

Company No: 06492265

SATURDAY



THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
Written Resolutions of

WAVE LTD

(the "**Company**")

CIRCULATED ON 31st August 2017

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "**Act**"), the sole director of the Company proposes that the following resolutions be passed as ordinary and special resolutions (together the "**Resolutions**"):

ORDINARY RESOLUTIONS

1. THAT subject to and conditional on the passing of Resolution 4, the one Ordinary Share in the Company held by Anglian Venture Holdings Limited be re-designated as an A Share.
2. THAT subject to and conditional on the passing of Resolution 4, the one Ordinary Share in the Company held by Northumbrian Water Group Limited be re-designated as a B Share.
3. THAT subject to and conditional on the passing of Resolution 4, the Directors are specifically authorised, for the purpose of section 551 of the Act and generally, to allot and to grant rights to subscribe for, or to convert any security into, shares in the company in accordance with the Company's new Articles of Association, up to an aggregate nominal amount of:
 - i. £15,660,000 A shares with the rights attaching to them as set out in the Company's Articles of Association; and
 - ii. £15,660,000 B shares with the rights attaching to them as set out in the Company's Articles of Association,

and this authority shall, insofar as it has not been waived, varied or revoked by ordinary resolution of the Company, expire on 31 August 2022, save that the Company may, before such expiry, make an offer or agreement which will or may require such shares to be allotted after such expiry and the authority granted by this resolution shall be in substitution for all and any existing

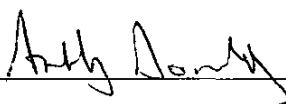
authorities to allot shares and to grant rights to subscribe for, or to convert any security into, shares in the Company that have been granted by ordinary resolution of the Company under section 551 of the Act, to the extent they are unused.

SPECIAL RESOLUTIONS

4. THAT:

- i. the articles of association of the Company are amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Act, are to be treated as provisions of the Company's articles of association; and
- ii. the articles of association attached to these written resolutions and signed by the Chairman of the meeting for the purposes of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

The undersigned was, at the time these Resolutions were circulated, entitled to vote on the Resolutions and irrevocably agrees to the Resolutions:



For and on behalf of

Anglian Venture Holdings Limited

Date: 31st August 2017



For and on behalf of

Northumbrian Water Group Limited

Date: 31st August 2017

EXPLANATORY NOTES FOR SHAREHOLDERS

- 1 If you agree to the resolution, please signify your agreement by signing and dating this document where indicated above and returning it to the Company by using one of the following methods:
 - 1.1 BY HAND: by delivering the signed copy to Mrs Claire Russell, Wave Ltd, Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire PE29 6XU.

AND/OR
 - 1.2 BY POST: by returning the signed copy by post to Mrs Claire Russell, Wave Ltd, Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire PE29 6XU.
2. If you do not agree to the Resolutions, you do not need to do anything.
3. Once you have signified your agreement to the resolution, you may not revoke your agreement.
5. Unless, by the date at the end of the 28 day period beginning on the circulation date, agreement has been received for the resolution to be passed, it will lapse. If you agree to the resolution, please ensure that signification of your agreement reaches the Company on or before this date.

DATED

31 August 2017

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY
SHARES

ARTICLES OF ASSOCIATION OF WAVE LTD

GT GreenbergTraurig

GREENBERG TRAURIG, LLP
THE SHARD, LEVEL 8
32 LONDON BRIDGE STREET
LONDON SE1 9SG

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COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

WAVE LTD

INTERPRETATION AND LIMITATION OF LIABILITY

1. PRELIMINARY

- 1.1 No model articles or regulations for companies (whether contained in the Companies (Model Articles) Regulations 2008, the Companies (Table A to F) Regulations 1985, or any other enactment) shall apply to the Company.

2. DEFINED TERMS

In the Articles, unless the context requires otherwise:

"Act" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

"Action" has the meaning given to it in article 15.7;

"A Director" has the meaning given to it in article 10.1;

"Alternate Director" has the meaning given to it in article 20.1;

"Appointor" has the meaning given to it in article 20.1;

"Articles" means the Company's articles of association as amended from time to time;

"A Shares" means the A shares of £1.00 each in the capital of the Company, designated as A Shares, and having the rights set out in these Articles;

"Bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"B Director" has the meaning given to it in article 10.1;

"B Shares" means the B shares of £1.00 each in the capital of the Company, designated as B Shares, and having the rights set out in these Articles;

"Business Day" a day that is not a Saturday, Sunday or public or bank holiday in England and/or Wales;

"Capitalised Sum" has the meaning given to it in article 36.1;

"Chairman" has the meaning given to it in article 10.2;

"Chairman of the meeting" has the meaning given to it in article 40.3;

"Company" means Wave Ltd, a company incorporated in England and Wales with registered number 06492265;

"Company's Subsidiaries" means each of Anglian Water Business (National) Limited and NWG Business Limited;

"Conflict Situation" means any matter which would, if not authorised in accordance with the terms of the Act, constitute or give rise to a situation in which a Director has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company in breach of his duty under section 175 of the Act. A conflict of interest includes a conflict of interest and duty and a conflict of duties;

"Control" means in relation to a person, the power (whether direct or indirect) to direct or cause the direction of its affairs, whether by means of holding shares, possessing voting power, exercising contractual power or otherwise, and **"Controls"** and **"Controlled"** will be construed accordingly;

"Critical Sale Terms" means terms regarding: (i) conditions to completion; (ii) timing of payment of consideration; and (iii) whether the consideration is to be satisfied in cash, shares or Loan Notes;

"Director" means a director of the Company, and includes any person occupying the position of director, by whatever name called;

"Departing Shareholder" means a Shareholder who agrees to sell its Equity Interest to a Third Party Purchaser under article 28;

"Distribution Recipient" has the meaning given in article 31;

"Eligible A Director" means an A Director who would be entitled to vote on a matter at a meeting of Directors in accordance with these Articles (but excluding any A Director whose vote is not to be counted in respect of the particular matter);

