and if (after taking into account such notification and any other relevant notification pursuant to a Section 212 notice) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares, or
- (b) that person (not being the member) is interested in those shares for the purposes of Section 212

14 7 For the purposes of this Article 14, the "relevant period" shall be, in a case falling within Article 14.3, 28 days and, in a case falling within Article 14.4, 14 days

15 Directors

15 1 Subject as hereinafter provided, the Directors shall be not less than two but no more than ten in number. The Company may by Ordinary Resolution from time to time vary the minimum number and may also determine and from time to time vary the maximum number of Directors

15 2 A Director or an alternate Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any General Meeting of the Company and at any separate meeting of the holders of any class of shares in the Company

- 15 3 The ordinary remuneration of the Directors shall not in aggregate exceed £100,000 per annum (or such higher sum as may from time to time be determined by an Ordinary Resolution) and shall be divided between the Directors as they may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he held office. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company, or in attending and returning from meetings of the Directors or of committees of the Directors or General Meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties.
- 15 4 Any Director who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, lump sum, percentage of profits or otherwise as the Directors may determine.
- 15 5 Each Director (other than an alternate Director) may at any time appoint another Director or (subject to the approval of a majority of the Directors for the time being) any other person to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office and, subject to any requisite approval as aforesaid, appoint another person in his place.
- 15 6 An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors and of all meetings of committees of the Directors of which his appointor is a member and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally at such meeting to perform all the functions of his appointor as a Director in the absence of such appointor. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom or unable to act through ill health or disability, his signature of any resolution in writing of the Directors shall be as effective as the signature of his appointor.
- 15 7 An alternate Director shall cease to be an alternate Director on the happening of any event which, if he were a Director, would cause him to vacate such office, or if his appointor ceases for any reason to be a Director: provided that, if any Director retires, whether by rotation or otherwise, but is re-appointed or is deemed to have been re-appointed by the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-appointment as if he had not so retired.
- 15 8 All appointments and removals of alternate Directors shall be effected by instrument in writing signed by the appointor Director and authenticated in such manner as the other Directors may accept. The appointor Director shall deposit the original signed instrument at the Office or deliver it at a meeting of the Directors as soon as reasonably practicable, but failure or delay in doing so shall not prejudice the validity of the appointment.
- 15 9 Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director of the Company and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of the Director appointing him. An alternate Director shall not be entitled to receive any remuneration from the Company for his services as an alternate Director but his remuneration shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such part (if any) of the latter's remuneration as shall be agreed between them.

16 Directors. Appointment and Retirement

- 16 1 At each Annual General Meeting, one third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to one third) shall retire from office by rotation, provided that
- (a) no Director holding office of Chief Executive or Managing or Joint Managing Director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire, and
 - (b) notwithstanding the effect of the foregoing provision, each Director eligible for retirement shall be required to submit himself for re-election at least once in any period of three consecutive Annual General Meetings
- 16 2 Subject to the provisions of these Articles, the Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting by reason of age, or who wishes to retire and not offer himself for re-election, or who is required to retire by virtue of Article 16 1 above Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election and so that as between persons who became or were last elected Directors on the same day those to retire shall (unless they otherwise agree amongst themselves) be determined by lot The Directors to retire on each occasion shall be determined by the composition of the board of Directors of the company at the date of notice convening the Annual General Meeting and no Director shall be required to retire, or be released from retiring, by reason of any change in the number or identity of the Directors after the date of such notice but before the close of the meeting
- 16 3 Section 293 of the Act shall apply to the Company save that any Director reappointed on retiring under Section 293(3) of the Act shall thereafter be subject to retirement at each annual general meeting of the Company in addition to those Directors otherwise due to retire pursuant to Articles 16 1 and 16 2 (and the retirement of any Director out of turn under the foregoing provision shall be disregarded in determining when any other Directors are to retire but the provisions of Article 16 3 shall apply to any such Director)
- 16 4 The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by appointing a person thereto, and in default the retiring Director, if willing to act, shall be deemed to have been re-appointed, unless at such meeting it is expressly resolved not to fill the vacancy, or a resolution for the re-appointment of such Director shall have been put to the meeting and lost, or such Director shall have given notice in writing to the Company that he is unwilling to be re-elected, or where the default is due to the moving of a resolution in contravention of Article 16 6
- 16 5 No person other than a Director retiring at the meeting shall, unless recommended by the Directors for appointment, be eligible for appointment to the office of Director at any General Meeting unless, not less than seven nor more than 42 days (inclusive of the date on which the notice is given) before the day appointed for the meeting, there shall have been given to the Company notice in writing by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of Directors, and also notice in writing signed by the person to be proposed of his willingness to be appointed
- 16 6 At a General Meeting a motion for the appointment of two or more persons as Directors by a single resolution shall not be proposed unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being given against it, and for the purposes of this

