

Company No 09093331

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

of

OXFORD SCIENCES INNOVATION PLC

(the "Company")

At the Annual General Meeting of the Company held at The Bahari Room, The Weston Library, Broad Street, Oxford OX1 3BG on 25 May 2016 the following resolution was duly passed as a special resolution

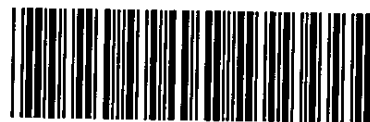
SPECIAL RESOLUTION

THAT the Articles of Association produced to the Meeting and for the purposes of identification marked "A" and signed by the Chairman of the Meeting, be adopted in substitution for and to the exclusion of the existing Articles of Association of the Company



For and on behalf of
Pinsent Masons Secretarial Limited
Company Secretary

TUESDAY



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A17

19/07/2016

#264

COMPANIES HOUSE

Company No 09093331

"A"

PETER DAVIES

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
of
OXFORD SCIENCES INNOVATION PLC

Incorporated 19 June 2014
(Adopted by special resolution on 25 May 2016)



Pinsent Masons

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**ARTICLES OF ASSOCIATION
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**Incorporated 19 June 2014
(Adopted by special resolution on 25 May 2016)**

PART 1

INTERPRETATION, LIMITATION OF LIABILITY AND SHARE CAPITAL

1 DEFINED TERMS

In these articles, unless the context requires otherwise

"Act" means the Companies Act 2006,

"Aggregate New Issue" means the sum of

- (a) the total number of Ordinary Shares to be issued in the New Issue, plus, and
- (b) the Conversion Number of Ordinary Shares arising on the relevant Special Share Conversion Date,

"alternate" or "alternate director" has the meaning given in article 26,

"appointor" has the meaning given in article 26,

"articles" means the company's articles of association,

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

"call" has the meaning given in article 56,

"call notice" has the meaning given in article 56,

"certificate" means a paper certificate (other than a share warrant) evidencing a person's title to specified shares or other securities,

"certificated" in relation to a share, means that it is not an uncertificated share or a share in respect of which a share warrant has been issued and is current,

"chairman" has the meaning given in article 14,

"chairman of the meeting" has the meaning given in article 32,

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

"company's lien" has the meaning given in article 52,

"Consolidated Share" has the meaning given in article 4 15 3,

"Conversion" means conversion of any share effected in accordance with or pursuant to any provision of these articles,

"Conversion Article" means article 4 15,

"Conversion Number" means such number of Ordinary Shares as will, after conversion, represent the Relevant Term Percentage of the Aggregate New Issue (therefore being equal to such whole number of Ordinary Shares as is nearest to (but does not exceed) the total number of shares in the New Issue multiplied by a factor of $RTP/(1-RTP)$ where RTP is the Relevant Term Percentage expressed as a decimal fraction of 1 (so for example

- (i) a Relevant Term Percentage of 5% is expressed as 0.05,
- (ii) if 95 Ordinary Shares are to be issued in a New Issue, the Conversion Number will be 5 ($(0.05/0.95) \times 95$),

"Converting Share" has the meaning given in article 4 15 1,

"Deferred Shares" means the redeemable Deferred Shares of 1 pence each in the capital of the company (if any),

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

"distribution recipient" has the meaning given in article 74,

"document" includes, unless otherwise specified, any document sent or supplied in electronic form,

"electronic form" has the meaning given in section 1168 of the Act,

"Founder" means David Norwood,

"Framework Agreement" means the agreement of that name made to be entered into on or around 18 March 2015 between (1) the company, (2) the University and (3) ISIS Innovation Limited,

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company,

"hard copy form" has the meaning given in section 1168 of the Act,

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares, or, in the case of a share in respect of which a share warrant has been issued (and not cancelled), the person in possession of that warrant,

"Initial Term" means the period from the date of the Framework Agreement until the earlier of (i) the fifteenth anniversary thereof or (ii) the date of termination of the Framework Agreement in accordance with its terms,

"Initial Term Percentage" means five per cent,

"instrument" means a document in hard copy form,

"lien enforcement notice" has the meaning given in article 55,

"member" has the meaning given in section 112 of the Act,

"New Issue" means each issue of Ordinary Shares by the company during the term of the Framework Agreement, howsoever effected, including for this purpose the creation of new Ordinary Shares by the exercise of warrants or the conversion of any class of share but excluding (i) any such issue arising on the conversion of the Special Shares, (ii) any issue made to the University pursuant to clause 4 2(b), 4 3(b) or 4 4(b) of the Framework Agreement and (iii) any such issue made as a bonus issue or issue by way of scrip dividend to the holders of Ordinary Shares, pro rata to their holdings of such shares at the relevant time,

"New Share" has the meaning given in article 4 15 1,

"ordinary resolution" has the meaning given in section 282 of the Act,

"Ordinary Shares" means ordinary shares of 1 pence each in the capital of the company,

"ordinary shareholders" means holders of Ordinary Shares,

"Oxford Funds" means the fund administered by the University as a single unitised trust structure constituted pursuant to Section 2 of the Universities and Colleges (Trusts) Act 1943, such fund being managed by Oxford University Endowment Management Limited (OUEM)

