

Company No 8943488

THE COMPANIES ACT 2006

FRIDAY



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PUBLIC COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

- of -

GAMMA COMMUNICATIONS PLC

Adopted pursuant to a Special Resolution dated 2 October 2014

1. **PRELIMINARY**

1.1 No regulations or model articles set out in any statute (including any schedule to any statute) or statutory instrument concerning companies shall apply as regulations or articles of the Company and the articles contained in this document shall be the Articles of Association of the Company

1.2 In these Articles, unless the context otherwise requires.

"the 2006 Act" means the Companies Act 2006 and the regulations, instruments and other subordinate legislation made pursuant to it;

"address" has the meaning given to it at Section 1148 of the 2006 Act,

"Approved Depositary" means a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board to hold or be interested in shares or securities or interests in shares or securities or other documents of title,

"these Articles" means these Articles of Association as from time to time altered and the expression "this Article" shall be construed accordingly,

"A1 Share(s)" means A1 ordinary share(s) of £0.0025 each in the share capital of the Company having the rights set out in these Articles;

"B1 Share(s)" means B1 ordinary share(s) of £0.0025 each in the share capital of the Company having the rights set

out in these Articles,

"Business Day"	means a day (other than a Saturday or Sunday) on which banks in London are open for general non-automated business,
"the Board"	means the board of directors of the Company or the directors present at a meeting of directors at which a quorum is present;
"the Company"	Gamma Communications Plc;
"Clear Days"	means (in relation to the period of a notice) that period, excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Deferred Share(s)"	means the deferred share(s) of £0.0025 each in the capital of the Company having the rights set out in these Articles,
"electronic form"	has the meaning given at Section 1168 of the 2006 Act;
"electronic means"	has the meaning given at Section 1168 of the 2006 Act;
"Equity Share(s)"	means share(s) carrying a right to receive notice of and to attend, speak and vote at general meetings of the Company, treated for the purposes of these Articles as a single class of shares,
"Event"	means any event (or series of related events) as a result of which all or a majority (by nominal value of shares held) of the shareholders derive any capital sum or other distribution or receipt of monies or assets (other than sums, distributions or receipts of an income nature) in respect of the shares whether received from the Company or a third party including without limitation a sale of shares or admission of any shares to listing on the Official List of the UK Listing Authority and to trading on the Main Market of London Stock Exchange plc or the grant of permission for any shares to be dealt with on AIM or any other recognised investment exchange (as defined in section 285(1) of the Financial Services and Markets Act 2000) or any other public securities market and such permission becoming effective or a distribution of assets by the Company by way of a dividend in specie or by a return of capital on liquidation or otherwise,
"executed"	includes any mode of execution,

"Net Proceeds of an Event"	has the meaning given to it in Article 4.2.2,
"hard copy form"	has the meaning given to at Section 1168 of the 2006 Act;
"the holder"	in relation to shares means a member whose name is entered in the Register as the holder of the shares and "shareholder" and "member" shall be construed accordingly,
"Office"	means the registered office for the time being of the Company or in the case of sending or supplying documents or information by electronic means the address specified by the Board for the purpose of receiving documents or information by electronic means,
"Ordinary Share(s)"	means ordinary share(s) of £0.0025 each in the share capital of the Company having the rights set out in these Articles;
"paid up"	means paid up or credited as paid up,
"recognised person"	means a recognised clearing house or nominee of a recognised clearing house or a recognised investment exchange which is designated as mentioned in Section 778(2) of the 2006 Act,
"Register"	in relation to a certificated share means the register of the members of the Company to be kept pursuant to the 2006 Act and in relation to an uncertificated share, the register of members of the Company maintained by the operator of the relevant system through which legal title to that share is evidenced,
"Regulations"	means the Uncertificated Securities Regulations 2001 (as amended),
"relevant system"	has the meaning set out in the Regulations,
"Seal"	means the common seal of the Company or if appropriate any official seal which the Company may have pursuant to the 2006 Act;
"Secretary"	means the secretary of the Company and (subject to the provisions of the 2006 Act) any other person appointed by the directors to perform any of the duties of the secretary of the Company, including a deputy secretary,
"the London Stock Exchange"	means London Stock Exchange plc,

"the United Kingdom" means the United Kingdom of Great Britain and Northern Ireland.

1 3 Headings are for ease of reference only and shall not affect the construction of these Articles.

1 4 Words importing the singular number shall include the plural, and vice versa

1 5 Words importing one gender include any gender

1.6 References to statutory provisions and regulations include those provisions and regulations as amended or re-enacted and from time to time in force.

## 2. **LIMITATION OF LIABILITY**

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

## 3 **VARIATION OF RIGHTS**

3.1 Whenever the capital of the Company is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares in issue, may from time to time (whether or not the Company is being wound up) be varied by a special resolution of the holders of Equity Shares passed at a general meeting but not otherwise.

3 2 To every separate general meeting of the holders of a class of shares all the provisions of these Articles relating to general meetings of the Company or to the proceedings at such meetings shall, so far as applicable and with the necessary modifications, apply, except as provided for by the provisions of Section 334 of the 2006 Act

## 4 **SHARES**

4.1 Pre-emption rights

By virtue of Section 567 of the 2006 Act the provisions of Section 561(1) of the 2006 Act shall not apply to the Company:-

4 1 1 No new Equity Shares of the Company ("new shares") shall be issued by the Company unless the Company shall have first offered such new shares to the existing holders of Equity Shares pro-rata to their existing share holdings of Equity Shares on terms no less favourable than those on which it proposes to issue the new shares to a third party. The existing holders of Equity Shares shall be entitled to accept such offer for a period of 21 days from the date on which the offer was notified to them by the Company.

4 1 2 In the event that any such new shares so offered are not taken up by any holder of the existing Equity Shares ("the balance of the new shares"), the Company shall offer the balance of the new shares to those holders who have accepted the offer under Article 4 1 1 in full and in the event of any of such holders agreeing to accept in

aggregate more new shares than are comprised in the balance of the new shares each holder shall be entitled to such proportion of the balance of the new shares as equals the proportion which the existing Equity Shares held by each such holder bears to the existing Equity Share held by all such holders and if any of the balance of the new shares remains thereafter such process shall be repeated until either all the new shares are taken up by existing holders of Equity Shares or no existing holder of Equity Shares wishes to take up such new shares. Each such offer under this Article 4.1 2 shall be open for acceptance by the relevant holders of the Equity Shares for 5 Business Days.

- 4.1.3 The Company shall be entitled to offer any new shares not subscribed for by the existing holders of Equity Shares under Article 4.1 1 and 4.1.2 to such persons and on such terms (which shall be no more favourable than those offered under Articles 4.1.1 and 4.1.2) as the directors may determine

#### 4.2 Rights attaching to the shares

- 4.2.1 Every dividend to be paid by the Company (other than a dividend payable on or following the occurrence of an Event) will be distributed to the holders of the Equity Shares pro rata to their holdings of Equity Shares. The holders of any shares not being Equity Shares shall not be entitled to participate in or receive any dividend other than a dividend payable on or following the occurrence of an Event
- 4.2.2 On or following the occurrence of an Event the capital sum or other distribution or receipt shall after the payment of all expenses and costs connected therewith or payment of the Company's liabilities as applicable (the "**Net Proceeds of the Event**") be applied (to the extent that the Company is lawfully permitted to do so) as follows.-
- (a) firstly, to the holders of the Ordinary Shares and A1 Shares, an amount equal to £0.9375 for each Ordinary Share or A1 Share held by them on the date of the Event or, if the Net Proceeds of the Event divided by the aggregate number of Ordinary Shares and A1 Shares in issue at the date of the Event (on a fully diluted basis) is less than £0.9375, the whole of the Net Proceeds of the Event at such date shall be paid to the holders of the Ordinary Shares and A1 Shares pro rata to the number of Ordinary Shares and A1 Shares held by them;
  - (b) the balance thereof (if any) shall be paid to the holders of the Equity Shares pro rata to their respective holdings of Equity Shares
- 4.2.3 The shareholders shall sign and/or execute such resolutions and documents and do all such acts to give effect to the provisions of Article 4.2.2 and the directors shall not do any corporate act which would contravene the provisions of 4.2.2 other than as required by law or by a special resolution of the holders of Equity Shares

4.2.4 Except as otherwise provided in these Articles, all shares shall rank *pari passu* in all respects. In particular:

- (a) the Ordinary Shares and B1 Shares will confer on their holders the right to receive notice of and to attend, speak, and vote at all general meetings of the Company and to sign written resolutions of the Company. The holders of A1 Shares shall not be entitled to receive notice of or to attend either in person or by proxy general meetings of the Company and shall not be entitled to vote thereat (either personally or by proxy) and shall not be entitled to receive or participate in written resolutions of the Company; and
- (b) the creation of a new class of shares or the allotment and issue of new shares (of any class) will not constitute a breach of the class rights attaching to the existing shares and any such creation, allotment or issue shall not constitute a variation of rights attaching to shares.

#### 4.3 Deferred Shares

The Deferred Shares shall have the following rights and shall be subject to the following restrictions.

4.3.1 the Deferred Shares shall

- (a) not entitle their holders to receive any dividend or other distribution,
- (b) not entitle their holders to receive notice of or to attend, speak or vote at any general meeting of the Company by virtue of or in respect of their holding of such Deferred Shares, and
- (c) entitle their holders on a return of assets on a winding-up of the Company or otherwise only to the repayment of the capital paid up on such Deferred Shares and only after repayment of the capital paid up on each Ordinary Share in the capital of the Company and the payment of a further £100,000 on each such Ordinary Share

4.3.2 The holders of the Deferred Shares shall not be entitled to any further participation in the assets or profits of the Company. Notwithstanding any other provision of these Articles and unless specifically required by the provisions of the 2006 Act, the Company shall not be required to issue any certificates in respect of the Deferred Shares. The Company shall have irrevocable authority at any time to appoint a person on behalf of any holder of Deferred Shares to enter into an agreement to transfer, and to execute a transfer of, the Deferred Shares, for no consideration, to such person (whether or not an officer of the Company) as the Directors may determine as the custodian thereof.