"Eligible B Director" means a B Director who would be entitled to vote on a matter at a meeting of Directors in accordance with these Articles (but excluding any B Director whose vote is not to be counted in respect of the particular matter);

"Eligible Director" means any Eligible A Director or Eligible B Director (as the case may be);

"Encumbrance" means any mortgage, charge, pledge, lien, assignment, option, restriction, claim, right of pre-emption, right of first refusal, third party right or interest, other encumbrance of any kind or other type of preferential arrangement (including a title transfer or retention arrangement) having similar effect;

"Equity Interest" means the Shares held by a Shareholder and any amounts loaned to the Company, by such Shareholder, from time to time;

"First Meeting" has the meaning given to it in article 12.3;

"FMV" means fair market value per Share, and/or other unit of Equity Interest calculated using a methodology agreed between the parties separately, in writing;

"Fully Paid" in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the company;

"Group Company" means, in respect of a person, that person and any persons that Control, are Controlled by, or are under common Control with that person, from time to time, but excluding in the case of the Shareholders, the Company and the Company's Subsidiaries and **"Group Companies"** shall be construed accordingly;

"Initial Lock In Period" means the period beginning on the adoption of these Articles of Association and ending on the date falling two years thereafter;

"Instrument" means a document in hard copy form;

"Interested Director" means a Director who is the subject of a Conflict Situation;

"Loan Notes" means any loan note issued by the Company to a Shareholder from time to time;

"Majority A Shareholder" has the meaning given to it in article 10.1;

"Majority B Shareholder" has the meaning given to it in article 10.1;

"Persons Entitled" has the meaning given to it in article 36.1;

"Permitted Transferee" means a Wholly Owned Group Company of a Shareholder;

"Proxy Notice" has the meaning given to it in article 47;

"Second Meeting" has the meaning given to it in article 12.6;

"Shareholder" means a person who is the holder of a share;

"Shares" means shares in the Company;

"Tag Along Offer" has the meaning given to it in article 29.1;

"Tag Along Offer Period" has the meaning given to it in article 29.2.3;

"Third Party Purchaser" means a person who is to buy any TP Equity Interest under article 29;

"TP Acceptance Notice" has the meaning given to it in article 28.3;

"TP Equity Interest" means the Equity Interest the subject of a TP Sale Notice;

"TP Non-Selling Shareholder" means the Shareholder to whom a TP Sale Notice is given (as described in article 28);

"TP Sale Notice" has the meaning given to it in article 28.1;

"TP Sale Period" has the meaning given to it in article 28.5;

"TP Sale Price" has the meaning given to it in article 28.2.2;

"TP Selling Shareholder" means the Shareholder which gives a TP Sale Notice;

"Transfer" means the transfer, sale or disposal of the legal and beneficial ownership of any shares and/or unit of other Equity Interest by way of:

- (a) the grant of an option to acquire the legal and beneficial ownership of those shares and/or that unit of other Equity Interest;
- (b) any sale or disposition of the legal and equitable interest in those shares and/or that Equity Interest (including any voting attached to it);
- (c) any direction (by way of renunciations or otherwise) by a person entitled to

an allotment or issue of more shares and/or that unit of other Equity Interest that it be allocated or issued to another person;

(d) any grant of any Encumbrance over those shares and/or that unit of other Equity Interest; and/or

(e) any agreement to effect any of the above;

"Transfer Terms" means that the whole of the Equity Interest will be bought free from any Encumbrance with full title guarantee together with all rights attaching to it; and

"Wholly Owned Group Company" means a Group Company of a Shareholder in which that Shareholder directly or indirectly holds one hundred per cent of the issued share capital.

Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the company.

2.2 Headings

In these Articles, the headings are included for convenience only and shall not affect the interpretation or construction of these Articles.

2.3 Meaning of references

In these Articles, unless the context requires otherwise, any reference to:

2.3.1 the singular include the plural and vice versa and references to any gender include every gender; and

2.3.2 a "person" include any individual, body corporate, association, partnership, firm, trust, organisation, joint venture, government, local or municipal authority, governmental or supra-governmental agency or department, state or agency of state or any other entity (in each case whether or not having separate legal personality);

2.3.3 any statute or statutory provision will include any subordinate legislation made under it and will be construed as references to such statute, statutory provision and/or subordinate legislation as modified, amended extended, consolidated, re-enacted and/or replaced and in force from time to time;

2.3.4 any words following the words "include", "includes", "including", "in particular" or any similar words or expressions will be construed without limitation and accordingly will not limit the meaning of the words preceding them;

2.3.5 the rule known as the ejusdem generis rule will not apply and accordingly the meaning of general words introduced by the word "other" or a similar word or expression will not be restricted by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things;

2.3.6 "in writing" or "written" are to communication effected by post but do not include references to communication effected by email or any other means of reproducing words in a legible and non-transitory form;

2.3.7 any other agreement or document are to such agreement or document as varied, assigned or novated from time to time;

- 2.3.8 an obligation on a party to procure or ensure the performance or standing of another person will be construed as a primary obligation of that party;
- 2.3.9 pounds, sterling or £ is to the lawful currency from time to time of the United Kingdom; and
- 2.3.10 indemnifying and to indemnify any person against any losses by reference to an event or circumstance includes indemnifying and keeping him indemnified against all losses from time to time, made, suffered or incurred by that person as a direct or indirect consequence of or which would not have arisen but for that event or circumstance.

2.4 Companies Act definitions

In these Articles, unless the context otherwise requires, any word and expression defined in the Act and not defined in these Articles shall bear the meaning given to it in the Act.

2.5 Resolutions

Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution shall also be effective.

2.6 Electronic signature

Where pursuant to any provision of these Articles any notice, appointment of proxy or other document which is in electronic form is required to be signed or executed by or on behalf of any person, that signature or execution shall include the affixation by or on behalf of that person of an electronic signature (as defined in section 7(2) of the Electronic Communications Act 2000) in such form as the Board may approve.

3. LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

DIRECTORS DIRECTORS' POWERS AND RESPONSIBILITIES

4. DIRECTORS' GENERAL AUTHORITY

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

5. SHAREHOLDERS' RESERVE POWER

- 5.1 The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- 5.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

6. DIRECTORS MAY DELEGATE

- 6.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

- 6.1.1 to such person or committee;
- 6.1.2 by such means (including by power of attorney);
- 6.1.3 to such an extent;
- 6.1.4 in relation to such matters or territories; and
- 6.1.5 on such terms and conditions,

as they think fit.

- 6.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 6.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

7. **COMMITTEES**

- 7.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.
- 7.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

8. **VOTING AND DECISION-MAKING BY DIRECTORS**

- 8.1 Subject to the provisions of articles 15.8 and 15.9 any resolution proposed at a meeting of the Directors will be approved if:
 - 8.1.1 more votes are cast for it than against it; and
 - 8.1.2 at least one A Director and one B Director has voted in favour of it.
- 8.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing.
- 8.3 References in this article to Eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting.
- 8.4 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.
- 8.5 Any resolution proposed to the board of Directors will be approved if more votes are cast for it than against it without the need for a vote in favour of at least one A Director and one B Director:
 - 8.5.1 in the circumstances set out in article 12.7;
 - 8.5.2 in the circumstances set out in articles 15.8 and 15.9; or
 - 8.5.3 if at any time there are either no A Directors or no B Directors in office, in which case the vote of at least one Director of the class of Director of which there are

no Directors in office at that time will not be necessary.

9. **CALLING A DIRECTORS' MEETING**

9.1 Any Director may call a Directors' meeting by giving not less than 10 Business Days' notice of the meeting (or such lesser notice as at least one A Director and one B Director may agree) to the Directors or by authorising the company secretary (if any) to give such notice.

9.2 Notice of any Directors' meeting must indicate:

9.2.1 its proposed date and time;

9.2.2 where it is to take place; and

9.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate simultaneously with each other during the meeting.

9.3 Notice of a Directors' meeting must be given to each Director, but need not be in writing.

9.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

10. **NUMBER OF DIRECTORS AND APPOINTMENT AND REMOVAL**

10.1 The number of Directors will not be less than six and no more than seven. At least three of the Directors will be appointed and removed by the holders of a majority of the A Shares ("**Majority A Shareholders**") and will be called "**A Directors**" and at least three of the Directors will be appointed and removed by the holders of a majority of the B Shares ("**Majority B Shareholders**") and will be called "**B Directors**".

10.2 In addition to the appointment of the A Directors and the B Directors a director shall be appointed, with the unanimous agreement of the Majority A Shareholder and the Majority B Shareholder, such director shall have all of the powers of the chairman under these Articles (the "**Chairman**"). The Chairman shall have no connection to the Shareholders or a Group Company of a Shareholder (save for the connection existing as a result of their appointment as Chairman).

10.3 Each such appointment and removal as referred to in article 10.1, will be made in writing to the Company by the holders of the Majority A Shareholders and the Majority B Shareholders (as the case may be). A notice which is not in electronic form will take effect when it is deposited at the registered office for the time being of the Company or when delivered to a meeting of the Directors. A notice which is in electronic form will take effect when it is received at the address specified by the Company for the purpose of receiving such communications in electronic form.

10.4 In addition to the provisions of article 10.1, a person ceases to be a Director as soon as:

10.4.1 that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;

10.4.2 a Bankruptcy order is made against that person;

10.4.3 a composition is made with that person's creditors generally in satisfaction of that

person's debts;

10.4.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;

10.4.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

10.4.6 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms.

10.5 In addition to the circumstances in articles 10.4.1 to 10.4.6 (inclusive) a person ceases to be a Director as soon as that Director is removed from office.

11. PARTICIPATION IN DIRECTORS' MEETINGS

11.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

11.1.1 the meeting has been called and takes place in accordance with the Articles, and

11.1.2 they can each communicate simultaneously with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting and with the majority of the participating Directors being physically present within the United Kingdom whilst so participating.

11.2 In determining whether Directors are participating in a Directors' meeting subject to article 11.1.2, it is irrelevant where any Director is or how they communicate with each other.

11.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

12. QUORUM FOR DIRECTORS' MEETINGS

12.1 Subject to the provisions of article 8, at a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

12.2 The quorum for Directors' meetings shall be four Directors, comprising at least two A Directors (or their respective Alternate Directors) and at least two B Directors (or their respective Alternate Directors) unless one of articles 12.7, 15.8 or 15.9 applies, in which case the quorum will be as set out in that clause.

12.3 If at any time there are no A Directors in office, the quorum for the transaction of business at any Director's meeting during that time will be 2 Directors participating in the meeting provided this includes at least one B Director.

12.4 If at any time there are no B Directors in office, the quorum for the transaction of business at any Director's meeting during that time will be 2 Directors participating in the meeting provided this includes at least one A Director.

12.5 If there is no quorum participating in any meeting of the Board within 30 minutes after the time

fixed for the meeting or, if during the meeting a quorum ceases to be participating, the meeting (the "**First Meeting**") will be adjourned to a time (not being earlier than 5 Business Days after the date of the original meeting) as the Director or Directors participating in the meeting determine. All Directors will be notified of the adjournment.

12.6 If there is no quorum participating in the meeting adjourned pursuant to article 12.3 (the "**Second Meeting**"), within 30 minutes after the time fixed for the meeting or, if during the meeting a quorum ceases to be participating, the meeting will be adjourned to a time (not being earlier than 10 Business Days after the date of the First Meeting) as the Director or Directors participating in the meeting determine. All Directors will be notified of the adjournment.

12.7 If the Second Meeting is inquorate within 30 minutes after the time fixed for the adjourned meeting due to the absence of any class of Director whose absence caused the First Meeting to be inquorate, then those Directors present, whatever their number and class, will constitute a quorum. If the Second Meeting is inquorate due to the absence of any class of Director which was represented at the First Meeting, the Second Meeting will be adjourned to a time (not being earlier than 2 Business Days after the date of the Second Meeting) as the Director or Directors participating in the meeting determine. All Directors will be notified of the adjournment and at that meeting those Directors present, whatever their number and class, will constitute a quorum.