"paid" means paid or credited as paid,

"participate", in relation to a directors' meeting, has the meaning given in article 11,

"partly paid" in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the company,

"Pre-emptive Issue" means an offer of equity securities to ordinary shareholders or an invitation to ordinary shareholders to apply to subscribe for equity securities (whether by way of rights issue, open offer or otherwise) where the equity securities respectively attributable to the interests of ordinary shareholders are proportionate (as nearly as practicable) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to fractional entitlements or any legal, regulatory or practical problems under the laws or regulations of any territory or the requirements of any regulatory body or stock exchange,

"Prescribed Period" means any period for which the authority conferred by article 3 2 is given by ordinary or special resolution stating the Section 551 Amount and/or the power conferred by article 3 3 is given by special resolution stating the Section 561 Amount,

"proxy notice" has the meaning given in article 40,

"Relevant Number" means, in relation to Special Shares such number of Special Shares as is required or expedient to give effect to such conversion in the manner resolved by the board of the company in accordance with the Conversion Article, but provided always that following any such conversion of the Relevant Number of Special Shares there must remain at least one hundred Special Shares in issue,

"Relevant Term Percentage" means

- (a) during the Initial Term the Initial Term Percentage,
- (b) during any Second Term the Second Term Percentage, and
- (c) during any Subsequent Term the Subsequent Term Percentage,

"Second Term" means, if the Framework Agreement is not terminated on the expiry of the Initial Term, the period from (and excluding) the last day of the Initial Term until the earlier of (i) the fifteenth anniversary thereof or (ii) the date of termination of the Framework Agreement in accordance with its terms,

"Second Term Percentage" means five per cent or such other proportion as the parties to the Framework Agreement have agreed in accordance with clauses 2 2 or 2 3 thereof,

"Section 551 Amount" means, for any Prescribed Period, the amount stated as such in the relevant ordinary or special resolution,

"Section 561 Amount" means, for any Prescribed Period, the amount stated as such in the relevant special resolution,

"securities seal" has the meaning given in article 49,

"shareholder" means a holder of shares,

"shares" means shares in the company,

"special resolution" has the meaning given in section 283 of the Act,

"Special Shares" means the convertible redeemable special shares of 1 pence each in the capital of the company,

"Special Share Conversion Date" means each date on which a New Issue is made and/or otherwise becomes effective,

"Subsequent Term" means, if the Framework Agreement is not terminated on the expiry of the Second Term, the period from (and excluding) the last day of the Second Term until the earlier of (i) the fifteenth anniversary thereof or (ii) the date of termination of the Framework Agreement in accordance with its terms,

"Subsequent Term Percentage" means five per cent or such other (if any) proportion as the parties to the Framework Agreement have agreed in accordance with clause 2 4 thereof,

"subsidiary" has the meaning given in section 1159 of the Act,

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law,

"uncertificated" in relation to a share means that, by virtue of legislation (other than section 778 of the Act) permitting title to shares to be evidenced and transferred without a certificate, title to that share is evidenced and may be transferred without a certificate,

"University" means The Chancellor, Masters and Scholars of the University of Oxford, and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

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

2 LIABILITY OF MEMBERS

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

3 SHARE CAPITAL

3 1 As at the date of the adoption of these articles the company's share capital is divided into Ordinary Shares, Special Shares and Deferred Shares

3 2 The board has general and unconditional authority to exercise all the powers of the company to allot shares in the company or to grant rights to subscribe for or to convert any security into shares in the company up to an aggregate nominal amount equal to the Section 551 Amount, for each Prescribed Period

3 3 The board is empowered for each Prescribed Period to allot equity securities for cash pursuant to the authority conferred by article 3 2 as if section 561 of the Act did not apply to any such allotment, provided that its power shall be limited to

- (a) the allotment of equity securities in connection with a Pre-emptive Issue, and
- (b) the allotment (otherwise than pursuant to article 3 3(a) of equity securities up to an aggregate nominal amount equal to the Section 561 Amount

This article applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(3) of the Act as if in this article the words "pursuant to the authority conferred by article 3 2" were omitted

3 4 The company may make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after an authority given pursuant to article 3 2 or a power given pursuant to article 3 3 has expired. The board may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if the authority or power pursuant to which that offer or agreement was made had not expired

4 SHARE RIGHTS

Dividend rights

4 1 Subject to (a) the directors recommending payment of same and (b) the following provisions of this article 4 1, the profits available for distribution which the company may determine to distribute shall be distributed to the holders of the Ordinary Shares according to the number of such shares held by the relevant shareholder

The Deferred Shares and the Special Shares shall carry no right or entitlement to receive any distribution or dividend, save that on conversion of a Special Share into an Ordinary Share such Ordinary Share shall rank equally with all existing Ordinary Shares then in issue

Return of capital

- 4 2 On return of capital on liquidation or otherwise the surplus assets of the company remaining after the payment of its liabilities and payments in priority shall be applied in the following order
- (a) in paying to the holders of Ordinary Shares and Special Shares *pari passu* as if the same constituted one class of share, an amount equal to the amount paid up thereon,
 - (b) the balance (if any) shall be distributed among the holders of the Ordinary Shares according to the number of such shares held by the relevant shareholder at the relevant time until such time as the holder of the Ordinary Shares shall have received in respect of each Ordinary Share held by it an amount equal to the amount paid up thereon and £1,000,000,000,
 - (c) the balance (if any) shall be applied in paying to each holder of Deferred Shares in respect of each Deferred Share of which it is the holder, an amount equal to the amount paid up thereon, and
 - (d) thereafter any remaining balance shall be distributed pro rata among the holders of the Ordinary Shares according to the number of Ordinary Shares held by each shareholder at the relevant time