- 4.4 Neither the passing by the Company of any special resolution for the cancellation of the Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the court nor the obtaining by the Company nor the making by the court of any order confirming any such reduction of capital nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the 2006 Act without sanction or consent on the part of the holders of the Deferred Shares.
- 4.5 Subject to the provisions of these Articles and the 2006 Act and to any relevant authority of the Company in general meeting required by the 2006 Act, all shares shall be at the disposal of the Board who may allot, (with or without conferring rights of renunciation) grant options over or warrants in respect of, offer or otherwise deal with or dispose of them or grant rights to subscribe for or convert any securities into shares, to such persons, at such times and generally on such terms and conditions as they may determine, provided that no share shall be issued at a discount
- 4.6 Subject to the provisions of the 2006 Act and to any special rights attaching to any shares, the Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholders
- 4.7 Subject to the provisions of the 2006 Act and to any special rights attaching to any shares, the Company shall have power to purchase its own shares, including any redeemable shares. Any shares to be so purchased may be selected in any manner whatsoever
- 4.8 The Company may exercise the powers to the fullest extent conferred by the 2006 Act in paying commissions to persons subscribing or procuring subscriptions for shares in the Company, or agreeing so to do, whether absolutely or conditionally. Subject to the provisions of the 2006 Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful
- 4.9 Except as expressly provided for in these Articles, or required by law or as ordered by a court of competent jurisdiction, 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 any other right in respect of any share, except an absolute right to the entirety of a share of the registered holder
- 4.10 Without prejudice to any other right or remedy available to the Company, the Company shall be fully indemnified by any member (and if he is dead) by his executor or administrator (and shall be entitled to recover the same as a debt due to it) in respect of any present or future liability imposed on the Company by any government, governmental agency, taxing authority or other body in any country, state or place in respect of any shares or securities of the Company held jointly or solely by that member or in relation to any dividends or other sums payable on or in respect of those shares or securities and

whether in consequence of the death of the member, the non-payment of any tax, estate, probate, succession, death, stamp or similar duty by that member or on that member's estate or any other circumstance.

#### 4.11 Conversion of B1 Shares by individual shareholder consent

4 11.1 A holder of B1 Shares may at any time prior to or within 30 days after the Company's admission to trading to the AIM market operated by the London Stock Exchange plc ("**Admission**"), by notice in writing to the Company ("**Conversion Notice**"), require the conversion of all (but not some only) of the B1 Shares held by it into

4.11.1.1 such number of Ordinary Shares as is represented by "O" in the formula below

$$O = \left( \frac{P - £0.9375}{P} \right) \times N$$

where "N" is the number of B1 Shares represented by the Conversion Notice,

and

4 11.1.2 such number of Deferred Shares as is represented by "D" in the formula below:

$$D = O - N$$

where "P" is the placing price of each Ordinary Share to be placed with investors on Admission, as approved by a resolution of the Company's board of directors, or a duly authorised committee of the Company's board of directors ("**Placing Price Resolution**")

4 11.2 Those B1 Shares specified in a Conversion Notice shall convert automatically to Ordinary Shares and Deferred Shares in accordance with the formulae specified in Article 4 11.1 on the later of the date of the Placing Price Resolution and the date such Conversion Notice is validly served on the Company (the "**Conversion Date**"). The Company shall apply for any Ordinary Shares resulting from a conversion of B1 Shares pursuant to this Article 4 11.2 to be admitted to trading on AIM on Admission or, if later, on the date the relevant Conversion Notice is validly served on the Company.

4 11.3 Within five (5) Business Days after the Conversion Date each holder of the relevant B1 Shares shall deliver the certificate in respect of the B1 Shares being converted (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate(s)) to the Company at its registered office for the time being. The Company shall within five (5) Business Days after the Conversion Date enter the holder of the converted B1 Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and Deferred Shares and shall, within ten (10) Business Days



of the Conversion Date, forward to such holder of B1 Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares, unless such holder of B1 Shares elects by notice in writing to the Company to receive his Ordinary Shares in uncertificated form, in which case the relevant system stock account specified by such holder of B1 Shares shall be credited with the relevant number of Ordinary Shares within ten (10) Business Days of the Conversion Date. Dealings in the relevant Ordinary Shares in advance of the crediting of the relevant system stock account or the dispatch of the relevant share certificate shall be at the risk of the shareholder concerned

## **5. CERTIFICATES**

- 5.1 Every person whose name is entered as a member in the Register (except a recognised person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled, without payment, to one certificate for all his shares of each class.
- 5.2 Every certificate shall be issued within two months after allotment or the lodgement with the Company of the transfer of the 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, and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up on it.
- 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 for it, and delivery of a certificate for a share to the first named joint holders shall be sufficient delivery to all.
- 5.4 Where a member (not being a recognised person) 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 All forms of certificates for share or loan capital or other securities of the Company which have been approved 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 countersigned by any person. 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.
- 5.6 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and the payment of any exceptional out of pocket expenses incurred by the Company in investigating evidence as the directors think fit but otherwise free of charge and (in case of defacement or wearing out) on delivery up to the Company of the old certificate.

5 7 The issued shares of a particular class which are fully paid up and rank pari passu for all purposes shall not bear a distinguishing number All other shares shall bear a distinguishing number

5 8 No certificate shall be issued representing shares of more than one class.

## 6 **UNCERTIFICATED SHARES**

6.1 For the purposes of this Article 6:

6 1 1 words and expressions shall have the same respective meanings as in the Regulations,

6.1 2 references 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;

6 1.3 "cash memorandum account" means an account so designated by the Operator of the relevant system

6.2 Notwithstanding anything in these Articles to the contrary, any shares in the Company may be issued, held, registered, converted to, transferred or otherwise dealt with in uncertificated form and converted from uncertificated form to certificated form in accordance with the Regulations and practices instituted by the Operator of the relevant system. Any provisions of these Articles shall not apply to any uncertificated shares to the extent that such provisions are inconsistent with

6.2 1 the holding of shares in uncertificated form;

6 2 2 the transfer of title to shares by means of a relevant system; or

6 2 3 any provision of the Regulations.

6 3 Without prejudice to Article 6 2

6 3.1 Articles 5, 9 1, 9 2 and 9.8 shall not apply to uncertificated shares and Article 9.5 shall apply in relation to such shares as if the reference 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,

6 3 2 without prejudice to Article 9 3, 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,

6.3.3 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 3.12;

- 6 3.4 for the purposes referred to in Article 10 3, a person entitled by transmission to a share in uncertificated form who elects to have some other person registered shall either
- (a) procure that instructions are given by means of the relevant system to effect a transfer of such uncertificated share to that person, or
  - (b) change the uncertificated share to certificated form and execute an instrument of transfer of that certificated share to that person,
- 6 3 5 the Company shall enter on the Register the number of shares which are held by each member in uncertificated form and in certificated form and shall maintain the Register in each case as is required by the Regulations and the relevant system and, unless the Board otherwise determines, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings,
- 6.3 6 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,
- 6.3.7 references in these Articles to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system relating to the transfer of such shares;
- 6.3.8 for the purpose of giving notice of any general meeting to members who hold shares in uncertificated form, the Directors may determine that the members in respect of such shares entitled to receive such notices are those persons entered on to the Register at the close of business on a day determined by them, such day not being more than 21 days before the date that the notice of general meeting is despatched,
- 6 3 9 a notice of general meeting to members who hold shares in uncertificated form may specify a time, being not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting Changes made to the entries on the Register after the time so specified shall be disregarded in determining the rights of a person to attend or vote at the meeting,

- 6 3 10 for the purposes of Article 34.12 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 direct in accordance with Article 34 12 and for the purposes of Article 34.12 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;
- 6 3 11 subject to the 2006 Act and the provisions of these Articles, the Board may issue shares as certificated shares or as uncertificated shares in its absolute discretion and the provisions of these Articles shall be construed accordingly;
- 6 3.12 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, 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;
- 6 3 13 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 2006 Act or these Articles or otherwise in effecting any actions, and
- 6 3 14 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
- 6 4 Where any class of shares in the capital of the Company is a participating security and the Company is entitled under any provisions of the 2006 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:
- 6.4.1 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
- 6 4 2 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

- 6.4.3 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
- 6.4.4 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 in respect of that share as a transferred share; and/or
- 6.4.5 otherwise rectify or change the Register in respect of that share in such manner as may be appropriate; and
- 6.4.6 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

## **7. CALLS ON SHARES AND FORFEITURE**

### **Calls**

- 7.1 The directors may, subject to the provisions of these Articles and to any conditions of allotment, 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 by way of premium) and each member shall (subject to being given at least fourteen 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 or may be postponed or revoked wholly or in part, as the directors may determine
- 7.3 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 7.4 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it. 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 of which the call was made
- 7.5 If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay all costs, charges and expenses the Company may have incurred by reason of such non-payment together with interest on the sum from the day appointed for payment 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 or, if no rate is so fixed, at such rate not exceeding 15 per cent per annum (compounded on a 6 monthly

basis) as the Board may agree, but the directors shall be at liberty to waive payment of such interest in whole or in part.