12.8 If, as a consequence of section 175(6) of the Act, a Director cannot vote or be counted in the quorum at a Directors' meeting and the Eligible Directors participating in the meeting do not constitute a quorum then the meeting must be adjourned to enable the Shareholders to authorise any situation in which a Director has a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company pursuant to article 14 of these Articles and the Act.

13. CHAIRING OF DIRECTORS' MEETINGS

13.1 Subject to article 10.2, if the Chairman is not present at any board meeting, the A Directors and the B Directors, present at such meeting, may mutually agree to appoint any one of their number to act as chairman for the purpose of the meeting.

13.2 If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting will not have a casting vote.

14. DIRECTORS' CONFLICTS OF INTEREST

14.1 For the purposes of section 175 of the Act, the Shareholders (and not the Directors) shall have the power to authorise, by resolution and in accordance with the provisions of these Articles, any Conflict Situation proposed to them by any Director which would, if not so authorised, involve a Director (the "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest.

14.2 The Interested Director must provide the Shareholders with such details as are necessary for the Shareholders to decide whether or not to authorise the Conflict Situation, together with such additional information as may be requested by the Shareholders.

14.3 Any authorisation by the Shareholders of a Conflict Situation under this article may (whether at the time of giving the authorisation or subsequently):

14.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

14.3.2 provide that the Interested Director be excluded from the receipt of documents

and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict Situation;

14.3.3 provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict Situation;

14.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict Situation as the Shareholders think fit;

14.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict Situation and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and / or

14.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict Situation at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

14.4 Where the Shareholders authorise a Conflict Situation:

14.4.1 the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Shareholders in relation to the Conflict Situation; and

14.4.2 the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act, provided he acts in accordance with such terms and conditions (if any) as the Shareholders impose in respect of their authorisation.

14.5 The Shareholders may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

14.6 A Director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the Shareholder who appointed him as a Director of the Company, or any other member of such Shareholder's Group Companies, and no authorisation under article 14.1 shall be necessary in respect of any such interest.

14.7 Any A Director or B Director shall be entitled from time to time to disclose to the holders of the A Shares (in the case of an A Director) or the holders of the B Shares (in the case of a B Director) such information concerning the business and affairs of the Company as he shall at ~~his~~ discretion see fit, subject only to the condition that if there is more than one A Shareholder or (as the case may be) B Shareholder, the Director concerned shall ensure that each of the Shareholders of the same class receives the same information on an equal footing.

14.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict Situation which has been authorised by the Shareholders in accordance with these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

15. DECLARATION OF DIRECTORS' INTERESTS

- 15.1 Subject to sections 177(5) and 177(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company must declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 15.2 Subject to sections 182(5) and 182(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 15.1.
- 15.3 Provided the Director has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director:
- 15.3.1 may be a party to or otherwise interested in any transaction or arrangement with the Company;
 - 15.3.2 may hold any other office or employment with the Company (other than the office of auditor);
 - 15.3.3 may be a Director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;
 - 15.3.4 may, or any firm or Company of which he is a member or Director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as auditor);
 - 15.3.5 will not be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) receives or profits made as a result of anything permitted by articles 15.3.1 to 15.3.4 and no such transaction or arrangement will be liable to be avoided on the ground of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act;
 - 15.3.6 except in relation to any resolution to approve a Conflict Situation, will be an Eligible Director for the purposes of article 8 in relation to any decision of the Directors made in accordance with that article in respect of any of the matters referred to in articles 15.3.1 to 15.3.4;
 - 15.3.7 except in relation to any resolution to approve a Conflict Situation, may participate in the decision making process for voting and quorum purposes on any of the matters referred to in articles 15.3.1 to 15.3.4.
- 15.4 The terms of article 15.3 are subject to the provisions of articles 15.7 to 15.9.
- 15.5 For the purposes of these Articles references to decision making process includes any Directors' meeting or part of a Directors' meeting.
- 15.6 For the purposes of articles 15.1 to 15.3:
- 15.6.1 a general notice given in accordance with section 185 of the Act is to be treated as a sufficient declaration of interest;

15.6.2 a Director is not required to declare an interest:

- (a) where he is not aware (or ought reasonably to be aware) of such interest or of the transaction or arrangement in question;
- (b) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (c) if, or to the extent that, the other Directors are already aware (or ought reasonably to be aware) of it;
- (d) if, or the extent that, it concerns the terms of his service contract that have been, or are to be, considered by a meeting of the Directors or a committee of Directors appointed for the purpose under the Company's constitution.

15.6.3 an interest of a Director who appoints an Alternate Director will be treated as an interest of the Alternate Director.

15.7 The provisions of articles 15.8 and 15.9 will apply where either:

15.7.1 any Shareholder (or another of that Shareholder's Group Companies):

- (a) asserts any claim against the Company or any of the Company's Subsidiaries; or
- (b) exercises or wants to exercise any rights in relation to, or seeks to remedy, or gives any notice in relation to any dispute with the Company or any of the Company's Subsidiaries,

in each case in respect of a breach or alleged breach of any agreement entered into between the Company or any of the Company's Subsidiaries and that Shareholder (or another of that Shareholder's Group Companies); or

15.7.2 the Company or any subsidiary of the Company:

- (a) asserts any claim against a Shareholder (or another of that Shareholder's Group Companies); or
- (b) exercises or wants to exercise any rights in relation to, or seeks to remedy, or give any notice in relation to any dispute with a Shareholder (or another of that Shareholder's Group Companies),

in each case in respect of a breach or alleged breach of any other agreement entered into between the Company or any of the Company's Subsidiaries and that Shareholder (or another of that Shareholder's Group Companies)

each matter referred to in this article 15.7 being an "**Action**".