Voting rights

- 4 3 The voting rights attaching to the shares shall, subject to the operation of Article 22 4 be as follows
- (a) on a show of hands every qualifying person (as defined in section 318(3) of the Act) who holds an Ordinary Share and (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote,
 - (b) on a resolution to be passed at a general meeting of the company on a poll every shareholder holding one or more Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each Ordinary Share of which it is the holder, and
 - (c) the holders of Deferred Shares and Special Shares (but without prejudice the right of the University to exercise the voting rights in Article 22 4 if at the relevant time it holds only Special Shares), shall not be entitled to attend, speak or vote at any general meeting of the company be reason of holding any such shares

Redemption rights

- 4 4 The Ordinary Shares shall not be redeemable
- 4 5 Any Deferred Shares in issue shall be redeemable at any time at the election of the board for an aggregate consideration of £1 per holder for all Deferred Shares in issue held by such holder
- 4 6 Where Deferred Shares are to be redeemed in accordance with article 4 5 the company shall give to the holders of the Deferred Shares falling to be redeemed prior notice in writing of the redemption (a "**Company Redemption Notice**") The Company Redemption Notice shall specify the particular Deferred Shares to be redeemed and the date fixed for redemption and shall be given not less than 14 nor more than 28 days prior to the date fixed for redemption

- 4 7 If the company is unable, because of having insufficient available profits to redeem in full the relevant number of Deferred Shares on the date fixed for redemption, the company shall redeem as many of such Deferred Shares as can lawfully and properly be redeemed and the company shall redeem the balance as soon as it is lawfully and properly able to do so
- 4 8 If the company is at any time redeeming fewer than all the Deferred Shares from time to time in issue, the number of shares to be redeemed shall be apportioned between those holders of the Deferred Shares then in issue pro rata according to the number of Deferred Shares held by them respectively at the date fixed for redemption
- 4 9 On the date fixed for redemption, each of the holders of the Deferred Shares falling to be redeemed shall be bound to deliver to the company, at the company's registered office, the certificate(s) for such Deferred Shares (or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the company's register of members in respect of such shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies
- 4 10 If any certificate delivered to the Company pursuant to article 4 9 includes any Deferred Shares not falling to be redeemed on the date fixed for redemption, a new certificate in respect of those shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 14 days thereafter)

Transfers

- 4 11 The Special Shares and the Deferred Shares shall be non-transferable

Conversion of Special Shares

- 4 12 On each Special Share Conversion Date the board of the company shall, in any manner permitted by article 4 15 convert the Relevant Number of Special Shares into the Conversion Number of Ordinary Shares. Ordinary Shares resulting from such conversion shall in all respects rank *pari passu* with the existing issued Ordinary Shares. The board shall give notice to the holders of the Special Shares no later than five business days prior to the proposed making of any New Issue confirming to the holders of the Special Shares how the company proposes to implement their conversion rights pursuant to these articles
- 4 13 On the date of Conversion the company shall enter the holder of the Special Shares into the register of members as the holder of the appropriate number of Ordinary Shares and subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the directors) in respect of its Special Shares, the company shall within ten days forward to such holder by post to his address (as recorded in the register of members), free of charge, a definitive certificate for the appropriate number of shares
- 4 14 Immediately after the termination or expiry of the Framework Agreement all outstanding Special Shares shall convert into Deferred Shares

Mechanics of Conversion

- 4 15 The directors may determine to effect Conversion of any shares of one class into shares of any other class under these articles in such manner as they shall, subject to these articles, determine at their discretion including
- 4 15 1 by redesignating any share to be so converted (the "**Converting Share**") into a share of another class (the "**New Share**") where both the Converting Share and the New Share have, prior to such conversion, the same

nominal value and, where required to ensure that there are sufficient Converting Shares to redesignate in this manner to satisfy the relevant conversion rights under these articles the board of the company may issue additional fully-paid Converting Shares to the holders of the Converting Shares as a capitalisation of profits or reserves in accordance with these articles,

4 15 2 by redeeming the Converting Shares at par, either out of distributable profits of the company or out of the proceeds of a fresh issue of New Shares made for that purpose, provided that the directors shall first have obtained all requisite authorities for the purpose of enabling them to allot the New Shares which will be allotted pursuant to this article and/or to grant rights to subscribe therefor. If the directors decide to redeem out of distributable profits of the company, the Converting Shares to be so redeemed shall confer on the holder thereof the right and the obligation to subscribe for the New Shares to arise from Conversion at such premium (if any) as shall represent the amount by which the redemption moneys exceed the aggregate nominal amount of the New Shares. In such circumstances, the holder of the Converting Shares shall be deemed irrevocably to have authorised and instructed the directors to apply the redemption moneys payable in subscribing for the New Shares at such premium (if any) as aforesaid. If the directors decide to redeem out of the proceeds of a fresh issue of shares, the Converting Shares shall confer on the holder thereof the right and the obligation to subscribe for the New Shares arising from Conversion at such premium (if any) as shall represent the amount by which the redemption moneys exceed the aggregate nominal amount of such New Shares. In such circumstances, the holder of the Converting Shares shall be deemed to have irrevocably authorised the secretary of the company (or other person appointed for the purpose by the directors) to subscribe and pay as agent on its behalf for such New Shares, and to borrow money to enable it to do so and to have further authorised and instructed the directors to apply the redemption moneys payable in repayment of any such borrowings,