Article a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment

- 16 7 The Directors shall have power at any time, and from time to time, to appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed any maximum number determined by or in accordance with these Articles Subject to the provisions of the Act and of these Articles, any Director so appointed shall hold office only until the conclusion of the next following Annual General Meeting, and shall be eligible for re-election at that meeting Any Director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at such meeting and, if not re-appointed at such Annual General Meeting, he shall vacate office at the conclusion thereof
- 16 8 Subject to the provisions of Article 16 7, the Company may at any time, and from time to time, by Ordinary Resolution appoint any person who is willing to act to be a Director either to fill a vacancy or as an additional Director and, without prejudice to the provisions of the Act, may by Ordinary Resolution remove a Director (including a Director holding executive office) before the expiration of his period of office, but so that such removal shall be without prejudice to any claim such Director may have for breach of any contract of service between him and the Company
- 16 9 The office of a Director shall be vacated in any of the following events, namely
- (a) if (but in the case of a Director holding any executive office subject to the terms of any contract of service between him and the Company) he resigns his office by instrument in writing signed by the resigning Director and authenticated in such manner as the other Directors may accept (provided that the resigning Director shall deposit the original signed instrument at the Office as soon as reasonably practicable but failure or delay in his so doing shall not prejudice the validity of the resignation) or if he shall in writing offer to resign and the Directors shall resolve to accept such offer,
 - (b) if he becomes bankrupt or has a receiving order made against him or makes any arrangement or composition with his creditors generally or applies to the court for an interim order under Section 753 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act,
 - (c) if, in the opinion of the majority of Directors other than the Director concerned and in the written opinion of a suitably qualified medical expert, he becomes of unsound mind if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs,
 - (d) if he is absent from meetings of the Directors for six successive months without leave, and his alternate Director (if any) shall not during such period have attended in his stead, and the Directors resolve that his office be vacated,
 - (e) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company, or
 - (f) if he ceases to be a Director by virtue of any provision of the Act or becomes prohibited by law from being a Director

17 Directors Executive Office

- 17 1 The Directors may from time to time appoint any one or more of their body to be holder of any executive office for such period (subject to the provisions of the Act) and on such terms and with or without such title or titles (including but not limited to Chairman, Deputy Chairman, Vice-Chairman, Managing Director, Chief Executive and Joint, Deputy or Assistant Managing Director or Chief Executive) as they think fit and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment
- 17 2 A Director appointed to any such office shall receive such remuneration (whether by way of salary, commission, participation in profits, provision for retirement or insurance benefit, or partly in one way and partly in another, or otherwise) as the Directors may determine
- 17 3 The appointment of any Director to the office of Chairman or Deputy or Vice-Chairman or Managing Director or Chief Executive or Joint Managing or Deputy or Assistant Managing Director or Chief Executive shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company
- 17 4 The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly so state, such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company
- 17 5 The Directors may entrust to and confer upon any Director appointed to any such office any of the powers exercisable by them as Directors (other than the power to make calls or forfeit shares) upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers

18 Directors: Proceedings

- 18 1 Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit Questions arising at any meeting shall be determined by a majority of votes In case of an equality of votes the chairman of the meeting shall (whether or not - and, if so, regardless of how - he has already voted) be entitled to a casting vote A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom
- 18 2 A Director who is unable to attend any meeting of the Directors and has not appointed an alternate Director may authorise any other Director to vote for him at the meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote Any such authority must be by instrument signed by the authorising Director and authenticated in such manner as the other Directors may accept The authorising Director shall deposit the original signed instrument at the Office or deliver it to a meeting of the Directors as soon as reasonably practicable, but failure or delay in his doing so shall not prejudice the validity of the authorisation
- 18 3 The quorum necessary for the transaction of the business of the Directors may be determined from time to time by the Directors, and unless so determined at any other number shall be two For the purposes of this Article a person who holds office only as an alternate Director shall, if his appointor is not present, be counted in a quorum, but so that not less than two individuals shall constitute the quorum Any Director who attends a meeting of Directors by telephone or other conference facility shall be deemed to be personally present at such meeting for all the purposes

of these Articles and shall be counted in the quorum accordingly. A Director in communication by electronic means with the Chairman and with all other parties to a meeting of the Directors or of a committee of the Directors shall be regarded for all purposes as attending such meeting provided that but only for so long as at such a meeting he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by electronic means. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