- 7.6 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, and, in case of non-payment, all the relevant provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified
- 7.7 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.
- 7.8 The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him as a payment in advance of calls, and any such payment in advance of calls shall extinguish pro tanto, so far as the same shall extend but subject as in these Articles provided, the liability upon the shares in respect of which it is advanced and upon the moneys so received or so much of it 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 (but shall not be obliged to) pay interest at such rate not exceeding the base rate from time to time of Barclays Bank plc as the member paying such sum and the Board agree.
- 7.9 Unless the Board otherwise determines, no member shall be entitled to receive any dividend or to be present and vote at a general meeting or at any separate general meeting of the holders of any class of shares either in person or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other right or privilege as a member in respect of a share held by him unless and until he shall have paid all calls for the time being due and payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) to the Company

### **Forfeiture**

- 7.10 If a member fails to pay the whole of any call or instalment of a call on or before the day appointed for payment, the Board may at any time, during such time as any part of such call or instalment remains unpaid, serve a notice on such member or any person entitled to his shares by transmission requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued. The notice shall name a further day (not earlier than fourteen days from the date of service) 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.
- 7.11 If any such notice is not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment of all calls and interest due in respect of it has been made, be forfeited by a resolution of the directors to that effect, and 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 under this Article 7

- 7.12 Every share which is forfeited shall become the property of the Company and subject to the provisions of the 2006 Act and the provisions of these Articles, a share so forfeited or surrendered may be sold, reallocated or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder, or to any other person, upon such terms and in such manner as the directors shall think fit. At any time before a sale, reallocation or disposal, the forfeiture or surrender may be cancelled on such terms as the directors think fit. The Board may, if it thinks fit, authorise some person to execute an instrument of transfer of a forfeited or surrendered share to any other person and may enter the name of the transferee in respect of the transferred share in the Register notwithstanding the absence of any share certificate being lodged in respect of it and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the share. The Company may receive the consideration (if any) given for the share on its disposal.
- 7.13 A member 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, 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 on it, unless and to the extent that the directors resolve to waive interest, at the rate at which interest was payable on those monies before the forfeiture or, if no interest was so payable, at such rate not exceeding 15 per cent, per annum (compounded on a 6 monthly basis) as the Board may determine from the date of forfeiture or surrender until payment, and the Board may 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.
- 7.14 Save for those rights and liabilities expressly saved by these Articles or imposed (in the case of past members) by the 2006 Act, the forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share, as between the member whose share is forfeited and the Company.
- 7.15 When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given and of the forfeiture with the date of it shall forthwith be made in the Register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry.
- 7.16 The Board may, at any time before any share so forfeited has been cancelled or sold, reallocated or otherwise disposed of, annul the forfeiture, on the terms that payment shall be made of all calls and interest due on it and all expenses

incurred in respect of the share and on such further terms (if any) as the Board shall see fit.

## **8 LIEN AND SURRENDER OF SHARES**

- 8.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether or not presently payable to the Company, called or payable at a fixed time in respect of such share to the extent and in the circumstances permitted by the 2006 Act. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable on it or in respect of it. The directors may waive any lien which has arisen and resolve that any share shall for some specified period be wholly or in part exempt from the provisions of this Article.
- 8.2 The Company may sell, in such manner as the directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum or any other money in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been served on the holder for the time being of the shares or the person entitled by transmission to the shares
- 8.3 The net proceeds of such sale, after payment of its costs, shall be applied in or towards payment or satisfaction of the debt or liability in respect of which 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 shares sold and subject to an equivalent lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale without interest. For giving effect to any such sale, the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The purchaser shall not be bound to see to the application of the purchase money, and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale
- 8.4 The Company shall be entitled to sell at the best price reasonably obtainable any share held by a member, or any share to which a person is entitled by transmission, if all of the following stipulations are complied with
- 8.4.1 for a period of 12 years no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the member or to the person entitled by transmission to the share, at his registered address or at the last known address given by the member or the person entitled by transmission as the address to which the cheques and warrants are to be sent, has been cashed and no communication has been received by the Company from the member or person concerned,
- 8.4.2 the Company has at the expiration of the period of 12 years, by advertisement in both a national daily newspaper and in a newspaper circulating in the area in which the address referred to in Article 8.4.1 is located, and by notice in writing to the London Stock



Exchange if shares of the class concerned are listed on that exchange or any secondary market of that exchange, given notice of its intention to sell such share;

8.4 3 the Company has not during the 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 entitled by transmission; and

8 4 4 for the purpose of giving 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. 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

8.5 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 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, allotment or disposal together with the share certificate delivered to a purchaser or allottee shall (subject to the execution of an instrument of transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, allotment or disposal of the share.

## **9. TRANSFER OF SHARES**

9.1 Subject to such of the restrictions of these Articles as may be applicable, each member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board.

9 2 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 in respect of it

9 3 The Board may in its absolute discretion and without giving any reason, refuse to register any transfer of a share (or renunciation or renounceable letter of allotment) unless

9 3 1 the instrument of transfer 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 person, a share certificate will only be necessary if a certificate has been issued in respect of the share in question;
- 9.3.2 the instrument of transfer is duly stamped,
- 9.3.3 the instrument of transfer is in respect of only one class of share,
- 9.3.4 the instrument of transfer is in favour of not more than four transferees, and
- 9.3.5 the instrument of transfer is in respect of a share in respect of which all sums presently payable to the Company have been paid.
- 9.4 Transfers of shares will not be registered in circumstances referred to in Article 17.
- 9.5 If the directors refuse to register a transfer of any shares, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferor and the transferee notice of the refusal
- 9.6 Subject to the 2006 Act, in relation to certificated shares, 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 shall not be closed for more than thirty days in any year. In the case of a share held in uncertificated form, the Register may only be closed in accordance with Regulation 26 of the Regulations.
- 9.7 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 relating to or affecting the title to any shares
- 9.8 All instruments of transfer which shall be 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
- 9.9 Nothing in these Articles shall preclude the Board:
- 9.9.1 from recognising a renunciation of the allotment of any share by the allottee in favour of some other person;
- 9.9.2 if empowered by these Articles, to authorise any person to execute an instrument of transfer of a share, or from authorising any person to transfer the share in accordance with any procedures implemented under this Article 9
- 9.10 Nothing in these Articles shall require shares to be transferred by written instrument if the 2006 Act provide otherwise.

## **10 TRANSMISSION OF SHARES**

- 10.1 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
- 10.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence as to his title being produced as may from time to time be required by the directors and subject as provided below, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee.
- 10.3 If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall execute a transfer of the share in favour of that 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 if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by such member
- 10.4 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 to the share) 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 to any of the other 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 sixty days the notice is not complied with such person shall (but only in the case of a share which is fully paid up) be deemed to have elected to be registered as a member in respect of it and may be registered accordingly

## **11 ALTERATION OF CAPITAL**

- 11.1 The Company may by ordinary resolution
- 11.1.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- 11.1.2 subdivide its shares, or any of them, into shares of smaller amount (subject to the provisions of the 2006 Act), and so that the resolution whereby any share is subdivided may determine that, as regards each share so subdivided, one or more of the shares resulting from such subdivision may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such

restrictions as compared with the others, as the Company has power to attach to new shares.

- 11 2 Whenever as the result of any consolidation, division or sub-division of shares any difficulty arises, the Board may settle it as it thinks fit, and in particular (but without prejudice to the generality of the foregoing) 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 and as a result of such consolidation such holder would become entitled to a fraction of a consolidated share:

11 2 1 the Board may determine which of the shares of such holder are to be treated as giving rise to such fractional entitlement and may decide that any of those shares shall be consolidated with any of the shares of any other holder or holders which are similarly determined by it to be treated as giving rise to a fractional entitlement for such other holder or holders, into a single consolidated share and the Board may, on behalf of all such holders, sell such consolidated share for the best price reasonably obtained to any person (including the Company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3 or such other sum as the Board may from time to time determine, may be retained for the benefit of the Company), or

11 2.2 the Board may issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation) and the amount required to pay up such shares shall be appropriated at the Board's 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 the share. In relation to such a capitalisation the Board may exercise all the powers conferred on it by Article 36 without an ordinary resolution of the Company.

- 11.3 Subject to the 2006 Act and any special rights for the time being attached to any shares, the Company may by special resolution reduce its share capital and any capital redemption reserve and any share premium account in any manner

## 12 GENERAL MEETINGS

- 12 1 The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year. Except as provided in the 2006 Act, the Company must hold an annual general meeting within six months from the day following the Company's accounting reference date. Subject to the provisions of the 2006 Act the annual general meeting shall be held at such time and place as the directors may determine

12.2 All shareholder meetings convened in accordance with these Articles (other than annual general meetings) shall be called "general meetings".

12.3 The Board may in accordance with the 2006 Act convene a general meeting whenever it thinks fit. A general meeting shall also be convened on the requisition of members, or in default may be convened by such requisitionists, as provided by the 2006 Act. At any meeting convened on such requisition or by such requisitionists no business shall be transacted except that stated by the requisition or proposed by the Board. If there are not within the United Kingdom sufficient members of the Board to convene a general meeting, any Director may call a general meeting.

### **13. NOTICE OF GENERAL MEETINGS**

13.1 Subject to the provisions of the 2006 Act, an annual general meeting shall be called by twenty-one Clear Days notice at least, and all other general meetings (not being an annual general meeting) shall be called by fourteen Clear Days notice at least.

13.2 Every notice shall be in writing and:

13.2.1 shall specify the place, the day and the time of meeting;

13.2.2 in the case of special business, shall specify the general nature of such business;

13.2.3 in the case of an annual general meeting shall specify the meeting as such, and

13.2.4 shall specify with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a member.

13.3 Notices shall be given in the manner set out in this Article 13 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 for the time being and to any other person entitled to receive it.

13.4 It shall be the duty of the Company, subject to the provisions of the 2006 Act, on the requisition in writing of such number of members as is specified in the 2006 Act and (unless the Company otherwise resolves) at the expense of the requisitionists, (a) to give to members entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting and (b) to circulate to members entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

13.5 Subject to the provisions of the 2006 Act, and notwithstanding that it is convened by shorter notice than that specified in this Article 13, a general meeting shall be deemed to have been duly convened if it is so agreed.