4 15 3 by means of consolidation and subdivision, which may be effected pursuant to the authority conferred by the passing of the resolution which created the Converting Shares, by consolidating all the Converting Shares into a single share (the "**Consolidated Share**") and then subdividing the Consolidated Share into

- (a) such integral number of New Shares as shall have an aggregate nominal amount equal to the aggregate nominal amount of the number of New Shares into which the Converting Share is required to be converted pursuant to these articles, and
- (b) (as to any balance) such number of Deferred Shares as equals the amount expressed in pence by which the nominal amount of the Consolidated Shares exceeds the total nominal amount of the New Shares to arise from conversion pursuant to this article

4 16 As soon as reasonable practicable after any Conversion, the company shall send certificates for the New Shares and any Deferred Shares arising on Conversion to the members entitled to them and issue to them certificates for their adjusted holding of Converting Shares, cancelling the original certificate

Rights to purchase

4 17 The allotment or issue of any Deferred Shares or the conversion or re-designation of any shares into Deferred Shares shall be deemed to confer irrevocable authority on the company at any time without the sanction of such holder(s) to

- (a) appoint any person to execute any transfer (or any agreement to transfer) such shares to such person(s) as the company may determine (as nominee custodian thereof or otherwise), and/or
- (b) give, on behalf of such holder(s), consent to the cancellation of such shares, and/or
- (c) purchase all or any such shares in accordance with the Act,

in any such case (i) for a price being not more than £1 for all of the Deferred Shares registered in the name of such holder(s) and (ii) with the company having the authority pending such transfer, cancellation or purchase to retain the certificate(s) (if any in respect thereof)

Information

- 4 18 Holders of Deferred Shares shall (in that capacity) have no right to copies of accounts or to inspect minute books and generally to information and communications from and concerning the company and/or its affairs or proceedings by reason of being the holder of such shares other than those given to them by applicable law
- 4 19 Holders of Special Shares shall (in that capacity) be entitled to receive copies on all notices of meetings or proposed resolutions of the Shareholders of any other class of share and shall be entitled to attend, but not (in that capacity) vote, at such meetings (save as provided in Article 22 4)

Variation of rights

- 4 20 Whenever the share capital of the company is divided into different classes of shares, all or any of the rights attached to any such class may only be varied or abrogated with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of those shares
- 4 21 All the provisions of these articles relating to general meetings of the company or to the proceedings at general meetings shall apply, *mutatis mutandis*, to every such separate general meeting referred to in article 4 24 above except that
 - 4 21 1 the necessary quorum at any such meeting (other than an adjourned meeting and any meeting of holders of Special Shares) shall be two persons holding or representing by proxy at least one-fifth in nominal amount of the issued shares of that class,
 - 4 21 2 at an adjourned meeting the necessary quorum shall be one person holding shares of the class or his proxy,
 - 4 21 3 the necessary quorum at any separate general meeting of holders of Special Shares shall be one person holding Special Shares or his proxy, and
 - 4 21 4 every holder of shares of the class shall, on a poll, have one vote in respect of every share of the class held by him
- 4 22 A poll may be demanded by any one holder of shares of the class whether present in person or by proxy Unless otherwise expressly provided in these articles or by the terms of their issue, the rights attached to any class of shares shall not be deemed to be varied by the creation or issue of further shares ranking prior to or *pari passu* with them in any respect

4 23 Each of the following shall be deemed to constitute a variation of the rights attached to the Special Shares and such variation shall require prior written consent from the holder of the Special Shares

4 23 1 the issue and allotment of any shares, or any security which is convertible into shares, in the capital of the company or any other security (or the grant of any right to require the allotment or issue of any such securities) other than (a) the issue and allotment of Ordinary Shares or (b) the issue of further Special Shares to the University for the purpose of effecting Conversion, and

4 23 2 any change to the rights, preferences and privileges of the Special Shares

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

5 DIRECTORS' GENERAL AUTHORITY

Subject to these articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company

6 MEMBERS' RESERVE POWER

6 1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action

6 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

7 DIRECTORS MAY DELEGATE

7 1 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles

- (a) to such person or committee,
- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories, and
- (e) on such terms and conditions,

as they think fit

7 2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated

7 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

8 COMMITTEES

8 1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these articles which govern the taking of decisions by directors

- 8 2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them

DECISION-MAKING BY DIRECTORS

9 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

Decisions of the directors may be taken

- (a) at a directors' meeting, or
- (b) in the form of a directors' written resolution