- 18.4 A meeting at which one or more of the Directors attends by electronic means is deemed to be held at such place as the Directors shall at the said meeting resolve. In the absence of a resolution as aforesaid, the meeting shall be deemed to be held at the place, if any, where a majority of the directors attending the meeting are physically present, or in default of such a majority, the place at which the chairman of the meeting is physically present.
- 18.5 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number determined by or in accordance with these Articles, or below the number determined by or pursuant to these Articles as the quorum of Directors, the continuing Directors or Director may act for the purpose of filling such vacancies in their body or of summoning General Meetings of the Company, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.
- 18.6 The Directors may, from their number, from time to time elect and remove a Chairman and, if thought fit, one or more Deputy Chairmen or Vice-Chairmen and determine the period for which they are to hold office. The Chairman, or in his absence the Deputy Chairman (to be chosen, if there be more than one, by agreement amongst themselves or, failing agreement, by lot), or in the absence of any Deputy Chairman the Vice-Chairman (to be chosen, if there be more than one, as aforesaid), shall preside at all meetings of the Directors, but if no such Chairman, Deputy Chairman or Vice-Chairman be elected, or if at any meeting neither the Chairman nor any Deputy Chairman or Vice-Chairman be willing to preside or none of them be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- 18.7 The Directors may from time to time appoint a President of the Company and may determine the period for which he shall hold office. Such President may be either honorary or paid such remuneration as the Directors in their discretion shall think fit, and need not be a Director, but shall, if not a Director, be entitled to receive notice of and attend and speak, but not vote, at all meetings of the Board of Directors.
- 18.8 A resolution in writing, signed or approved (including by telefax) by all the Directors for the time being entitled to receive notice of a meeting of Directors or of a committee of Directors, shall be as effective as a resolution passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors, and so that any such resolution or document signed by an alternate Director shall be deemed to have been signed by the Director who appointed such alternate Director.
- 18.9 The Directors may delegate any of their powers or discretions to one or more committees, provided that more than one half of the members of each such committee shall consist of Directors. Any committee so formed shall in the exercise of the powers so delegated conform with any regulations which may from time to time be imposed by the Directors. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles.

regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations imposed by the Directors under this Article, provided that no resolution of any such committee shall be effective unless a majority of the members of the committee present are Directors

18 10 All acts done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director or as a member of any such committee, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified and had continued to be a Director or member of the committee and had been entitled to vote

18 11 In this Article "electronic means actuated by electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy and "by electronic means" means by any manner only capable of being so actuated

19 Directors' Interests

19 1 Subject to the provisions of the Act, a Director, notwithstanding his office

- (a) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise,
- (b) may act by himself or through his firm in a professional capacity (other than that of auditor) for the Company or any other body corporate promoted by the Company or in which the Company is otherwise interested, and
- (c) may be a director or other officer of, or employed by, or a party to any contract, arrangement, transaction or proposal with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any power of appointment

19 2 The Directors may establish, maintain, participate in or contribute to, or procure the establishment and maintenance of, participation in or contribution to, any pension, annuity, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to, any persons who are or were at any time in the employment or service of the Company, or any of its predecessors in business, or of any company which is a subsidiary undertaking of the Company or is allied to or associated with the Company, or with any such subsidiary undertaking, or who may be or have been Directors or officers of the Company, or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also establish, subsidise and subscribe to any institutions, associations, societies, clubs, trusts or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid, and (subject to the provisions of the Act) establish and contribute to any scheme for the acquisition of shares in the Company or its holding company (whether or not an employees' share scheme) and (subject as aforesaid) lend money to the Company's employees to enable them to acquire such shares, and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid either alone or in conjunction with others Subject always, if the Act shall so require, to particulars with respect to the proposed payment being disclosed to the members of the Company and to the

proposal being approved by Ordinary Resolution, any Director shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance, benefit or emolument

- 19 3 Subject to the provisions of the Act, the Company may by Special Resolution suspend or relax the provisions of Articles 19 and 19A to any extent either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of Articles 19 or 19A

19A Directors' duty to avoid conflicts of interest - power of Board to authorise matters

- 19A 1 If there is a situation (a "Relevant Situation") in which a Director is or may be either at the time or at some time in the future (or a person who if he was to be appointed as a director of the Company would or might be either at the time or at some time in the future) in breach of his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest (but for any authorisation of the relevant matter(s) by the Board), the Board (other than the Director, and any other Director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution) may authorise the matter or matters on such terms as it may determine, including terms regulating the continuing performance by the relevant Director of his duties as a director of the Company Any authorisation of a matter pursuant to this Article shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised It is the responsibility of the Director who is or may be in breach or the other person who would or might be in breach of his duty under section 175 of the Companies Act 2006 to raise the matter(s) for consideration by the Board

- 19A 2 Any terms determined by the Board under Article 19A 1 may be imposed at the time of authorisation or may be imposed or varied subsequently and may be terminated by the Board at any time, and may include (without limitation)