- 13 5.1 in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
- 13.5.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
- 13 6 In this Article 13, references to notice "in writing" shall include notice in electronic form
- 13.7 All business shall be deemed special that is transacted at a general meeting with the exception of the following business transacted at an annual general meeting:
- 13.7.1 the declaration of dividends;
- 13.7 2 the consideration of accounts and of the reports of the directors and of the auditors and other documents annexed to accounts,
- 13 7 3 the appointment or reappointment of directors in the place of those retiring by rotation or otherwise;
- 13.7 4 the reappointment of the auditors (save where special notice is required by the 2006 Act),
- 13.7 5 the fixing of the remuneration of the directors and auditors or of the manner in which such remuneration is to be fixed, and
- 13 7 6 the varying, revoking or renewing of any authority or power for the purposes of Section 551 of the 2006 Act and/or the disapplication of statutory pre-emption rights
- 13 8 Where, by any provision contained in the 2006 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 twenty-eight days (or such shorter period as the 2006 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 Section 312 of the 2006 Act.
- 13 9 A member present either in person or by proxy at any meeting of the Company or at any meeting of any class of holders of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

#### 14 PROCEEDINGS AT GENERAL MEETINGS

- 14 1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided in these Articles and subject to Section 318(2) of the 2006 Act, two members present in person or by proxy or by a duly authorised corporate representative of a corporation which is a member and entitled to vote at the meeting shall be a quorum for all purposes

- 14.2 If within five minutes from the time appointed for the meeting a quorum is not present or if during the meeting such a quorum ceases to be present, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day, and at such time and place, as the directors may determine, and if at such adjourned meeting a quorum is not present within five minutes from the time appointed for holding the meeting, one person present and entitled to vote on the business to be transacted, being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum.
- 14.3 The chairman (if any) of the Board, or in his absence the deputy chairman shall preside as chairman at every general meeting of the Company, but if at any meeting neither such chairman nor such deputy chairman is 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, or 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.
- 14.4 The chairman of any 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 and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
- 14.5 When a meeting is adjourned for fourteen days or more, seven Clear Days notice at least, specifying the place, the day and the time of the adjourned meeting shall be given as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. It shall not be otherwise necessary to give any notice of an adjournment.
- 14.6 Notwithstanding the above and without prejudice to any other power which he may have under these Articles or at common law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.
- 14.7 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 any substantive resolution shall not be invalidated by any error in such ruling.
- 14.8 In the case of a resolution duly proposed as a special resolution, no amendment (other than an amendment to correct a patent error) may in any event be considered or voted on and in the case of a resolution duly proposed as an ordinary resolution no amendment (other than an amendment to correct a patent error) may be considered or voted on unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed, notice in writing

of the terms of the amendment and intention to move the same has been lodged at the Office or the chairman of the meeting in his absolute discretion decides that it may be considered or voted on

- 14.9 A director and an alternate director (and any other person invited by the chairman to do so) shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company
- 14.10 Any proxy appointed by a member shall also be entitled to speak at any general meeting of the Company.
- 14.11 At general meetings, resolutions shall be put to the vote by the chairman and there shall be no requirement for the resolution to be proposed or seconded by any person
- 14.12 A special resolution shall be effective for any purposes for which an ordinary resolution is expressed to be required by these Articles or by the 2006 Act

## **15 METHOD OF VOTING**

- 15.1 Subject to the 2006 Act, 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
  - 15.1.1 by the chairman of the meeting, or
  - 15.1.2 by any member present in person or by proxy and entitled to vote at the meeting
- 15.2 Unless a poll is so demanded and not withdrawn, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, 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
- 15.3 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll pursuant and subject to section 329 of the 2006 Act.
- 15.4 If any votes shall be counted which ought not to have been counted, or might have been rejected, or if any votes shall not be counted which ought to have been counted, or might have been allowed, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment of the meeting, and not in that case unless it shall in the opinion of the chairman of the meeting be of sufficient magnitude to vitiate the result of the voting
- 15.5 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 ballot or voting papers or forms), and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded



- 15.6 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 at such time and place as the chairman of the meeting shall direct not being more than thirty days from the date of the meeting or the adjourned meeting at which the poll was demanded. The chairman may appoint scrutineers who need not be members. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven days notice shall be given specifying the time and place at which the poll is to be taken.
- 15.7 The demand for a poll (other than on the election of a chairman or any question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. If a poll is demanded before the declaration of the result on a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 15.8 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.

## **16 VOTES OF MEMBERS**

- 16.1 Subject to the 2006 Act and to any special rights or restrictions as to voting attached to any share by or in accordance with these Articles.
- 16.1.1 on a show of hands every member who, being an individual, is present in person or by proxy, or, being a corporation, is present by a duly authorised representative or proxy, has one vote and, save as provided in section 285(2) of the 2006 Act, every proxy present who has been duly appointed by a member entitled to vote on the resolution, has one vote,
- 16.1.2 in relation to section 285(2) of the 2006 Act, if a proxy has been appointed by more than one member entitled to vote on a resolution and that proxy is given a discretion how to vote by one or more of those members, the proxy shall be treated as having been instructed to vote the shares in the way he decides to vote, and
- 16.1.3 on a poll every member who is present in person or by proxy or, being a corporation, is present by a duly authorised representative or proxy, has one vote for every share of which he is the holder
- 16.2 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 stand in the Register in respect of the share

- 16.3 A member suffering from mental disorder in respect of whom an order has been made or a direction or authority given by a court of competent jurisdiction may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by such court and such receiver, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the directors may require of the authority of the person claiming to vote shall have been deposited at the place at which proxies for the meeting in question are to be deposited under Article 16 12 below not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which such person claims to vote and in default the right to vote shall not be exercisable.
- 16.4 No member shall, unless the directors otherwise determine, be entitled 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 privilege as a member, unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 16.5 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is 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
- 16 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.
- 16 7 A proxy shall vote in accordance with the instructions given by the member by whom the proxy is appointed.
- 16.8 Any person (whether a member or not) may be appointed to act as a proxy
- 16 9 A member may appoint more than one proxy to attend on the same occasion, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member When two or more valid but different appointments of proxy are delivered or received in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered or received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other or others as regards that share If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.
- 16.10 Deposit or delivery of an appointment of proxy shall not preclude a member from attending and voting in person at the meeting for which the proxy is appointed or any adjournment of it.
- 16.11 Subject to the 2006 Act, the instrument appointing a proxy shall·
- 16.11 1 be in writing and may with the consent of the Board be contained in electronic form and shall be in the usual common form, or such other form as may be approved by the Board, and (a) if in hard copy form, 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 such form of execution as has the same effect) or under the hand of a duly authorised officer or attorney of the corporation or (b) in the case of an appointment in electronic form, submitted by or on behalf of the appointor, subject to such terms and subject to Section 1146 of the 2006 Act authenticated in such manner as the Board may in its absolute discretion determine. The directors may, but shall not be bound to, require evidence of authority of such officer or attorney. An instrument of proxy need not be witnessed,

- 16 11.2 be deemed to include the right of the proxy to attend, speak and vote at a meeting of the Company,
  - 16 11.3 be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit;
  - 16 11.4 unless the contrary is stated, be valid as well for any adjournment of the meeting for the meeting it relates;
  - 16 11.5 where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings.
- 16 12 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the Board, shall
- 16 12.1 in the case of an instrument in writing in hard copy form (including, whether or not the appointment of proxy is contained in electronic form, any such power of attorney or other authority) be deposited at the Office or at such other place or places within the United Kingdom as is specified in the notice convening the meeting or in any notice of any adjourned meeting or in any appointment of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or
  - 16 12.2 in the case of an appointment contained in electronic form (where the Company has agreed to accept communication from a member by electronic means), where an address has been specified for the purpose of receiving communications by electronic means
    - 16.12 2.1 in the notice covering the meeting, or
    - 16 12 2.2 in any instrument of proxy sent out by the Company in relation to the meeting, or
    - 16.12 2 3 in any invitation to appoint a proxy issued by the Company in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or

16.12.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or

16 12 4 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to any Director;

and an appointment of proxy not deposited, delivered or received in a manner so permitted shall be invalid.

16.13 When calculating the periods at Article 16 12, the Board can decide not to take account of any part of a day which is not a working day.

16.14 No appointment of proxy shall be valid after the expiry of 12 months from the date named in it as the date of its execution or the date of its submission, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within 12 months from such date.

16 15 A vote given in accordance with the terms of an instrument of proxy or by the duly authorised representative of a corporate member or 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, unless notice in writing of such death, mental disorder or revocation shall have been received:

16 15.1 (in the case of a corporate representative) in hard copy form by the Company at the Office at least three hours before (a) the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (b) 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, or

16.15 2 (in the case of an instrument of proxy) in such form and in such manner as is set out in Article 16.12 and the provisions of Article 16 12 shall apply mutatis mutandis to a notice of revocation of a proxy appointment under this Article 16.15 2

16.16 The directors may at the expense of the Company make available to members, in hard copy form or electronic form, instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any meeting of any class of members of the Company 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 If for the purpose of

any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are issued at the Company's expense they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote by proxy

## **17 FAILURE TO DISCLOSE INTEREST IN SHARES**

**17 1** The following provisions of this Article 17 shall be without prejudice to the provisions of Section 794 of the 2006 Act, and in particular, the Company shall be entitled to apply to the court under Section 794 of the 2006 Act whether or not these provisions apply or have been applied

**17 2** If a member or any person appearing to be interested in any shares held by a member has been duly served with a notice pursuant to Section 793 of the 2006 Act and is in default for the period of 14 days from such service in supplying to the Company the information required, the remaining provisions of this Article 17 below shall apply. The restrictions imposed by this Article 17 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

**17 2 1** the default is remedied, or

**17.2 2** the shares are registered in the name of the purchaser or offerer (or that of his nominee) pursuant to an arm's length transfer (as defined in Article 17 6 below)

Any dividends withheld pursuant to Article 17.4 2 below shall be paid to the member as soon as practicable after the restrictions contained in Article 17 4.2 below lapse

**17.3** If the member has a holding of less than 0.25 per cent, of any class of shares, then, subject to Article 17 5 below 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 notice given pursuant to Section 793 of the 2006 Act) to vote at a general meeting either personally or by proxy, or to exercise any other right conferred by membership in relation to meetings of the Company.