15.8 If the Action is asserted by or against a holder of B Shares (or another of its Group Companies) then notwithstanding any other provisions of these Articles but subject to any obligations of the Company to the holder of the B Shares in relation to the conduct of claims connected to the Action:

15.8.1 the A Directors and the Chairman (acting as a committee and by majority vote) will have full authority on behalf of the Company or any of the Company's Subsidiaries (but acting bona fide in the best interests of the Company or such

of the Company's Subsidiaries) to negotiate, litigate and settle such Action in the name and at the expense of the Company or such of its Subsidiaries without the holder of B Shares or the B Directors' further authority;

15.8.2 no B Director will be entitled to make (or participate in making) any decisions in relation to such Action (including in relation to the exercise of any contractual obligation owed by the Company to the holder of the B Shares in connection with the Action), nor attend or vote at any meeting (or part of meeting) of the Directors at which such Action is to be discussed nor be entitled to any papers in relation to such, meeting or other information of the Company or any of the Company's Subsidiaries in relation to any such Action including legal or other professional advice received in relation to such Action; and

15.8.3 the quorum at any meeting (or part of such meeting) of the Directors convened to consider any such Action will be one A Director and the Chairman.

15.9 If the Action is asserted by or against a holder of A Shares (or another of its Group Companies) then notwithstanding any other provision of these Articles but subject to any obligations of the Company to the holder of the A Shares in relation to the conduct of claims connected to the Action:

15.9.1 the B Directors and the Chairman (acting as a committee and by majority vote) will have full authority on behalf of the Company or any of its Subsidiaries (but acting bona fide in the best interests of the Company or such of the Company's Subsidiaries) to negotiate, litigate and settle such Action in the name and at the expense of the Company or such of its Subsidiaries without the holder of A Shares or the A Directors' further authority;

15.9.2 no A Director will be entitled to make (or participate in making) any decisions in relation to such Action (including in relation to the exercise of any contractual obligation owed by the Company to the holder of the B Shares in connection with the Action), nor attend or vote at any meeting (or part of meeting) of the Directors at which such Action is to be discussed nor be entitled to any papers in relation to such, meeting or other information of the Company or any of the Company's Subsidiaries in relation to any such Action including legal or other professional advice received in relation to such Action; and

15.9.3 the quorum at any meeting (or part of meeting) of the Directors convened to consider any such Action will be one B Director and the Chairman.

16. **RECORDS OF DECISIONS TO BE KEPT**

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

17. **DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to the provisions of these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

18. **DIRECTORS' REMUNERATION**

18.1 Directors may undertake any services for the Company that the Directors decide.

- 18.2 Directors are entitled to such remuneration as the Directors determine:
- 18.2.1 for their services to the Company as Directors; and
 - 18.2.2 for any other service which they undertake for the Company.
- 18.3 Subject to the Articles, a Director's remuneration may:
- 18.3.1 take any form; and
 - 18.3.2 include any arrangements in connection with the payment of a pension, allowance, gratuity, annuity or any death, sickness or disability benefits, to or in respect of present or former Directors or employees (or their dependants) of the Company or any subsidiary undertaking (as defined in section 1162 of the Act) or associated undertaking (as defined in section 479(4) of the Act) of the Company and the Directors will be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
- 18.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 18.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's Subsidiaries or of any other body corporate in which the Company is interested.
- 18.6 In addition to the provisions of article 18.3.2, the directors may exercise all powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for present or former directors or employees (or their dependents) of the Company, or any subsidiary undertaking (as defined in section 1162 of the Act) or associated undertaking (as defined in section 479(4) of the Act) of the Company and the Directors will be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
19. **DIRECTORS' EXPENSES**
- 19.1 The Company may pay any reasonable expenses which the Directors or Alternate Directors properly incur in connection with their attendance at:
- 19.1.1 meetings of Directors or committees of Directors;
 - 19.1.2 general meetings; or
 - 19.1.3 separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.
20. **ALTERNATE DIRECTORS**
- 20.1 Any Director (the "**Appointor**") may appoint as an alternate any other Director, or any other person approved by the Directors (the "**Alternate Director**") (save that no A Director will be entitled to appoint as his/her alternate a B Director and no B Director will be entitled to appoint as his/her alternate an A Director) to:
- 20.1.1 exercise that Director's powers; and
 - 20.1.2 carry out that Director's responsibilities,

in relation to participation in Directors' meetings and the taking of decisions by the Directors in the absence of the alternate's Appointor.

20.2 Any appointment or removal of an Alternate Director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

20.3 The notice must:

20.3.1 identify the proposed Alternate Director; and

20.3.2 in the case of a notice of appointment, contain a statement signed by the proposed Alternate Director that the proposed Alternate Director is willing to act as the alternate of the Director giving the notice.

20.4 An Alternate Director has the same rights, in relation to participation in Directors' meetings and the taking of decisions by the Directors and in relation to Directors' written resolutions, as the Appointor.

20.5 An Alternate Director may act as an Alternate Director for more than one Appointor.

20.6 Except as these Articles specify otherwise, Alternate Directors:

20.6.1 are deemed for all purposes to be Directors;

20.6.2 are liable for their own acts and omissions;

20.6.3 are subject to the same restrictions as their Appointors; and

20.6.4 are not deemed to be agents of or for their Appointors,

and, each Alternate Director will be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.

20.7 A person who is an Alternate Director but not a Director:

20.7.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and

20.7.2 may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision and does not participate).

20.8 No Alternate Director may be counted as more than one Director for such purposes.

20.9 A Director who is also an Alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the Directors, provided that his Appointor is an Eligible Director in relation to that decision, but will not count as more than one Director for the purposes of determining whether a quorum is present.

20.10 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Alternate Director's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

20.11 An Alternate Director's appointment as an Alternate Director terminates:

- 20.11.1 when the Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 20.11.2 on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to the Appointor, would result in the termination of the Appointor's appointment as a Director;
- 20.11.3 on the death of the alternate's Appointor; or
- 20.11.4 when the Appointor's appointment as a Director terminates.