- (a) subject always to these Articles, whether the relevant Director(s) may vote (or be counted in the quorum at a meeting) in respect of any resolution connected with or relating to the relevant matter(s),
- (b) that relevant Director(s) should not receive from the Company information or participate in discussion by the Board or otherwise within the Company connected with or relating to the relevant matter(s), and
- (c) (without prejudice to any other obligations of confidentiality) the application to the relevant Director(s) of a strict duty of confidentiality to the Company in respect of any confidential information of the Company or any company in its group connected with or relating to the relevant matter(s)

- 19A 3 Except as specified in Article 19A 1, any proposal made to the Board and any authorisation by the Board in relation to a Relevant Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the Board

- 19A 4 Any authorisation of a Relevant Situation given by the Board under Article 19A 1 may provide that, where the relevant Director obtains (other than through his position as a Director or employee of the Company or any member of its group) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence or of his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest

- 19A 5 A Director, by reason of his holding office as a Director (or of the fiduciary relationship established by holding that office), shall not be liable to account to the Company for any remuneration, profit or other benefit connected with or resulting from

- (a) any matter authorised under Article 19A 1, or
- (b) any interest permitted under Article 19,

and no contract, arrangement, transaction or proposal shall be liable to be avoided on the grounds of any matter authorised under Article 19A 1 or the Director having any interest permitted under Article 19

20 Directors General Powers

- 20 1 The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company by Special Resolution, but no regulation made by the Company by Special Resolution shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given to the Directors by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article
- 20 2 The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may define their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors (other than the power to make calls or forfeit shares), with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby
- 20 3 The Directors may from time to time, and at any time, by power of attorney under the Seal or otherwise, appoint any corporation, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes, with such powers (other than the power to make calls or forfeit shares), authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles or the Act), for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him
- 20 4 To the extent permitted by the Act, the Company may cause to be kept in any territory a branch Register of Members resident therein, and the Directors may (subject to the provisions of the Act) make and vary such regulations as they think fit as regards the keeping of any such register
- 20 5 All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine
- 20 6 If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of moneys

becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be

21 Directors: Borrowing Powers

21 1 Subject as hereinafter provided and to the provisions of the Act, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party

21 2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiaries (as hereinafter defined) so as to secure (so far, as regards the Subsidiaries, as by such exercise they can secure) that the aggregate amount at any one time owing or deemed to be owing by the Company and/or any of the Subsidiaries, determined as hereinafter mentioned, in respect of moneys borrowed by it or them or any of them shall not at any time, without the previous sanction of an Ordinary Resolution of the Company, exceed an amount equal to the Adjusted Capital and Reserves. Provided that prior to the publishing of the first audited consolidated balance sheet of the Company and the Subsidiaries such amount shall not, at any time, without the previous sanction of an Ordinary Resolution of the Company, exceed 90% of the amount paid on the issued share capital of the Company

21 3 In this Article 21, the expression "Adjusted Capital and Reserves" means at any material time a sum equal to the aggregate of

- (a) the amount paid on the issued share capital of the Company, and
- (b) the amount standing to the credit of the reserves of the Company (including any share premium account, capital redemption reserve and any credit balance on profit and loss account),

all as shown by the latest published audited consolidated balance sheet of the Company and the Subsidiaries

- (c) making such adjustments as may be appropriate to reflect any variation in the amount paid on such share capital or in the amount standing to the credit of such capital reserves and any variation in interests in Subsidiaries since the date of such consolidated balance sheet and so that if the Company proposes to issue or has issued any shares for cash and the issue of such shares has been underwritten then (in the case of a proposed issue) such shares shall be deemed to have been issued, and the amount (including any premium) of the subscription moneys payable (not being moneys payable later than four months after the date of allotment) in respect thereof shall be deemed to have been paid at the date of the underwriting of such issue,
- (d) deducting amounts attributable to goodwill (other than goodwill arising on consolidation) and any other intangible asset and, if not otherwise taken into account, amounts attributable to minority interests in Subsidiaries and amounts set aside for taxation,
- (e) deducting any debit balance on profit and loss account, and
- (f) deducting any distribution by the Company or by any Subsidiary (otherwise than attributable to the Company out of profits earned prior to the date of such balance sheet) recommended, declared or paid since that date insofar as not provided for in such balance sheet