10 CALLING A DIRECTORS' MEETING

- 10 1 Any director may call a directors' meeting
- 10 2 The company secretary must call a directors' meeting if a director so requests
- 10 3 A directors' meeting is called by giving notice of the meeting to the directors
- 10 4 Notice of any directors' meeting must indicate
- (a) its proposed date and time,
 - (b) where it is to take place, and
 - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting
- 10 5 Notice of a directors' meeting must be given to each director, but need not be in writing
- 10 6 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

11 PARTICIPATION IN DIRECTORS' MEETINGS

- 11 1 Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when
- (a) the meeting has been called and takes place in accordance with these articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- 11 2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other
- 11 3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

12 QUORUM FOR DIRECTORS' MEETINGS

- 12 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

- 12 2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two

13 MEETINGS WHERE TOTAL NUMBER OF DIRECTORS LESS THAN QUORUM

- 13 1 This article applies where the total number of directors for the time being is less than the quorum for directors' meetings

- 13 2 If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so

- 13 3 If there is more than one director

- (a) a directors' meeting may take place, if it is called in accordance with these articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
- (b) if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so

14 CHAIRING DIRECTORS' MEETINGS

- 14 1 The directors may appoint a director to act as chairman of the company and to chair their meetings

- 14 2 The person so appointed for the time being is known as the chairman

- 14 3 The directors may appoint other directors as deputy or assistant chairmen to chair directors' meetings in the chairman's absence

- 14 4 The directors may terminate the appointment of the chairman, deputy or assistant chairman at any time

- 14 5 If neither the chairman nor any director appointed generally to chair directors' meetings in the chairman's absence is participating in a meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

15 VOTING AT DIRECTORS' MEETINGS: GENERAL RULES

- 15 1 Subject to these articles, a decision is taken at a directors' meeting by a majority of the votes of the participating directors

- 15 2 Subject to these articles, each director participating in a directors' meeting has one vote

- 15 3 Subject to these articles, if a director has an interest in an actual or proposed transaction or arrangement with the company

- (a) that director and that director's alternate may not vote on any proposal relating to it, but
- (b) this does not preclude the alternate from voting in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest

16 **CHAIRMAN'S CASTING VOTE AT DIRECTORS' MEETINGS**

16 1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote

16 2 But this does not apply if, in accordance with these articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

17 **ALTERNATES VOTING AT DIRECTORS' MEETINGS**

A director who is also an alternate director has an additional vote on behalf of each appointor who is

(a) not participating in a directors' meeting, and

(b) would have been entitled to vote if they were participating in it

18 **CONFLICTS OF INTEREST**

18 1 If a directors' meeting, or part of a directors' meeting, is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes

18 2 But if article 18 3 applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in a decision at a directors' meeting, or part of a directors' meeting, relating to it for quorum and voting purposes

18 3 This article 18 3 applies when

(a) the company by ordinary resolution disapplies the provision of these articles which would otherwise prevent a director from being counted as participating in, or voting at, a directors' meeting,

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or

(c) the director's conflict of interest arises from a permitted cause

18 4 For the purposes of this article, the following are permitted causes

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries,

(b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities, and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors

18 5 Subject to article 18 6, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive

- 18 6 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

19 **PROPOSING DIRECTORS' WRITTEN RESOLUTIONS**

- 19 1 Any director may propose a directors' written resolution
- 19 2 The company secretary must propose a directors' written resolution if a director so requests
- 19 3 A directors' written resolution is proposed by giving notice of the proposed resolution to the directors
- 19 4 Notice of a proposed directors' written resolution must indicate
- (a) the proposed resolution, and
 - (b) the time by which it is proposed that the directors should adopt it
- 19 5 Notice of a proposed directors' written resolution must be given in writing to each director
- 19 6 Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith

20 **ADOPTION OF DIRECTORS' WRITTEN RESOLUTIONS**

- 20 1 A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it, provided that those directors would have formed a quorum at such a meeting
- 20 2 It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted
- 20 3 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with these articles
- 20 4 The company secretary must ensure that the company keeps a record, in writing, of all directors' written resolutions for at least ten years from the date of their adoption

21 **DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

- 21 1 Subject to these articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors

APPOINTMENT OF DIRECTORS

22 **METHODS OF APPOINTING DIRECTORS**

- 22 1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director
- (a) by ordinary resolution,

- (b) by a decision of the directors provided that if one or more director has been appointed by the University in accordance with Article 22 2, that one such director has approved such appointment, or
- (c) if that person has been nominated by the University in accordance with Article 22 2 and has been approved, or is deemed to have been approved, by the board, by the University

22 2 For so long as the University holds any share in the company the University shall have the right to nominate and (provided that the relevant nominees are approved or deemed to be approved by the board) up to three persons as non-executive directors of the company from time to time The University shall have the right to remove any person so appointed and the right to nominate a person in his place in accordance with Article 22 1 The University shall also have the right to nominate a replacement if the office of any director nominated by it pursuant to this article is vacated The University shall effect any such nomination by written notice to the company If the University elects to remove a person it has nominated as a director it shall indemnify the company against any claim that the director may bring in connection with his ceasing to hold such office or by reason of any termination of his employment or engagement by the company