**17.4** If the member has a holding of at least 0.25 per cent, of any class of shares, then, subject to Article 17.5 below 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 notice given pursuant to Section 793 of the 2006 Act):

**17.4 1** to vote at a general meeting either personally or by proxy, or to exercise any other right conferred by membership in relation to meetings of the Company, or

**17 4.2** to receive any dividend payable in respect of such shares, or

**17 4 3** to transfer or agree to transfer any of such shares, or any rights to those shares

- 17.5 The restrictions in Articles 17.3 and 17.4 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 under an arm's length transfer of those shares
- 17.6 For the purposes of this Article 17, an "arm's length" transfer in relation to any shares is a transfer pursuant to
- 17.6.1 a sale of those shares on a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or the AIM Market of the London Stock Exchange plc or on any stock exchange outside the United Kingdom on which the shares are normally traded, or
- 17.6.2 a takeover offer for the Company (as defined in Section 974 of the 2006 Act) which relates to those shares
- 17.7 For the purposes of Articles 17.1 to 17.6, the Company shall be entitled to treat any person as appearing to be interested in any shares if
- 17.7.1 the member holding such shares or any person who is or may be interested in such shares either fails to respond to a notice given pursuant to Section 793 of the 2006 Act or has given to the Company a notification pursuant to a notice given pursuant to Section 793 of the 2006 Act which in the opinion of the directors fails to establish the identities of those interested in the shares and if (after taking into account the notification and any other relevant notification pursuant to a notice given pursuant to Section 793 of the 2006 Act) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares, or
- 17.7.2 that person (not being the member) is interested in those shares for the purposes of Section 793 of the 2006 Act.
- 17.8 Where any person appearing to be interested in shares has been duly served with a notice pursuant to Section 793 of the 2006 Act, and the shares in question are held by an Approved Depositary, the provisions of this Article 17 shall be treated as applying only to those shares held by the Approved Depositary in which such person appears to be interested and not to any other shares held by the Approved Depositary
- 17.9 Where the member or other person on which a notice has been duly served pursuant to Section 793 of the 2006 Act is an Approved Depositary acting in its capacity as such, the obligations of the Approved Depositary shall be limited to disclosing to the Company such information relating to any person appearing to be interested in the shares held by it as has been provided to it pursuant to the arrangements entered into by the Company or approved by the Board pursuant to which it was appointed as an Approved Depositary.
- 18 CORPORATIONS ACTING BY REPRESENTATIVES**
- 18.1 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:

18.1.1 where the corporation authorises only one person, such 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,

18.1.2 where the corporation authorises more than one person, the provisions of section 323 of the 2006 Act shall apply

and such corporation shall, for the purpose of these Articles, be deemed to be present in person at such meeting if a person or persons so authorised is present at that meeting.

18.2 A Director, the Secretary or some person authorised for the purpose by the Secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to them before permitting him to exercise his powers

## **19 APPOINTMENT AND REMOVAL OF DIRECTORS**

19.1 Save as provided below, the number of directors shall not be subject to any maximum and shall not be less than two but the Company may by ordinary resolution from time to time vary (subject to the 2006 Act) the minimum number and may also fix and from time to time vary a maximum number of directors.

19.2 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 the maximum number (if any) fixed by or in accordance with these Articles. Subject to the provisions of the 2006 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 reappointment 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 reappointed at such annual general meeting, he shall vacate office at the conclusion of that meeting

19.3 Subject to the provisions of these Articles, the Company may by ordinary resolution appoint a person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number (if any) fixed in accordance with these Articles.

19.4 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 and on such terms and with or without such title or titles (including but not limited to chairman, deputy chairman, managing director, chief executive and joint, deputy or assistant managing director or chief executive) as they think fit. A director holding any such office (whether so appointed or otherwise) shall, whilst holding such office, be subject to retirement by rotation, shall be taken into account in determining the retirement by rotation of directors, and shall (subject to the

terms of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other directors of the Company and if he shall vacate the office of director or if the directors resolve that his term of office as holder of such executive office be determined, his appointment as such shall determine

- 19.5 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 otherwise) as may be determined by a committee of the directors appointed for such purpose.
- 19.6 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
- 19.7 Subject to the provisions of the 2006 Act, the directors may from time to time, and at any time, pursuant to this Article appoint any other persons to any post with such descriptive title including that of director (whether as executive, group, divisional, departmental, deputy, assistant, local, advisory director or otherwise) as the directors may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties and, subject to any contract between him and the Company, may remove from such post any person so appointed. A person so appointed shall not be a director of the Company for any of the purposes of these Articles or of the 2006 Act and accordingly shall not be a member of the board of directors or of any committee, nor shall he be entitled to be present at any meeting of the board of directors or of any such committee, except at the request of the board of directors or of such committee, and if present at such request he shall not be entitled to vote at such meeting.
- 19.8 A director shall not be required to hold any shares of the Company but shall be entitled to receive notice of and attend and speak at any general meeting of the Company and any separate meeting of holders of any class of shares, warrants or other securities.
- 19.9 Without prejudice to the provisions of the 2006 Act, the Company may by ordinary resolution remove a director (including a director holding executive office) before the expiration of his period of office (but 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).

## **20 ALTERNATE DIRECTORS**

- 20.1 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 such approval, appoint another person in his place,



- 20.2 An alternate director need not hold a share qualification and shall not be counted in reckoning any maximum or minimum number of directors allowed by these Articles.
- 20.3 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 to perform all the functions of his appointor as a director in the absence of such appointor.
- 20.4 An alternate director shall cease to be an alternate director if his appointor ceases for any reason to be a director provided that if any director retires, whether by rotation or otherwise but is reappointed or is deemed to have been reappointed 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 reappointment as if he had not so retired.
- 20.5 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 as soon as reasonably practicable, but failure or delay in doing so shall not prejudice the validity of the appointment.
- 20.6 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 or for the director appointing him.
- 20.7 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director. However, he shall not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice in writing to the Company direct. Subject to this Article, the Company shall pay to an alternate Director such expenses as might properly have been paid to him if he had been a Director.

## **21. RETIREMENT OF DIRECTORS**

- 21.1 The office of a director shall be vacated in any of the following events, namely
- 21.1.1 if (but in the case of a director holding any executive office subject to the terms of any contract 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 or director 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 doing so shall not prejudice the validity of the resignation);

- 21.1.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally,
  - 21.1.3 if, in the opinion of the majority of directors other than the director vacating office and in the written opinion of a suitably qualified medical expert, he becomes of unsound mind,
  - 21.1.4 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 place, and the directors resolve that his office be vacated,
  - 21.1.5 he is requested to resign by notice in writing addressed to him at his address as shown in the register of directors and signed by not less than three-quarters of the other Directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company) and, for this purpose, a set of equivalent notices each signed by one or more of the directors shall be as effective as a single notice signed by the requisite number of directors, and
  - 21.1.6 if he ceases to be a director by virtue of any provision of the 2006 Act or becomes prohibited by law from being a director.
- 21.2 A resolution of the Board declaring a Director to have vacated office under the terms of this Article 21 shall be conclusive as to the fact and grounds of vacation stated in the resolution

## **22. ROTATION OF DIRECTORS**

- 22.1 Subject to the provisions of these Articles, at the annual general meeting in every year one-third of the directors who are subject to retirement by rotation, or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, shall retire from office provided always that if in any year the number of directors who are subject to retirement by rotation shall be two, one of such directors shall retire, and if in any year there shall be only one director who is subject to retirement by rotation, that director shall retire.
- 22.2 Subject to the provisions of the 2006 Act and of these Articles, the directors to retire in every year shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-election. Any further directors so to retire shall be those who have been longest in office since their last appointment or re-appointment but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring director shall be eligible for reappointment. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting notwithstanding any

change in the number or identity of the Directors after that time but before the close of the meeting.

- 22.3 A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed or deemed to have been re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting
- 22.4 The Company at the meeting at which a director retires may fill up the vacated office by appointing a person in his place, and in default the retiring director, if willing to act, shall be deemed to have been reappointed 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
- 22.5 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 forty-eight days before the day appointed for the meeting, there shall have been given to the Company notice in writing by some member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for 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
- 22.6 At a general meeting a motion for the appointment of two or more persons as directors by a single resolution shall not be made unless a resolution that it shall be so made 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,

### **23. APPROVAL OF THE BOARD TO CONFLICTS OF INTERESTS OF DIRECTORS**

- 23.1 The Board may, subject to the quorum and voting requirements set out in this Article 23, authorise any matter which relates to a situation in which a Director (the "relevant Director") has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company and which would, if not so authorised, result in a breach of duty by the relevant Director under Section 175 of the 2006 Act (a "Conflict")
- 23.2 The relevant Director seeking authorisation in respect of a Conflict must declare to the Board the nature and extent of his interest in that Conflict as soon as is reasonably practicable. The relevant Director must provide the Board with such details as are necessary for the Board to decide whether or not to authorise the Conflict. The relevant Director must also provide such additional information as may be requested by the Board.
- 23.3 Any Director (including the relevant Director) may propose that a Conflict is authorised by the Board. Such proposal and any authorisation given by the Board shall be effected in the same way that any other matter may be

proposed to and resolved upon by the Board in accordance with the provisions of these Articles save that

23.3.1 the relevant Director and any other Director with an interest in the Conflict (together the "Interested Directors") shall not count towards the quorum nor vote on any resolution giving such authorisation, and

23.3.2 an Interested Directors may, if the other members of the Board so decide, be excluded from any board meeting while the Conflict is under consideration

#### 23.4 Where the Board authorises a Conflict

23.4.1 the Board may (whether at the time of giving the authorisation or subsequently):

23.4.1.1 require that an Interested Director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the Board or otherwise) related to the Conflict, and

23.4.1.2 impose upon an Interested Director such other terms for the purpose of dealing with the Conflict as it may determine

23.4.2 the Interested Director will be obliged to conduct himself in accordance with any terms imposed by the Board in relation to the Conflict,

23.4.3 the Board may provide that where the Interested Director obtains or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs,

23.4.4 the terms of the authorisation must be recorded in writing (but the authority will be effective whether or not the terms are so recorded), and

23.4.5 the Board 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.