21 4 For the purposes of this Article 21

- (a) "Subsidiary" means any company of which the Company controls directly or indirectly not less than a majority of the votes which could be cast on a poll at a general meeting of such company but excluding votes which may only be cast in certain events whether or not such events have occurred and excluding also any company that the Board certifies is an investee company of the Company (whether or not the Company's investment in such company constitutes a qualifying holding for the purposes of Schedule 28B of the Income and Corporation Taxes Act 1988),
- (b) "consolidated balance sheet of the Company and the Subsidiaries" means, during any accounting period when the Company does not have any Subsidiaries, the balance sheet of the Company,
- (c) "moneys borrowed" and "borrowing" means all borrowed moneys and shall be deemed to include to the extent not otherwise taken into account
 - (i) any fixed or minimum premium payable on final repayment,
 - (ii) the principal amount raised in respect of acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of the Company or any Subsidiary,
 - (iii) the principal amount of any debentures (whether secured or unsecured and whether the same shall have been issued for cash or otherwise) of the Company or a Subsidiary,
 - (iv) the nominal amount of any issued share capital of a Subsidiary (other than equity share capital) not for the time being owned by the Company or another Subsidiary, and
 - (v) the nominal or principal amount of any share capital, debentures or indebtedness of any body whether corporate or unincorporate the beneficial interest wherein is not for the time being owned by the Company or a Subsidiary and the repayment whereof is guaranteed or secured by the Company or a Subsidiary,

but shall not include

- (vi) moneys owing by the Company to any Subsidiary or by any Subsidiary to another Subsidiary or to the Company,
- (vii) a proportion of the borrowings of any partly-owned Subsidiary (but only to the extent that an amount equal to such proportion exceeds sums borrowed, if any, from such partly-owned Subsidiary by the Company or another Subsidiary), such proportion being that which the issued equity share capital which is not for the time being beneficially owned either directly or indirectly by the Company bears to the whole of the issued equity share capital of such partly-owned Subsidiary,
- (d) a sum equal to the amount of moneys borrowed by a company which becomes a Subsidiary and which are outstanding at the date when such company becomes a Subsidiary shall, for a period of six months from the date of such event, be deemed not to be moneys borrowed,
- (e) any company which it is proposed shall become or cease to be a Subsidiary by means of a transaction which results in a material alteration in the amount of moneys borrowed

shall be treated as if it had become or ceased to be a Subsidiary immediately preceding that transaction,

(f) when the aggregate amount of moneys borrowed required to be taken into account for the purposes of this Article 21 on any particular day is being ascertained, any such moneys denominated or repayable (or repayable at the option of any person other than the Company or a Subsidiary) in a currency other than sterling shall be translated for the purposes of calculating the sterling equivalent at the rate(s) of exchange prevailing on that day in London and so that for this purpose the relevant rate of exchange shall be taken as the spot rate of any bank selected by the Company for the exchange of the relevant amount of the relevant currency into sterling at the close of business on the relevant date or, to the extent that the repayment of such moneys borrowed is covered by a forward purchase contract with a bank selected by the Company, at the rate of exchange specified therein, and

(g) no moneys borrowed shall be included in the same calculation more than once

21 5 A report of the Auditors as to the aggregate amount which may at any one time in accordance with the provisions of this Article 21 be owing by the Company and the Subsidiaries without such consents or sanctions as aforesaid shall be conclusive in favour of the Company and all persons dealing with the Company

21 6 No such sanction shall be required to the borrowing of any sum of money intended to be applied, and applied, within six months after such borrowing in the repayment (with or without premium) of any moneys then already borrowed and outstanding notwithstanding that the same may result in such limit being exceeded

21 7 No person dealing with the Company or any of its Subsidiaries shall be concerned to see or enquire as to the observance of such limit and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that such limit had been or would thereby be exceeded

22 Administrative Provisions

22 1 The Directors shall cause minutes to be made

(a) of all appointments of officers made by the Directors,

(b) of the names of the Directors present at each meeting of Directors and of any committee of Directors, and

(c) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors

All such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next following meeting, shall be evidence of the proceedings

22 2 Subject as required by the Act, any register, index, minute book or accounting records required by these Articles or by law to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against, and for facilitating the discovery of, falsification

22 3 Subject to the Act the Secretary (or, if thought fit, Joint Secretaries) of the Company shall be appointed by the Directors on such terms and for such period as they may think fit, and the

Directors may also appoint one or more assistant or deputy Secretaries. Any Secretary or assistant or deputy Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