22 3 For the purposes of Article 22 2, if the board has not approved any person nominated by the University to be its director, and the University, acting reasonably has put forward a replacement nominee, such replacement nominee shall be deemed to be approved by the board and no further approval shall be required

22 4 On any resolution proposed to remove or replace a director appointed by the University in accordance with Article 22 2 the University shall be entitled to vote and to cast such a number of votes as represents a majority of the votes cast on the resolution

23 **TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) notification is received by the company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms, or
- (g) (in circumstances where that person has been appointed by the University in accordance with Article 22 2) the University gives notice of such director's removal or replacement in accordance with Article 22 2

24 DIRECTORS' REMUNERATION

24 1 Directors may undertake any services for the company that the directors decide

24 2 Directors are entitled to such remuneration as the directors determine

(a) for their services to the company as directors, and

(b) for any other service which they undertake for the company

24 3 Subject to these articles, a director's remuneration may

(a) take any form, and

(b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director

24 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day

24 5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested

25 DIRECTORS' EXPENSES

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at

(a) meetings of directors or committees of directors,

(b) general meetings, or

(c) separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

ALTERNATE DIRECTORS

26 APPOINTMENT AND REMOVAL OF ALTERNATES

26 1 Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

(a) exercise that director's powers, and

(b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor

26 2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors

26 3 The notice must

(a) identify the proposed alternate, and

- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

27 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

27 1 An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor

27 2 Except as these articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors

27 3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
- (b) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor)

No alternate may be counted as more than one director for such purposes

27 4 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

28 TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates, except that an alternate's appointment as an alternate does not terminate when the appointor retires by rotation at a general meeting and is then re-appointed as a director at the same general meeting

PART 3

DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

29 MEMBERS CAN CALL GENERAL MEETING IF NOT ENOUGH DIRECTORS

If

- (a) the company has fewer than two directors, and
- (b) the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so,

then two or more members may call a general meeting (or instruct the company secretary to do so) for the purpose of appointing one or more directors

30 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

30 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting

30 2 A person is able to exercise the right to vote at a general meeting when

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

30 3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

30 4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other

30 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

31 QUORUM FOR GENERAL MEETINGS

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

32 CHAIRING GENERAL MEETINGS

32 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

32 2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start

- (a) the directors present, or
- (b) (if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting

32 3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

33 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

33 1 Directors may attend and speak at general meetings, whether or not they are members

- 33 2 The chairman of the meeting may permit other persons who are not
- (a) members of the company, or
 - (b) otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting

34 ADJOURNMENT

- 34 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it

- 34 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

- 34 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

- 34 4 When adjourning a general meeting, the chairman of the meeting must

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

- 34 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain

- 34 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

VOTING AT GENERAL MEETINGS

35 VOTING: GENERAL

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

36 ERRORS AND DISPUTES

- 36 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid

- 36 2 Any such objection must be referred to the chairman of the meeting whose decision is final

37 DEMANDING A POLL

37 1 A poll on a resolution may be demanded

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

37 2 A poll may be demanded by

- (a) the chairman of the meeting,
- (b) the directors,
- (c) two or more persons having the right to vote on the resolution, or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution

37 3 A demand for a poll may be withdrawn if

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal

38 PROCEDURE ON A POLL

38 1 Subject to these articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs

38 2 The chairman of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared

38 3 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded

38 4 A poll on

- (a) the election of the chairman of the meeting, or
- (b) a question of adjournment,

must be taken immediately

38 5 Other polls must be taken within 30 days of their being demanded

38 6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded

38 7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded

38 8 In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken

39 CONTENT OF PROXY NOTICES

39 1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which

- (a) states the name and address of the member appointing the proxy,
 - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,
 - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine, and
 - (d) is delivered to the company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate
- 39 2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
- 39 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
- 39 4 Unless a proxy notice indicates otherwise, it must be treated as
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself
- 40 **DELIVERY OF PROXY NOTICES**
- 40 1 Any notice of a general meeting must specify the address or addresses ("proxy notification address") at which the company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form
- 40 2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person
- 40 3 Subject to articles 40 4 and 40 5, a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates
- 40 4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll
- 40 5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered
 - (a) in accordance with article 41 3, or
 - (b) at the meeting at which the poll was demanded to the chairman, secretary or any director
- 40 6 An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address
- 40 7 A notice revoking a proxy appointment only takes effect if it is delivered before
 - (a) the start of the meeting or adjourned meeting to which it relates, or

- (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates

40 8 If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

41 **AMENDMENTS TO RESOLUTIONS**

41 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if

- (a) notice of the proposed amendment is given to the company secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution

41 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

41 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

RESTRICTIONS ON MEMBERS' RIGHTS

42 **NO VOTING OF SHARES ON WHICH MONEY OWED TO COMPANY**

No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the company in respect of that share have been paid

APPLICATION OF RULES TO CLASS MEETINGS

43 **CLASS MEETINGS**

The provisions of these articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares

PART 4

SHARES AND DISTRIBUTIONS

ISSUE OF SHARES

44 **POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

44 1 Subject to these articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution

- 44 2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares

45 PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES

- 45 1 The company may pay any person a commission in consideration for that person

- (a) subscribing, or agreeing to subscribe, for shares, or
- (b) procuring, or agreeing to procure, subscriptions for shares