SHARES AND DISTRIBUTIONS

SHARES

21. SHARES

The A Shares and the B Shares will be separate classes of shares but, except as expressly provided in these Articles, will rank *pari passu* in all respects.

22. ALL SHARES TO BE FULLY PAID UP

- 22.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 22.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

23. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 23.1 Save to the extent authorised from time to time by resolution of the Company in accordance with section 551 of the Act, the Directors will not exercise any power to allot shares or to grant rights to subscribe for or to convert any security into shares of any class.
- 23.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.
- 23.3 Where any authorisation is given by the Shareholders to the Directors to exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into any shares of any class, that power will be exercised in the manner prescribed by the Shareholders in the resolution of the Company giving authority for such allotment or grant of rights.
- 23.4 The Company is authorised to purchase its own Shares for cash in accordance with section 692 of the Act.
- 23.5 In accordance with section 567(1) and 567(2) of the Act, sections 561(1) and 562(2) to 562(5) (inclusive) of the Act will not apply to the Company.
- 23.6 Following any purchase by the Company of its own Shares in accordance with the provisions of the Act, all the purchased Shares will be immediately cancelled.

24. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in

any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

25. SHARE CERTIFICATES

25.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

25.2 Every certificate must specify:

25.2.1 in respect of how many Shares, of what class, it is issued;

25.2.2 the nominal value of those Shares;

25.2.3 that the Shares are Fully Paid; and

25.2.4 any distinguishing numbers assigned to them.

25.3 No certificate may be issued in respect of Shares of more than one class.

25.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

25.5 Certificates must:

25.5.1 have affixed to them the Company's common seal; or

25.5.2 be otherwise executed in accordance with the Act.

26. REPLACEMENT SHARE CERTIFICATES

26.1 If a certificate issued in respect of a Shareholder's Shares is:

26.1.1 damaged or defaced; or

26.1.2 said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

26.2 A Shareholder exercising the right to be issued with such a replacement certificate:

26.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

26.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

26.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

27. TRANSFER OF SHARES

Restrictions on transfer

27.1 In this article 27, references to a Transfer of a Share include the Transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that

Share and reference to a Share includes a beneficial or other interest in a Share.

27.2 No Shareholder will Transfer any Shares unless it is a Transfer:

27.2.1 made with the prior written consent of the other Shareholder;

27.2.2 permitted by article 27.4; or

27.2.3 made in accordance with any other written agreement between the parties.

27.3 Other than in respect of Transfers to a Permitted Transferee pursuant to article 27.4 no Share may be transferred by a Shareholder unless the relevant Shareholder also Transfers the whole of its Equity Interest.

Permitted transfers intra-group

27.4 A Shareholder may Transfer all (but not some only) of its Shares, to a Permitted Transferee provided that in each case (i) such transfer has the prior written consent of the other Shareholder(s) (such consent not to be unreasonably withheld) and (ii) it procures that the relevant shares are transferred back to the transferring Shareholder or to another Wholly Owned Group Company of the transferring Shareholder by the Permitted Transferee immediately before the Permitted Transferee ceases to be a Wholly Owned Group Company of the transferring Shareholder.

Re-designation of shares

27.5 If any share of any class is transferred pursuant to any of the provisions of these Articles to a shareholder holding shares of a different class, such share will on and from the time of registration of the transfer of that share in the register of members of the Company be re-designated as a share of the same class as those already held by that shareholder.

Registration of Transfers

27.6 The Directors may refuse to register the Transfer of any Share or Equity Interest unless:

27.6.1 it is made in respect of only one class of shares;

27.6.2 it is lodged at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates; and

27.6.3 it is otherwise in compliance with the provision of this article 27.

27.7 Pursuant to article 27.6, the Directors may request such evidence as they may reasonably think fit, regarding any matter which they consider relevant to establish whether such Transfer is permitted. If such evidence is not provided to the reasonable satisfaction of the Directors within a reasonable time after it has been requested, or if in the reasonable opinion of the Directors the information or evidence is false in any material respect, the Directors may refuse to register the relevant Transfer.

27.8 The Directors will register a Transfer of Shares made in compliance with the provisions of this article 27.

27.9 Shares may be transferred by means of an Instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.

- 27.10 No fee may be charged for registering any Instrument of transfer or other document relating to or affecting the title to any Share.
- 27.11 The Company may retain any Instrument of transfer which is registered.
- 27.12 The transferor remains the holder of a Share until the transferee's name is entered in the register of members of the Company as holder of it.
28. **RIGHT TO SELL SHARES TO A THIRD PARTY WITH RIGHT OF FIRST REFUSAL TO OTHER SHAREHOLDER**
- 28.1 Following the Initial Lock In Period either Shareholder may give written notice (a "**TP Sale Notice**") to the other Shareholder that it wishes to accept a bona fide, fully funded, firm written offer from a third party, who is not one of that Shareholder's Group Companies, to purchase all (but not some of) its Equity Interest.
- 28.2 A TP Sale Notice:
- 28.2.1 will be irrevocable except with the sanction of the board of Directors;
 - 28.2.2 must state the price per share and other unit of Equity Interest offered by the purchaser (the "**TP Sale Price**") and fully describe the Critical Sale Terms of the proposed sale to the third party;
 - 28.2.3 must state the name and address of the purchaser and its ultimate owner, and be accompanied with a copy of the offer made by the purchaser and the form of agreement, if available; and
 - 28.2.4 will constitute an offer by the TP Selling Shareholder to sell to the TP Non-Selling Shareholder the TP Equity Interest on the same terms identified in the TP Sale Notice and set out in clauses 28.2.1 and 28.2.2.
- 28.3 The TP Non-Selling Shareholder may within 10 Business Days after the date on which the TP Sale Notice is given accept the offer to buy the TP Equity Interest at the TP Sale Price (a "**TP Acceptance Notice**") by giving written notice to the TP Selling Shareholder to that effect.
- 28.4 If a TP Acceptance Notice is given, the TP Selling Shareholder will be bound to sell and the TP Non-Selling Shareholder will be bound to buy the TP Equity Interest at the TP Sale Price on the Critical Sale Terms and on the Transfer Terms within 5 Business Days of the TP Acceptance Notice being given. The sale will be completed as agreed, separately, in writing, by the parties.
- 28.5 If the TP Non-Selling Shareholder does not give a TP Acceptance Notice in the time period set out in article 28.4 (the "**TP Sale Period**") then the TP Selling Shareholder will at any time during the 20 Business Days following the expiry of the TP Sale Period, be entitled, subject to article 29.1 to Transfer all (but not some only) of the TP Equity Interest to the purchaser specified in the TP Sale Notice provided that:
- 28.5.1 the price per TP Equity Interest is not less than the TP Sale Price stated in the TP Sale Notice; and
 - 28.5.2 the transfer is by way of bona fide arm's length sale (without deduction, rebate or allowance whatsoever to the purchaser) on terms no more favourable to the purchaser than those specified in the TP Sale Notice.
- 28.6 Any proposed transfer by the TP Selling Shareholder of its TP Equity Interest to the purchaser