- 22.4 Anything by the Act required or authorised to be done by or to the Secretary of the Company may, if the office is vacant or such Secretary is absent or there is for any other reason no such secretary capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary, or if such assistant or deputy Secretary is absent or for any other reason not capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors, provided that any provision of the Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.
- 22.5 The Directors shall provide for the safe custody of the Seal and the Securities Seal and neither shall be used except by the authority of a resolution of the Directors or of a committee of the Directors authorised in that behalf by the Directors. The Directors may from time to time make such regulations as they see fit (subject to the provisions of these Articles in relation to share and debenture certificates) determining the persons and the number of such persons who shall sign every instrument to which the Seal or the Securities Seal is affixed, and until otherwise so determined (and subject as aforesaid) every such instrument shall be signed by one Director and shall be countersigned by the Secretary or by a second Director.
- 22.6 The Company may have an official seal for use abroad under the provisions of the Act where and as the Directors shall determine, and the Company may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as shall be thought fit. Wherever in these Articles reference is made to the Seal, the reference shall, so far as may be applicable, be deemed to include any such official seal as aforesaid.
- 22.7 The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.
- 22.8 Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and, where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or a copy of or an extract from the minutes of a meeting of the Company or of the Directors or any committee of the Directors, which is certified as aforesaid, shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such copy or extract is a true and accurate record of proceedings at a duly constituted meeting.

23 Reserves, Dividends and Capitalisation

- 23.1 The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly, but no dividend shall exceed the amount recommended by the Directors. No dividends shall be payable otherwise than

in accordance with the Act and out of the profits of the Company available for that purpose. Any surplus over the book value derived from the sale or realisation of any capital asset and any other sums representing capital profits within the meaning of the Act or other accretions to capital assets, including in particular any sums resulting from the writing-up of the book values of any capital assets, shall be available for dividend or any other distribution within the meaning ascribed thereto by Part VIII of the Act.

- 23 2 Subject to the rights of holders, if any, of shares with special rights as to dividends, all dividends shall be declared and paid pro rata to the nominal amounts of the shares in respect whereof the dividend is paid, except that, if any share is issued on terms providing that it shall carry any particular rights as to dividend, such share shall rank for dividend accordingly.
- 23 3 The Directors may if they think fit from time to time resolve to pay to the members such fixed or variable interim dividends as appear to the Directors to be justified by the profits of the Company and are permitted by the Act. If at any time the share capital of the Company is divided into different classes, the Directors may (subject to the provisions of the Act) resolve to pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. Provided that the Directors act *bona fide*, they shall not incur any responsibility to the holders of shares conferring a preference for any damage that such holders may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights.
- 23 4 The Directors may from time to time before recommending any dividend, whether preferential or otherwise, set aside out of the profits of the Company (including any premiums received upon the issue of debentures or other securities or rights of the Company), and carry to reserve, such sums as they think proper as a reserve or reserves. Such sums shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and, pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments (including, but subject to the provisions of the Act, the shares of the Company) as the Directors may from time to time think fit. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think it prudent not to divide.
- 23 5 Subject to the provisions of the Act or as otherwise required by law, where any asset, business or property is bought by the Company as from a past date, whether such date be before or after the incorporation of the Company, the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased *cum* dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.
- 23 6 The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share any sums presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company. The Company may cease to send any cheque or warrant through the post for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed (or if, following one such failure of encashment, reasonable enquiries have failed to

establish any new address of the holder of the related shares or, in the case of joint holders, of any of them) but, subject to the provisions of these Articles, shall recommence sending cheques or warrants in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way

- 23 7 The Directors may retain the dividends payable upon shares in respect of which any person is, under the provisions in these Articles as to the transmission of shares, entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same
- 23 8 All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the payment of any such dividend into a separate account or the investment of such dividend shall not constitute the Company a trustee in respect thereof No dividend or other moneys payable in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share Any dividend which has remained unclaimed for a period of 12 years from the date the dividend was declared or the due date for payment thereof shall at the expiration of that period be forfeited and cease to remain owing by the Company and shall thenceforth belong to the Company absolutely
- 23 9 Dividends may be paid in such manner as may reasonably be approved by the Directors, including by bank automated clearing system Any dividend or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the register in respect of the shares, or to such person and to such address as the holder or joint holders may in writing direct Every such cheque or warrant shall, unless the holders otherwise direct, be made payable to the order of the registered holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares, and shall be sent at his or their risk In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or such other means and to or through such person as the holder or joint holders (as the case may be) may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint holders
- 23 10 If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share
- 23 11 A General Meeting declaring a dividend on shares of any class may, upon the recommendation of the Directors, direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares, debentures or other securities or rights of any other company, and the Directors shall give effect to such resolution Where any difficulty arises in regard to the distribution the Directors may settle the same as they think expedient, and in particular (a) may issue fractional certificates (b) may determine the value for distribution of such specific assets or any part thereof (c) may resolve that cash payments shall be made to any members upon the basis of the value so determined in order to adjust the rights of members (d) may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Directors and (e) generally may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates or any part thereof and otherwise as they think fit