- 45 2 Any such commission may be paid

- (a) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other, and
- (b) in respect of a conditional or an absolute subscription

INTERESTS IN SHARES

46 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or these articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it

SHARE CERTIFICATES

47 CERTIFICATES TO BE ISSUED EXCEPT IN CERTAIN CASES

- 47 1 The company must issue each member with one or more certificates in respect of the shares which that member holds

- 47 2 This article does not apply to

- (a) uncertificated shares,
- (b) shares in respect of which a share warrant has been issued, or
- (c) shares in respect of which the Companies Acts permit the company not to issue a certificate

- 47 3 Except as otherwise specified in these articles, all certificates must be issued free of charge

- 47 4 No certificate may be issued in respect of shares of more than one class

- 47 5 If more than one person holds a share, only one certificate may be issued in respect of it

48 CONTENTS AND EXECUTION OF SHARE CERTIFICATES

- 48 1 Every certificate must specify

- (a) in respect of how many shares, of what class, it is issued,
- (b) the nominal value of those shares,
- (c) the amount paid up on them, and

- (d) any distinguishing numbers assigned to them

48 2 Certificates must

- (a) have affixed to them the company's common seal or an official seal which is a facsimile of the company's common seal with the addition on its face of the word "Securities" (a "securities seal"), or
- (b) be otherwise executed in accordance with the Companies Acts

49 **CONSOLIDATED SHARE CERTIFICATES**

49 1 When a member's holding of shares of a particular class increases, the company may issue that member with

- (a) a single, consolidated certificate in respect of all the shares of a particular class which that member holds, or
- (b) a separate certificate in respect of only those shares by which that member's holding has increased

49 2 When a member's holding of shares of a particular class is reduced, the company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after that reduction. But the company need not (in the absence of a request from the member) issue any new certificate if

- (a) all the shares which the member no longer holds as a result of the reduction, and
- (b) none of the shares which the member retains following the reduction, were, immediately before the reduction, represented by the same certificate

49 3 A member may request the company, in writing, to replace

- (a) the member's separate certificates with a consolidated certificate, or
- (b) the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify

49 4 When the company complies with such a request it may charge such reasonable fee as the directors may decide for doing so

49 5 A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the company for cancellation

50 **REPLACEMENT SHARE CERTIFICATES**

50 1 If a certificate issued in respect of a member's shares is

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed,

that member is entitled to be issued with a replacement certificate in respect of the same shares

50 2 A member exercising the right to be issued with such a replacement certificate

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,

- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced, and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

SHARES NOT HELD IN CERTIFICATED FORM

51 UNCERTIFICATED SHARES

51 1 In this article, "the relevant rules" means

- (a) any applicable provision of the Companies Acts about the holding, evidencing of title to, or transfer of shares other than in certificated form, and
- (b) any applicable legislation, rules or other arrangements made under or by virtue of such provision

51 2 The provisions of this article have effect subject to the relevant rules

51 3 Any provision of these articles which is inconsistent with the relevant rules must be disregarded, to the extent that it is inconsistent, whenever the relevant rules apply

51 4 Any share or class of shares of the company may be issued or held on such terms, or in such a way, that

- (a) title to it or them is not, or must not be, evidenced by a certificate, or
- (b) it or they may or must be transferred wholly or partly without a certificate

51 5 The directors have power to take such steps as they think fit in relation to

- (a) the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares),
- (b) any records relating to the holding of uncertificated shares,
- (c) the conversion of certificated shares into uncertificated shares, or
- (d) the conversion of uncertificated shares into certificated shares

51 6 The company may by notice to the holder of a share require that share

- (a) if it is uncertificated, to be converted into certificated form, and
- (b) if it is certificated, to be converted into uncertificated form, to enable it to be dealt with in accordance with these articles

51 7 If

- (a) these articles give the directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of shares, and
- (b) uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument,

the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares

51 8 In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it

51 9 Unless the directors otherwise determine, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form

51 10 A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form

52 **SHARE WARRANTS**

52 1 The directors may issue a share warrant in respect of any fully paid share

52 2 Share warrants must be

- (a) issued in such form, and
- (b) executed in such manner,

as the directors decide

52 3 A share represented by a share warrant may be transferred by delivery of the warrant representing it

52 4 The directors may make provision for the payment of dividends in respect of any share represented by a share warrant

52 5 Subject to these articles, the directors may decide the conditions on which any share warrant is issued. In particular, they may

- (a) decide the conditions on which new warrants are to be issued in place of warrants which are damaged or defaced, or said to have been lost, stolen or destroyed,
- (b) decide the conditions on which bearers of warrants are entitled to attend and vote at general meetings,
- (c) decide the conditions subject to which bearers of warrants may surrender their warrant so as to hold their shares in certificated or uncertificated form instead, and
- (d) vary the conditions of issue of any warrant from time to time,

and the bearer of a warrant is subject to the conditions and procedures in force in relation to it, whether or not they were decided or specified before the warrant was issued

52 6 Subject to the conditions on which the warrants are issued from time to time, bearers of share warrants have the same rights and privileges as they would if their names had been included in the register as holders of the shares represented by their warrants