23.5 For the avoidance of doubt, a Director may, subject to declaring the nature and extent of his interest to the Board in accordance with Sections 184 or 185 of the 2006 Act, be or become a director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a Conflict as a director of that other company

## **24. DIRECTORS INTERESTS**

**24 1** Subject to Article 24 3, if a Director is in any way directly or indirectly interested in a proposed contract, arrangement, transaction or proposal with the Company or a contract that has been entered into by the Company he must declare the nature and extent of that interest to the Directors in accordance with Section 177 and 182 of the 2006 Act

**24 2** Subject to having declared his interest pursuant to Article 24 1 and subject to the provisions of the 2006 Act, a Director notwithstanding his office:

**24.2 1** may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise directly or indirectly interested,

**24 2.2** may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may approve, either in addition to or in lieu of any remuneration provided for by any other Article;

**24.2 3** may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment, and

**24 2.4** shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal;

and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

**24.3** A Director need not declare an interest under Article 24

**24 3 1** if it cannot reasonably be regarded as likely to give rise to a conflict of interest,

**24 3 2** of which the Director is not aware, or where the Director is not aware of the contract in question, and for this purpose a Director is treated as being aware of matters of which he ought to be aware;

**24 3.3** if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or

**24 3 4** if, or to the extent that, it concerns the terms of a service contract that have been or are to be considered by a Board meeting or a committee of the Directors appointed for this purpose under the Articles

- 24.4 Save as provided in this Article, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any other proposal whatsoever to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him within the meaning of Section 252 of the 2006 Act) is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company, unless the resolution concerns any of the following matters:
- 24.4 1 the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
  - 24 4 2 the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part by the giving of security or under a guarantee or indemnity,
  - 24 4 3 any proposal concerning an offer for subscription or purchase of shares or debentures or other securities or rights of or by the Company or any of its subsidiaries or of any other company which the Company may promote or in which it may be interested in which offer he is or is to be interested as a participant in the underwriting or subunderwriting;
  - 24.4 4 any proposal concerning any other company in which he is interested directly or indirectly and whether in any one or more of the capacities of officer, creditor, employee or holder of shares, debentures, securities or rights of that other company, but only where he is not the holder (otherwise than as a nominee for the Company or any of its subsidiaries) of or beneficially interested in one per cent or more of the issued shares of any class of such company or of any third company through which his interest is derived or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances),
  - 24 4.5 any proposal concerning the adoption, modification or operation of a superannuation fund, retirement benefits scheme, share option scheme or share incentive scheme under which he may benefit, or
  - 24 4.6 any proposal concerning the purchase and/or maintenance of any insurance policy under which he may benefit
- 24.5 A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is

interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- 24.6 If any question shall arise at any meeting as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall (subject to the 2006 Act) be referred to the chairman of the meeting (or, where such question shall arise concerning such chairman, to such other director present at the meeting as the directors present, other than such chairman, shall by majority vote appoint) and his ruling in relation to any other director shall be final and conclusive except in a case where the nature or extent of the interests of the director concerned have not been fairly disclosed.
- 24.7 For the purposes of this Article, the interest of any person who is connected with a director (within the meaning of Section 252(2) of the 2006 Act) shall be taken to be the interest of that director. In relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director in addition to any interest which the alternate Director otherwise has.
- 24.8 The Company shall exercise the power conferred upon it by Section 247 of the 2006 Act only with the prior sanction of a special resolution. However the directors are entitled to exercise the power contained in Section 247 of the 2006 Act by means of a board resolution but this shall be limited to a maximum payment to any individual employee of 50 per cent of the employees' gross annual salary.

## **25 DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS**

- 25.1 The Directors (other than alternate directors) shall be entitled to receive by way of fees for their services such sums as the Board may from time to time determine. The aggregate of all fees payable to the Directors (other than amounts payable under any other provision of these Articles) must not exceed £500,000 a year or such higher amount as may from time to time be decided by ordinary resolution of the Company. Any fees payable pursuant to this Article shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provisions of these Articles and shall accrue from day to day. 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 of debentures of the Company or otherwise in connection with the discharge of their duties.
- 25.2 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.

- 25.3 The salary or remuneration of any director appointed to hold any employment or executive office in accordance with the provisions of these Articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or in lieu of any fee payable to him for his services as director pursuant to these Articles.

- 25.4 The directors may

25.4.1 establish, maintain, participate in or contribute to any pension, annuities, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and

25.4.2 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 of the Company, or who may be or have been directors or officers of the Company, or of any such other company and their spouses, former and surviving spouses, civil partners and former civil partners, families and dependants

- 25.5 The directors may establish, subsidise and subscribe to any institutions, associations, societies, clubs, trusts or firms calculated to be for the benefit of or to advance the interests of the Company or of any such other company or persons referred to in Article 25.4, and make payments for or towards the insurance of any such persons

- 25.6 The directors may (subject to the provisions of the 2006 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 within the meaning of the 2006 Act) and 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 such matter either alone or in conjunction with others. Subject always, if the 2006 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 the Company 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.

## 26 GENERAL POWERS OF DIRECTORS

- 26.1 Subject to these Articles and the provisions of the 2006 Act, the business of the Company shall be managed by the directors, who may exercise all such powers of the Company as are not by the 2006 Act or by these Articles required to be exercised by the Company in general meeting. 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

- 26.2 The directors may from time to time, and at any time, by power of attorney, appoint any corporation, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the directors, to be the attorney of the Company for such purposes, with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles), 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 subdelegate all or any of the powers, authorities and discretions vested in him.
- 26.3 Subject to the 2006 Act, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such regulations as it thinks fit regarding the keeping of any such register.
- 26.4 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

## **27. BORROWING POWERS**

- 27 1 Subject to these Articles and the 2006 Act, the Board may exercise all the powers of the Company to:
- (a) borrow money,
  - (b) indemnify and guarantee;
  - (c) mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company;
  - (d) create and issue debentures and other securities; and
  - (e) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 27 2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards the subsidiary undertakings, so far as by such exercise they can secure) that the aggregate of the amounts borrowed by the Group and remaining outstanding at any time (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to two times the Adjusted Capital and Reserves.

27.3 For the purpose of this Article.

- (a) Group means the Company and its subsidiary undertakings for the time being;
- (b) relevant balance sheet means the most recent audited consolidated balance sheet of the Group at the relevant time,
- (c) Adjusted Capital and Reserves means a sum equal to the aggregate, as shown by the relevant balance sheet, of the amount paid up or credited or deemed to be paid up on the issued or allotted share capital of the Company and the amount standing to the credit of the reserves (including, without limitation, the profit and loss account and any share premium account or capital redemption reserve) of the Company and its subsidiary undertakings included in the consolidation in the relevant balance sheet but after:
  - (i) making such adjustment as may be appropriate to reflect the profit or loss of the Company since the relevant balance sheet,
  - (ii) excluding any amount set aside for taxation (including any deferred taxation) or any amounts attributable to outside shareholders in subsidiary undertakings of the Company;
  - (iii) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital and or any reserves (other than the profit and loss account) after the date of the relevant balance sheet. For this purpose, if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription monies paid for them (other than money to be paid more than six months after the allotment date) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);

- (iv) making such adjustments as may be appropriate in respect of any distribution declared, recommended, made or paid by the Company or its subsidiary undertakings (to the extent not attributable directly or indirectly to the Company) out of profits earned up to and including the date of the relevant balance sheet to the extent such distribution is not provided for in such balance sheet,
- (v) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiary undertakings (including a variation where an undertaking ceases to be a subsidiary undertaking) since the date of the relevant balance sheet, and
- (vi) making such adjustments as the auditors of the Company may consider appropriate

(d) minority proportion means a proportion equal to the proportion of the issued share capital of a partly-owned subsidiary undertaking which is not attributable to a member of the Group.

27.4 Borrowings shall be deemed to include the following except in so far as otherwise taken into account:

- (a) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company owned otherwise than by a member of the Group;
- (b) the nominal amount of any other issued and paid up share capital and the principal amount of any debentures or borrowed moneys which is not at the relevant time beneficially owned by a member of the Group, the redemption or repayment of which is the subject of a guarantee or indemnity by a member of the Group or which any member of the Group may be required to buy;
- (c) the principal amount of any debenture (whether secured or unsecured) of a member of the Group beneficially owned otherwise than by a member of the Group,
- (d) the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened by or on behalf of any member of the Group;
- (e) the minority proportion of moneys borrowed by a member of the Group and owing to a partly-owned subsidiary undertaking

27.5 Borrowings shall not include and shall be deemed not to include

- (a) borrowings incurred by any member of the Group for the purpose of repaying within six months of the borrowing the whole or any part (with or without premium) of any borrowings of that or other member of the Group then outstanding, pending their application for such purpose within such period;
  - (b) the minority proportion of moneys borrowed by a partly owned subsidiary undertaking and not owing to another member of the Group.
- 27.6 When the aggregate principal amount of borrowings required to be taken into account on any particular date is being ascertained, any particular borrowing then outstanding which is denominated or repayable in a currency other than sterling shall be notionally converted into sterling at the rate of exchange prevailing in London on the last business day before that date or, if it would result in a lower figure, at the rate of exchange prevailing in London on the last business day six months before that date. For these purposes the rate of exchange shall be taken to be the spot rate in London recommended by a London clearing bank, selected by the Board, as being the most appropriate rate for the purchase by the company of the currency in question for sterling on the day in question
- 27.7 A certificate or report by the auditors of the Company as to the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times, shall be conclusive evidence of such amount or fact for the purposes of this Article. Nevertheless the Board may at any time rely on a bona fide estimate of the aggregate of the borrowings. If, in consequence, the limit on borrowings set out in this Article is inadvertently exceeded, the amount of borrowings equal to the excess may be disregarded for 90 days after the date on which by reason of a determination of the auditors of the Company or otherwise the Board becomes aware that such a situation has or may have arisen
- 27.8 No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or recipient of the security had, at the time the debt was incurred or security given, express notice that the said limit had been or would be exceeded

## **28 PROCEEDINGS OF DIRECTORS**

- 28.1 Subject to the provisions of these Articles, the directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 28.2 Questions arising at any meeting of the directors shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of the director he is representing in addition to his own vote.