- 23 12 The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company
- 23 13 Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares as at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares
- 23 14 The Directors may, if so authorised by Ordinary Resolution, offer any holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Directors) of any dividend specified by such Ordinary Resolution The following provisions shall apply
- (a) such Ordinary Resolution may specify a particular dividend, or may specify all or any dividends declared or resolved to be paid within a specified period, but such period may not end later than the beginning of the fifth Annual General Meeting next following the date of the meeting at which such Ordinary Resolution is passed,
 - (b) the relevant value of the entitlement of each holder of Ordinary Shares to new Ordinary Shares shall be not less than, and may (with the sanction of a Special Resolution) exceed, such cash amount (disregarding any tax credit) of the dividend that such holder elects to forego, and so that for this purpose (i) "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 its Daily Official List) on the day on which the Ordinary Shares are first quoted *ex* the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with such Ordinary Resolution and (ii) a certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount,
 - (c) on or as soon as practicable after announcing that they have resolved to pay or are to 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 notify the holders of Ordinary Shares in writing of the right of election, and specify the procedure to be followed and the place at which, and the latest time by which, elections must be lodged in order to be effective,
 - (d) the Directors shall not proceed with any election unless the Company has sufficient unissued shares authorised for issue and sufficient reserves or funds that may be capitalised 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 if the Directors believe that the making of the offer to them would or might involve the contravention of the laws of, or the requirements of any regulatory body or stock exchange in, 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 ("Elected Ordinary Shares") and instead additional Ordinary Shares shall be

allotted to the holders of the Elected Ordinary Shares on the basis of the allotment calculated as stated, and so that for such purpose the Directors shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) as the Directors may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the Elected Ordinary Shares,

- (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 participation in the relevant dividend,
- (h) the Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlement which would arise on such basis (including provisions whereby fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the members concerned), and so that the Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned, and
- (i) the Directors may determine to treat as valid for the purposes of this Article any mandate in force to receive on a regular basis Ordinary Shares in lieu of cash dividends

23 15 At any time when the Company has given notice in the prescribed form (which has not been revoked) to the registrar of companies of its intention to carry on business as an investment company ("a Relevant Period") distribution of the Company's capital profits (within the meaning of Section 266(2)(c) of the Act) shall be prohibited, except for the purpose of redeeming or purchasing its own shares in accordance with sections 160 and 162 of the Act. The Directors shall establish a reserve to be called the capital reserve. During a Relevant Period all surpluses arising from the realisation or revaluation of investments and all other moneys realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other moneys which are considered by the Directors to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the Act, the Directors may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the Act, any expenses, loss or liability (or provision therefor) which the Directors consider to relate to a capital item (including any proportion of the expenses of management or administration of its assets and/or of the finance costs of the Company) or which the Directors otherwise consider appropriate to be debited to the capital reserve, shall be carried to the debit of the capital reserve. During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that, notwithstanding any other provision of these Articles, during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by Section 263(2) of the Act), except for the purpose of redeeming or purchasing its own shares in accordance with sections 160 and 162 of the Act, or be applied in paying dividends on any shares in the Company. In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available

for distribution (as defined by Section 263(2) of the Act) or be applied in paying dividends on any shares in the Company

24 Capitalisation of reserves

The Directors may, in their absolute discretion, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sums to the holders of Ordinary Shares on the Register of Members at the close of business on the date of the resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of Ordinary Shares and applying such sum on their behalf in paying up in full unissued Ordinary Shares or B Shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid to and amongst them as bonus shares in the proportion aforesaid. A bonus issue of Ordinary Shares pursuant to the foregoing provisions of this Article 24, shall require the sanction of an Ordinary Resolution (but not, for the avoidance of doubt, the bonus issue of any B Shares). The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on such basis (including provisions whereby fractional entitlements are disregarded or rounded up or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

25 Accounts and Auditors

- 25 1 The Directors shall cause accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Act to be kept and preserved in accordance with the Act. The accounting records shall be kept at the Office, or (subject to the provisions of the Act) at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. No member (other than an officer of the Company) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors or by the Company in General Meeting.
- 25 2 The Directors shall from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are specified in the Act.
- 25 3 A copy of every balance sheet and profit and loss account (including every document required by law to be comprised therein or annexed thereto) which is to be laid before the Company in General Meeting and of the Directors' and Auditors' reports shall not less than 21 days before the date of the meeting be sent to every member and to every holder of debentures of the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Act or these Articles provided that
- (a) this Article shall not require copies of such documents to be sent to any person to whom, by virtue of Section 238(2) of the Companies Act 1985, the Company is not required to send the same, nor to any person of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures, but any member or

holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Office, and

- (b) instead of these documents there may be sent a copy of such summary financial statement as may be permitted, in such form as may be specified and subject to such conditions as may be required, by law to be sent to the members of, and holders of debentures of, the Company

25 4 Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Act Subject to the provisions of the Act, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently becomes disqualified