specified in the TP Sale Notice after the expiry of the 20 Business Day period referred to in this article 28.5 or any change in the terms of the sale of that TP Equity Interest to the purchaser that are more favourable to the purchaser than the terms set out in the TP Sale Notice will require a new TP Sale Notice to be given to the TP Non-Selling Shareholder and the process set out in this article 28 being repeated.

- 28.7 A Shareholder may not give a TP Sale Notice to the other Shareholder more than once in any period of three months.

29. TAG ALONG RIGHTS

- 29.1 A Departing Shareholder will not be entitled to complete a sale of TP Equity Interest to a Third Party Purchaser under article 28.5 unless it ensures that the Third Party Purchaser offers to buy the whole of the Equity Interest held by the Non-Departing Shareholder at the same price for the Equity Interest and on the same Critical Sale Terms as those on which the Third Party Purchaser is buying the Departing Shareholder's Equity Interest (a "**Tag Along Offer**").

- 29.2 A Tag-Along Offer will:

29.2.1 be made in writing and be irrevocable and unconditional (except for any conditions which apply to the transfer of the Departing Shareholder's Equity Interest);

29.2.2 set out the price for the Equity Interest and fully describe all Critical Sale Terms agreed between the Departing Shareholder and the Third Party Purchaser; and

29.2.3 be open for acceptance by the Non-Departing Shareholder during a period of not less than 15 Business Days after the offer is given (the "**Tag Along Offer Period**").

- 29.3 The Non-Departing Shareholder may accept the Tag Along Offer by giving written notice to the Departing Shareholder within the Tag Along Offer Period. If a Tag Along Offer is accepted:

29.3.1 the Non-Departing Shareholder will become bound to sell its Equity Interest to the Third Party Purchaser at the price specified in the Tag Along Offer and on the Critical Sale Terms, conditional upon completion of the Departing Shareholder's sale of its Equity Interest to the Third Party Purchaser; and

29.3.2 the sale by the Non-Departing Shareholder will be completed as agreed, separately, in writing between the parties at the same time as the Departing Shareholder's sale to the Third Party Purchaser or, if later, within 5 Business Days after acceptance by the Non-Departing Shareholder of the Tag Along Offer.

DIVIDENDS AND OTHER DISTRIBUTIONS

30. PROCEDURE FOR DECLARING DIVIDENDS

- 30.1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends.

- 30.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

- 30.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

- 30.4 Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.
- 30.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 30.6 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 30.7 If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

31. **PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

- 31.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

31.1.1 transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;

31.1.2 sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;

31.1.3 sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing or as the Directors may otherwise decide; or

31.1.4 any other means of payment as the Directors agree with the Distribution Recipient either in writing or by such other means as the Directors decide.

- 31.2 In the Articles, "**Distribution Recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

31.2.1 the holder of the Share; or

31.2.2 if the Share has two or more joint holders, whichever of them is named first in the register of members.

32. **NO INTEREST ON DISTRIBUTIONS**

- 32.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

32.1.1 the terms on which the Share was issued; or

32.1.2 the provisions of another agreement between the holder of that Share and the Company.

33. **UNCLAIMED DISTRIBUTIONS**

33.1 All dividends or other sums which are:

33.1.1 payable in respect of Shares; and

33.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

33.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

33.3 If:

33.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment, and

33.3.2 the Distribution Recipient has not claimed it,

the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

34. **NON-CASH DISTRIBUTIONS**

34.1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including shares or other securities in any company).

34.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

34.2.1 fixing the value of any assets;

34.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

34.2.3 vesting any assets in trustees.

35. **WAIVER OF DISTRIBUTIONS**

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if-

35.1.1 the Share has more than one holder; or

35.1.2 more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

CAPITALISATION OF PROFITS

36. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

36.1 Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution:

36.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's Share premium account or capital redemption reserve; and

36.1.2 appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.

36.2 Capitalised Sums must be applied:

36.2.1 on behalf of the Persons Entitled, and

36.2.2 in the same proportions as a dividend would have been distributed to them.

36.3 Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted credited as Fully Paid to the Persons Entitled or as they may direct.

36.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as Fully Paid to the Persons Entitled or as they may direct.

36.5 Subject to the Articles, the Directors may:

36.5.1 apply Capitalised Sums in accordance with articles 36.3 and 36.4 partly in one way and partly in another;

36.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

36.5.3 authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

DECISION-MAKING BY SHAREHOLDERS ORGANISATION OF GENERAL MEETINGS

37. NOTICE OF GENERAL MEETINGS

37.1 Every notice convening a general meeting will:

37.1.1 comply with section 325(1) of the Act as to giving information to Shareholders relating to their right to appoint proxies;

37.1.2 be given in accordance with section 308 of the Act, that is in hard copy form, electronic form or by means of a website; and

- 37.1.3 set out an agenda identifying in reasonable detail the matters to be discussed (unless the Shareholders agree otherwise).

38. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 38.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 38.2 A person is able to exercise the right to vote at a general meeting when:
 - 38.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - 38.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 38.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 38.4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other.
- 38.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

39. PROCEEDINGS AT GENERAL MEETINGS

- 39.1 No resolution will be voted on and no other business will be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction will be effective unless a quorum is so present.
- 39.2 A quorum will consist of two Shareholders present in person or by proxy or (in the case of a Shareholder being a corporation) by representative of whom one will be a holder of A Shares and one a holder of B Shares save that if and for so long as the Company has only one person as a Shareholder, one Shareholder present in person or by proxy or (in the case of a Shareholder being a corporation) by representative will be a quorum.
- 39.3 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting a quorum ceases to be present, the general meeting will stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the Directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same such adjourned general meeting will be dissolved.
- ~~39.4~~ No business other than the appointment of the Chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

40. CHAIRING GENERAL MEETINGS

- 40.1 The Chairman shall chair general meetings if present and willing to do so.
- 40.2 If a Chairman has not been appointed, or if the Chairman is unwilling to chair the meeting or is

not present within ten minutes of the time at which a meeting was due to start:

40.2.1 the Directors present; or

40.2.2 (if no Directors are present), the meeting,

must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the meeting must be the first business of the meeting.

40.3 The person chairing a meeting in accordance with this article is referred to as "the Chairman of the meeting".

41. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

41.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

41.2 The Chairman of the meeting may permit other persons who are not:

41.2.1 Shareholders of the Company; or

41.2.2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings, to attend and speak at a general meeting.

42. ADJOURNMENT

No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

43. VOTES OF SHAREHOLDERS

43.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

43.2 The chairman of the meeting will not have a casting vote.

43.3 Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a written resolution every Shareholder has one vote in respect of each Share held by him, on a show of hands every Shareholder entitled to vote who (being an individual) is present in person or by proxy (not being himself a Shareholder entitled to vote) or (being a corporation) is present by a representative or proxy (not being himself a Shareholder entitled to vote) has one vote and, on a poll, each Shareholder has one vote for each Share held by him.

44. WRITTEN RESOLUTIONS

44.1 A written resolution, proposed in accordance with section 288(3) of the Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.

44.2 For the purposes of this article 44, "circulation day" is the day on which copies of the written resolution are sent or submitted to Shareholders or, if copies are sent or submitted on different days, to the first of those days.

45. ERRORS AND DISPUTES

45.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

45.2 Any such objection must be referred to the Chairman of the meeting, whose decision is final.

46. **POLL VOTES**

46.1 A poll on a resolution may be demanded:

46.1.1 in advance of the general meeting where it is to be put to the vote; or

46.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

46.2 A poll may be demanded by:

46.2.1 the Chairman of the meeting;

46.2.2 the Directors;

46.2.3 two or more persons having the right to vote on the resolution; or

46.2.4 a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.

46.3 A demand for a poll may be withdrawn if:

46.3.1 the poll has not yet been taken; and

46.3.2 the Chairman of the meeting consents to the withdrawal.

46.4 Polls must be taken immediately and in such manner as the Chairman of the meeting directs.

47. **CONTENT OF PROXY NOTICES**

47.1 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:

47.1.1 states the name and address of the Shareholder appointing the proxy;

47.1.2 identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;

47.1.3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

47.1.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

47.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

47.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

47.4 Unless a Proxy Notice indicates otherwise, it must be treated as:

47.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

47.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

48. DELIVERY OF PROXY NOTICES

48.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

48.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.

48.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

48.4 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Appointor's behalf.

49. AMENDMENTS TO RESOLUTIONS

49.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

49.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the meeting may determine); and

49.1.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution.

49.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

49.2.1 the Chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

49.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

49.3 If the Chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.

ADMINISTRATIVE ARRANGEMENTS

50. MEANS OF COMMUNICATION TO BE USED

50.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the

Company.

50.2 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

50.3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

50.4 Where:

50.4.1 a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom; and

50.4.2 the Company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the intended recipient 24 hours after it was posted.

50.5 Where:

50.5.1 a document or information is sent or supplied by electronic means; and

50.5.2 the Company is able to show that it was properly addressed, it is deemed to have been received by the intended recipient immediately after it was sent.

50.6 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient:

50.6.1 when the material was first made available on the website; or

50.6.2 if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

50.7 Pursuant to section 1147(6) of the Act, subsections (2) (3) and (4) of that section will be deemed modified by articles 50.4, 50.5 and 50.6.

50.8 Subject to any requirements of the Act only such documents and notices as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

51. **COMPANY SEALS**

51.1 Any common seal may only be used by the authority of the Directors.

51.2 The Directors may decide by what means and in what form any common seal is to be used.

51.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

51.4 For the purposes of this article, an authorised person is:

- 51.4.1 any Director of the Company;
- 51.4.2 the company secretary (if any); or
- 51.4.3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

52. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

53. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

54. DIRECTORS' INDEMNITY AND INSURANCE

54.1 Subject to, and so far as may be permitted by, the Act and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every Director, former Director, Alternate Director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the Act) against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director, former Director, Alternate Director, secretary or other officer of the Company or of any such associated company and against any such liability incurred by him in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(6) of the Act.

54.2 Subject to the Act, the Directors may purchase, and maintain at the cost of the Company, insurance cover for or for the benefit of every Director, former Director, Alternate Director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director, former Director, Alternate Director, secretary or other officer of the Company or associated company.

54.3 Subject to, and so far as may be permitted by, the Act, the Company will be entitled to fund the expenditure of every Director, former Director, Alternate Director or other officer of the Company incurred or to be incurred:

- 54.3.1 in defending any criminal or civil proceedings; or
- 54.3.2 in connection with any application under sections 661(3), 661(4) or section 1157 of the Act.

55. REGISTERED OFFICE