- 28 3 A director may, and the Secretary on the requisition of a director shall, at any time summon a meeting of the directors. Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for that purpose or in electronic form to any address given by him to the Company for that purpose. A Director may waive the requirement that notice be given to him of any Board meeting. It shall not be necessary to give notice of a Board meeting to a Director who is absent from the United Kingdom unless he has requested the Board in writing that notices of Board meetings shall during his absence be given to him at any address in the United Kingdom notified to the Company for this purpose or any address for the receipt of communications by electronic means notified by him to the Company for this purpose, but such notices need not be given any earlier than notices given to directors not so absent.
- 28.4 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or any other form of communications equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting, or by a series of telephone calls from the chairman of the meeting. A person so participating by being present or being in other communication with those in the meeting or with the chairman of the meeting shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting then is. A resolution passed at any meeting held in the above manner, and signed by the chairman of the meeting, shall be as valid and effectual as if it had been passed at a meeting of the Board (or committee, as the case may be) duly convened and held.
- 28 5 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 as soon as reasonably practicable but failure or delay in his doing so shall not prejudice the validity of the authorisation.
- 28 6 Subject to the 2006 Act, the quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed 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. 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.
- 28 7 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 fixed by or in accordance with these Articles, or below the number fixed by or pursuant to these Articles

as the quorum of directors, the continuing directors or director may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company, but not for any other purpose. If there are no directors or director able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.

- 28 8 The directors may, from their number, from time to time elect and remove a chairman and, if thought fit, a deputy chairman and determine the period for which they are to hold office. The chairman, or in his absence the deputy chairman, shall preside at all meetings of the directors, but if no such chairman or deputy chairman is elected, or if at any meeting neither the chairman nor the deputy chairman is willing to preside or is 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.
- 28 9 A resolution in writing, signed 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 same 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 and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
- 28 10 The directors may delegate any of their powers to committees as they think fit, provided that at least one half of the members of any such committee shall be directors of the Company and no resolution of a committee shall be effective unless at least half of those present when it is passed are Directors or alternate Directors. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors. The meetings and proceedings of any such committee consisting of two or more directors shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors, so far as the same are applicable and are not superseded by any regulations imposed by the directors under this Article. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.
- 28.11 All acts done by any meeting of directors, or of a committee of directors, or by any person acting as a director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any appointee, 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 and had been entitled to vote.

**29. MINUTES AND BOOKS**

**29.1** The directors shall cause minutes to be made:

- 29.1.1** of all appointments of officers made by the directors,
- 29.1.2** of the names of the directors present at each meeting of directors and of any committee of directors,
- 29.1.3** 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

**29.2** Any 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.

**30. SECRETARY**

**30.1** Subject to the 2006 Act the Secretary 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 a deputy secretary. Any Secretary or deputy Secretary so appointed may at any time be removed from office by the directors without prejudice to any claim for damages for breach of any contract of service between him and the Company.

**30.2** Anything required or authorised to be done by the 2006 Act by 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 the deputy secretary or, if there is no deputy secretary, or if such deputy secretary is absent or for any other reason not capable of acting, by any officer of the Company authorised generally or specially in that behalf by the directors provided that any provision of the 2006 Act or of these Articles requiring or authorising a thing to be done by a director and the Secretary shall not be satisfied by its being done by the same person acting both as director and as, or in place of, the Secretary.

**31. DESTRUCTION OF DOCUMENTS**

**31.1** The Company may destroy

- 31.1.1** any instrument of transfer, after six years from the date on which it is registered,
- 31.1.2** any dividend mandate or any notification of change of name or address, after two years from the date on which it is recorded;
- 31.1.3** any share certificate, after one year from the date on which it is cancelled; and
- 31.1.4** any other document on the basis of which any entry in the Register is made, after six years from the date on which an entry was first made in the Register in respect of it,

provided that the Company may destroy any such type of document at a date earlier than that authorised by this Article if a copy of such document is retained in another format and such copy is retained until the expiration of the period applicable to the destruction of the original of such document.

31 2 It shall be conclusively presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was duly cancelled, that every other document so destroyed had been properly dealt with in accordance with its terms and was valid and effective in accordance with the particulars in the records of the Company, provided that:

31.2.1 this Article 31 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant,

31 2 2 nothing in this Article 31 shall be construed as imposing on the Company any liability in respect of the destruction of any such document otherwise than as provided for in this Article 33 which would not attach to the Company in the absence of this Article 33; and

31 2 3 references in this Article 31 to the destruction of any document include references to the disposal of it in any manner.

## 32. THE SEAL

The directors shall provide for the safe custody of the Seal which shall not 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 certificates and debenture certificates) determining the persons and the number of such persons who shall sign every instrument to which the Seal is affixed, and, subject to the 2006 Act, until otherwise so determined every such instrument to which the Seal shall be affixed shall be signed by one director and shall be countersigned by the Secretary or by a second director.

## 33 AUTHENTICATION OF DOCUMENTS

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 or extracts as true copies or extracts. 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 so certified shall be conclusive evidence in favour of all persons dealing with the Company in good faith 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.



## 34. DIVIDENDS

- 34.1 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, as set out in these Articles. The Company in general meeting may declare dividends accordingly.
- 34.2 No dividends shall be payable otherwise than in accordance with the 2006 Act and out of the profits of the Company available for that purpose and no dividend shall exceed the amount recommended by the directors.
- 34.3 Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid-up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro rata according to the amount paid up on the shares during any portion or portions of the period in respect of which 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.
- 34.4 The directors may if they think fit from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company and are permitted by the 2006 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 2006 Act) pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders deferred or non preferred rights as well as in respect of those shares which confer on the holders 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. The directors may also pay half yearly, or at other suitable intervals to be settled by them, any dividend which may be payable at a fixed rate if they are of opinion that the profits justify the payment and if and to the extent that such payment is permitted by the 2006 Act. Provided the directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non preferred rights.
- 34.5 Subject to the provisions of the 2006 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, its profits and losses 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. 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.
- 34.6 The directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

- 34.7 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 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.
- 34.8 The directors may retain the dividends payable upon shares in respect of which any person is, under the provisions of Article 10, entitled to become a member, or which any person is under those provisions entitled to transfer those shares, until such person shall become a member in respect of such shares or shall transfer the same
- 34.9 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 of such amount.
- 34.10 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
- 34.11 Any dividend which has remained unclaimed for a period of twelve years from the date of declaration shall at the expiration of that period be forfeited and cease to remain owing by the Company and shall belong to the Company absolutely.
- 34.12 Any dividend or other moneys payable on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it and in the case of joint holders to the first named of such joint holders, or to such person and such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct, and payment of the cheque or warrant shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
- 34.13 If several persons are registered as joint holders of any share, any one of them may give a valid receipt for any dividend or other moneys payable on or in respect of the share.
- 34.14 The Board may, if authorised by an Ordinary Resolution of the Company, 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 Board) of any dividend specified by the Ordinary Resolution. The following provisions shall apply
- 34.14.1 An ordinary resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period, but such period may not end later than the beginning of the annual

general meeting next following the date of the meeting at which the ordinary resolution is passed

- 34 14.2 The entitlement of each holder of Ordinary Shares to new Ordinary Shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forego. For this purpose, "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's Ordinary Shares on the AIM Market of the London Stock Exchange as derived from the AIM appendix to the Daily Official List (or such other exchange upon which the Company's shares are traded, if different), 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 the Ordinary Resolution and where the Company's shares are not quoted on a recognised market, the "relevant value" shall be that which is determined by the auditors. 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.
- 34 14.3 On or as soon as practicable after announcing that it is to declare or recommend any dividend, the Board, if it intends to offer an election in respect of that dividend, shall also announce that intention, and shall, after determining the basis of allotment if it decides to proceed with the offer, notify the holders of Ordinary Shares in writing of the right of election to them, and specify the procedure to be followed and the place at which, and the latest time by which elections must be lodged in order to be effective.
- 34 14 4 The Board shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined.
- 34.14.5 The Board may exclude from any offer any holders of Ordinary Shares where the Board believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them.
- 34.14 6 The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary Shares in respect of which an election has been made ("the elected Ordinary Shares") and instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of the allotment calculated as stated. For such purpose, the Board 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) whether or not the same is available for distribution as the Board 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 new Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that basis.

34.14.7 The additional Ordinary Shares when allotted shall rank pari passu in all respects with the fully paid shares then in issue except that they will not be entitled to participation in the relevant dividend

34.14.8 A general meeting declaring a dividend 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 and where any difficulty arises in regard to the distribution the directors may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets, or any part of them, and may determine that cash payments shall be made to any members upon the basis of the value so fixed in order to adjust the rights of members, and may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the directors, and 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.

34 14 9 In this Article 34, reference to "in writing" shall include electronic form.

### 35. **RESERVES**

The directors may before recommending any dividend, whether preferential or otherwise, carry to reserve out of the profits of the Company, (including any premiums received upon the issue of debentures or other securities or rights of the Company) such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applied for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested in such investments (including, but subject to the provisions of the 2006 Act, the shares of the Company or its holding company, if any) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward any profits which they may think it prudent not to divide.