25 5 The Auditors shall be entitled to attend any General Meeting and to receive notices of and other communications relating to any General Meeting which any member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns them as Auditors

26 Notices

26 1 Any notice or document (including a share certificate) may be given by the Company to or served by the Company on any member either personally or by sending it through the post in a prepaid cover addressed to such member at his address as appearing in the Register of Members If such notice or document is sent by post, first-class mail must (where available) be used in the case of an address within the European Union, and airmail in any other case

26 2 Any member described in the Register of Members by an address not within the European Union who shall from time to time give to the Company an address within the European Union at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no member other than a member described in the Register of Members by an address within the European Union shall be entitled to receive any notice from the Company

26 3 If on two consecutive occasions notices have been sent through the post to any member at his registered address or his address for service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Company a new registered address or address within the European Union for the service of notices

26 4 In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding provided that, where such first-named joint holder has no registered address within the European Union and has not supplied an address within the European Union for the service of notices, the Company may give such notice to another joint holder who has, or has supplied, such an address Notice so given shall be sufficient notice to all joint holders

26 5 Any member present, either in person or by proxy, at any meeting of the Company shall for the purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened

26 6 Save as otherwise provided by the Act or by these Articles, any notice shall be exclusive of the day on which it is served, or deemed to be served, and of the day for which it is given Any notice or other document, if served by post, shall be deemed to have been served 24 hours after the time when the letter, envelope, card or cover containing the same is posted and in proving such service

it shall be sufficient to prove that the letter, envelope, card or cover containing the notice or document was properly addressed, postage prepaid, and duly posted. A notice to be given by advertisement shall be deemed to have been served at noon on the day on which the advertisement appears.

26 7 Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt and whether or not the Company shall have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder, unless his name shall, at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

26 8 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least one national daily newspaper, and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable. The Directors may also in like manner, where they consider that exceptional circumstances so warrant, give any general notice to shareholders (or any class of them) or debenture holders by advertisement rather than by post.

26 9 Whenever any of the Company's shares or debentures have been admitted to listing by the UK Listing Authority, the required number of all documents sent to the Company's shareholders (or any class thereof) or debenture holders generally shall at the same time be forwarded to the appropriate officer of the UK Listing Authority as may for the time being be required under its regulations or practice.

27 Winding Up

27 1 If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an Extraordinary Resolution and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of one kind or of properties of different kinds, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets in respect of which there is a liability.

27 2 The Company may, subject to the provisions of the Act and of these Articles, issue warrants or grant options to subscribe for shares in the Company. Such warrants or options shall be issued upon such terms and subject to such conditions as may be resolved upon by the Board of Directors including, without prejudice to the generality of the foregoing, terms and conditions which provide that, on a winding up of the Company, a holder of warrants or grantee of options may be entitled to receive out of the assets of the Company available in the liquidation *pari passu* with the holders of shares of the same class as the shares in respect of which the subscription rights conferred by the warrants or the options can be exercised such a sum as he would have received

had he exercised the subscription rights conferred by his warrants or the options prior to the winding up but after deduction of the price (if any) payable on exercise of such subscription rights

28 Duration of the Company

At the tenth annual general meeting of the Company following the admission of the Ordinary Shares to the Official List of the UK Listing Authority and, if the Company has not then been liquidated, unitised or reconstructed, at each fifth subsequent annual general meeting of the Company convened by the Directors thereafter, the Directors shall propose an ordinary resolution that the Company should continue as a venture capital trust for a further five year period. If such ordinary resolution is not passed, the Directors shall draw up proposals for the voluntary liquidation, unitisation or other re-organisation of the Company for submission to the members of the Company at an extraordinary general meeting to be convened by the Directors for a date not more than nine months after the date of the meeting at which such ordinary resolution was not passed. The Directors shall use all reasonable endeavours to ensure that such proposals for the liquidation, unitisation or reconstruction of the Company as are approved by special resolution are implemented as soon as is reasonably practicable after the passing of such resolution. For the purposes of this Article only an ordinary resolution will not have been passed only if those members in person or by proxy who vote against the resolution hold in aggregate not less than 25% of the issued share capital of the Company at such time entitled to attend and vote at such a meeting.

29 Indemnity

- 29 1 To the extent not avoided by and so far as may be consistent with the provisions of the Act, every Director or other officer and Auditor of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of his office and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation thereto, and in particular (but without prejudice to the generality of the foregoing) against any liability incurred by him in defending any proceedings, whether civil or criminal, in relation to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the Court from liability in relation to the affairs of the Company.
- 29 2 The Company may purchase and maintain for any Director or other officer of the Company or trustee of any Company pension fund or employee share option scheme insurance against any liability which would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.