### 36. **CAPITALISATION**

36.1 The Company in general meeting may upon the recommendations of the directors resolve that it is desirable to capitalise any undivided profits of the Company standing to the credit of the profit and loss account or otherwise available for distribution (not being required for the payment of fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits) and accordingly that the directors be authorised and directed to appropriate the profits resolved to be capitalised to the members who would have been entitled to it if distributed by way of dividend and in the same proportions on condition that the same is not paid in cash but is applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up

in full new shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members and the directors shall give effect to such resolution

- 36.2 The Company in general meeting may, subject to the provisions of the 2006 Act and upon the recommendation of the directors, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any reserve account of the Company (including its share premium account and capital redemption reserve) and whether or not available for distribution by applying such sum in paying up in full new shares to be allotted as fully paid shares to those members of the Company who would have been entitled to that sum if it were distributed by way of dividend (and in the same proportions), and the directors shall give effect to such resolution.
- 36.3 Whenever such a resolution has been passed, the directors shall make all appropriations and applications of the profits or sum resolved to be capitalised, and (subject to the provisions of the 2006 Act) all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required with full power to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit, or to make provision whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned, and also to authorise any person to enter on behalf of all the members entitled to the benefit of such appropriations and applications into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, and any agreement made under such authority shall be effective and binding on all such members.

## **37 ACCOUNTS**

- 37.1 The directors shall cause accounting records to be kept and preserved in accordance with the 2006 Act. The accounting records shall be kept at the Office, or (subject to the provisions of the 2006 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 authorised by the directors or by the Company in general meeting
- 37.2 The directors shall from time to time, in accordance with the provisions of the 2006 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 2006 Act
- 37.3 A copy of every balance sheet and profit and loss account (including every document required by law to be annexed to it) which is to be laid before the Company in General Meeting and of the Directors' and Auditors' reports shall not less than twenty-one days before the date of the meeting be sent to, every member and to every holder of debentures of the Company (such documents may be sent in electronic form), provided that

37.3.1 this Article shall not require copies of such documents to be sent to any person to whom, by virtue of Section 423 of the 2006 Act, 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; and

37.3.2 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.

## **38. AUDITORS**

38.1 Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the 2006 Act. Subject to the provisions of the 2006 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.

38.2 In respect of each financial year of the Company the accounts of the Company shall be examined and the correctness of the balance sheet, profit and loss account and group accounts (if any) ascertained by an auditor or auditors

38.3 The auditor or 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 him or them as auditor or auditors

38.4 The Company shall comply with the provisions of the 2006 Act relating to the sending of copies of special notices of certain resolutions concerning changes of auditors and to the giving notice of, and circulating to members, representations made by auditors retiring or proposed to be removed

## **39. NOTICES**

39.1 Notwithstanding anything to the contrary in these Articles, any notice or document to be given, sent, issued, deposited, served, delivered or lodged (or the equivalent) to or by any person pursuant to these Articles (other than a notice calling a meeting of the Directors) shall be in writing and shall be sent either in hard copy form or where specified in any particular Article or otherwise if the Board in its absolute discretion considers appropriate for any purpose or purposes under these Articles in electronic form to an address for the time being notified for that purpose to the person giving the notice, but subject always to the provisions of the 2006 Act and this Article 39. In the case of notices or other documents sent in electronic form, subject to the 2006 Act, the Board may make this subject to such terms and conditions as it shall in its absolute discretion consider appropriate.

39.2 Any notice, document or information (including a share certificate) may be sent or supplied by the Company (at its sole discretion) to any member either

- 39 2 1 personally; or
  - 39 2 2 by sending it by post in a prepaid envelope addressed to the member at his registered address or postal address for service, or by leaving it at that address;
  - 39 2 3 subject to the provisions of the 2006 Act, by sending it in electronic form to a person who has agreed (generally or specifically) that the notice, document or information may be sent or supplied in that form (and has not revoked that agreement) to the address being notified by the member for that purpose, or
  - 39 2 4 subject to the provisions of the 2006 Act, by making it available on a website, provided that the requirements in Article 39 3 are satisfied
- 39 3 The requirements referred to in Article 39.2.4 are that
- 39.3 1 the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked the agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, documents and information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement),
  - 39.3.2 the member is sent a notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed ("notification of availability"),
  - 39 3.3 in the case of a notice of meeting, the notification of availability complies with section 309 of the 2006 Act; and
  - 39 3 4 the notice, document or information continues to be published on that website as required by the 2006 Act.
- 39.4 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the Register in respect of the joint holding. Notice so given shall be sufficient notice to all the joint holders and the agreement of any joint holder that their notices, documents and information may be supplied in electronic form or by being made available on a website shall be binding on all joint holders
- 39 5 Where a member (or, in the case of joint holders, the person first named in the Register) has a registered address outside the United Kingdom but has notified the Company of an address within the United Kingdom at which notices or other documents may be given to him or, if the Board in its absolute discretion permits, an address to which notices or documents may be sent in electronic form, he shall be entitled to have notices or documents given or

sent to him at that address but otherwise no such member shall be entitled to receive any notice or document from the Company

- 39.6 If on at least two consecutive occasions the Company has attempted to send notices or documents in electronic form to an address for the time being notified to the Company by a member for that purpose but the Company is aware that there has been a failure of delivery of such notice or document, then the Company shall thereafter send notices or documents through the post to such member at his registered address or his address for the service of notices by post, in which case the provisions in Article 39 9 shall apply accordingly.
- 39.7 If on three consecutive occasions notices or other documents have been sent in hard copy form to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices, or if the Board in its absolute discretion permits, an address to which notices may be sent in electronic form
- 39.8 The Company may give notice to the person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or representative by operation of law, at the address (if any) within the United Kingdom or if the Board in its absolute discretion permits an address to which notices may be sent in electronic form supplied for the purpose by the person claiming to be so entitled Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred
- 39.9 Any notice, certificate or other document, addressed to a member at his registered address or address for service in the United Kingdom shall, if sent by post, be deemed to have been served or delivered on the day after the day when it was put in the post (or, where second class mail is employed, on the second day after the day when it was put in the post) Proof that an envelope containing the notice or document was properly addressed and put into the post as a prepaid letter shall be conclusive evidence that the notice was given. Any notice, certificate or other document not sent by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day on which it was so delivered or left.
- 39 10 Subject to Article 39 6, any notice or other document addressed to a member shall, if sent in electronic form, be deemed to have been served or delivered at the expiration of 24 hours after the time it was first sent In proving such service or delivery it shall be conclusive to prove that the address used for the communication in electronic form was correct and that the communication in electronic form was properly dispatched by the Company.
- 39.11 Any notice or document which is made available on a website shall be deemed, to have been received as set out in section 1147(4) of the 2006 Act.



39 12 Where a document is required under these Articles to be signed by a member or any other person, if the document is in electronic form (as is permitted under these Articles), then in order to be valid the document must either:

39.12.1 incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form by the directors may approve, or

39 12.2 be accompanied by such other evidence as the directors may require in order to be satisfied that the document is genuine.

The Company may designate mechanisms for validating any such document and a document not validated by the use of any such mechanisms shall be deemed as having not been received by the Company.

39 13 A shareholder who has agreed to receive documents or information electronically shall be entitled to receive them in hard copy form upon request in accordance with section 1145 of the 2006 Act

39.14 Any member present, either personally or by proxy or in the case of a corporation by a duly authorised representative, at any general meeting of the Company or of the holders of any class of share in the Company shall for all purposes be deemed to have received due notice of that meeting, and of the purposes for which the meeting was called.

39 15 Every person who, by operation of law, transfer or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice given by the Company under Section 793 of the 2006 Act) which, before his name is entered in the Register, has been duly given to a person from whom he derives his title

39 16 Any notice to be given by the Company to the members or any of them, and not otherwise provided for by these Articles, shall be sufficiently given if given by advertisement in at least one national newspaper published in the United Kingdom and, where the Company keeps an overseas register, in at least one daily newspaper published in the territory in which such register is maintained Any notice given by advertisement shall be deemed to have been served at noon on the day on which the advertisement first appears

#### 40 **WINDING UP**

40 1 If the Company shall be wound up (whether the liquidation is altogether voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the 2006 Act, divide among the members in specie the whole or any part of the assets of the Company 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 such authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with such authority, 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 shares in respect of which there is a liability

- 40 2 A special resolution sanctioning a transfer or sale to another company duly passed pursuant to Section 110 of the Insolvency Act 1986 may similarly authorise the distribution of any shares or other consideration receivable by the liquidator among the members otherwise than in accordance with their existing rights, and any such determination shall be binding on all the members, subject to the right of dissent and consequential rights conferred by such section.

#### 41 **RECORD DATES**

- 41.1 Notwithstanding any other provision of these Articles but without prejudice to the rights attached to any shares and subject always to the 2006 Act the Company or the Board may by resolution specify any date (the "record date") as the date at the close of business (or such other time as the Board may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such record date may be on or at any time before the date on which the same is paid, made, given or served or (in the case of any dividend, distribution, interest, allotment or issue) at any time after the same is recommended, resolved, declared or announced but without prejudice to the rights inter se in respect of the same of transferors and transferees of any such shares or other securities. No change in the register of such holders after the record date shall invalidate the same

#### 42. **INDEMNITY**

- 42 1 Subject to article 42 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- 42.1.1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

42.1 1 1 in the actual or purported execution and/or discharge of his duties, or in relation to them, and

42 1 1.2 in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and

- 42.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 42 1 1 and

otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

42 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and shall apply to the extent it is not so prohibited or rendered void

42 3 In this article:

42 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

42 3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

#### 43. **INSURANCE**

43 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

43 2 In this article

43 2 1 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),

43.2 2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

43.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.