52 7 The company must not in any way be bound by or recognise any interest in a share represented by a share warrant other than the absolute right of the bearer of that warrant to that warrant

PARTLY PAID SHARES

53 COMPANY'S LIEN OVER PARTLY PAID SHARES

53 1 The company has a lien ("the company's lien") over every share which is partly paid for any part of

- (a) that share's nominal value, and
- (b) any premium at which it was issued,

which has not been paid to the company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it

53 2 The company's lien over a share

- (a) takes priority over any third party's interest in that share, and
- (b) extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share

53 3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part

54 ENFORCEMENT OF THE COMPANY'S LIEN

54 1 Subject to the provisions of this article, if

- (a) a lien enforcement notice has been given in respect of a share, and
- (b) the person to whom the notice was given has failed to comply with it, the company may sell that share in such manner as the directors decide

54 2 A lien enforcement notice

- (a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the share concerned,
- (c) must require payment of the sum payable within 14 days of the notice,
- (d) must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and
- (e) must state the company's intention to sell the share if the notice is not complied with

54 3 Where shares are sold under this article

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

54 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice, and
 - (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice
- 54 5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
 - (b) subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the share
- 55 **CALL NOTICES**
- 55 1 Subject to these articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a member requiring the member to pay the company a specified sum of money (a "call") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice
- 55 2 A call notice
 - (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the company by way of premium),
 - (b) must state when and how any call to which it relates it is to be paid, and
 - (c) may permit or require the call to be paid by instalments
- 55 3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent
- 55 4 Before the company has received any call due under a call notice the directors may
 - (a) revoke it wholly or in part, or
 - (b) specify a later time for payment than is specified in the notice,by a further notice in writing to the member in respect of whose shares the call is made
- 56 **LIABILITY TO PAY CALLS**
- 56 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid
- 56 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share
- 56 3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them
 - (a) to pay calls which are not the same, or

- (b) to pay calls at different times

57 WHEN CALL NOTICE NEED NOT BE ISSUED

57 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium)

- (a) on allotment,
- (b) on the occurrence of a particular event, or
- (c) on a date fixed by or in accordance with the terms of issue

57 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

58 FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

58 1 If a person is liable to pay a call and fails to do so by the call payment date

- (a) the directors may issue a notice of intended forfeiture to that person, and
- (b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate

58 2 For the purposes of this article

- (a) the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date, and
- (b) the "relevant rate" is
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted,
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or
 - (iii) if no rate is fixed in either of these ways, 5 per cent per annum

58 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

58 4 The directors may waive any obligation to pay interest on a call wholly or in part

59 NOTICE OF INTENDED FORFEITURE

A notice of intended forfeiture

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
- (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,

- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

60 DIRECTORS' POWER TO FORFEIT SHARES

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

61 EFFECT OF FORFEITURE

61 1 Subject to these articles, the forfeiture of a share extinguishes

- (a) all interests in that share, and all claims and demands against the company in respect of it, and
- (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company

61 2 Any share which is forfeited in accordance with these articles

- (a) is deemed to have been forfeited when the directors decide that it is forfeited,
- (b) is deemed to be the property of the company, and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit

61 3 If a person's shares have been forfeited

- (a) the company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a member in respect of those shares,
- (c) that person must surrender the certificate for the shares forfeited to the company for cancellation,
- (d) that person remains liable to the company for all sums payable by that person under these articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

61 4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit

62 **PROCEDURE FOLLOWING FORFEITURE**

62 1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer

62 2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

(b) subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the share

62 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share

62 4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which

(a) was, or would have become, payable, and

(b) had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them

63 **SURRENDER OF SHARES**

63 1 A member may surrender any share

(a) in respect of which the directors may issue a notice of intended forfeiture,

(b) which the directors may forfeit, or

(c) which has been forfeited

63 2 The directors may accept the surrender of any such share

63 3 The effect of surrender on a share is the same as the effect of forfeiture on that share

63 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

TRANSFER AND TRANSMISSION OF SHARES

64 **TRANSFERS OF CERTIFICATED SHARES**

64 1 Certificated shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of

(a) the transferor, and

(b) (if any of the shares is partly paid) the transferee

64 2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share

64 3 The company may retain any instrument of transfer which is registered

64 4 The transferor remains the holder of a certificated share until the transferee's name is entered in the register of members as holder of it

64 5 The directors may refuse to register the transfer of a certificated share if

- (a) the share is not fully paid,
- (b) the transfer is not lodged at the company's registered office or such other place as the directors have appointed,
- (c) the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf,
- (d) the transfer is in respect of more than one class of share,
- (e) the transfer is in favour of more than four transferees, or
- (f) the transfer is in breach of these articles

64 6 If the directors refuse to register the transfer of a share, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

65 **TRANSFER OF UNCERTIFICATED SHARES**

65 1 A transfer of an uncertificated share must not be registered if it is in favour of more than four transferees

66 **TRANSMISSION OF SHARES**

66 1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share

66 2 Nothing in these articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member

67 **TRANSMITTEES' RIGHTS**

67 1 A transmittee who produces such evidence of entitlement to shares as the directors may properly require

- (a) may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person, and
- (b) subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had

67 2 But transmittees do not have the right to attend or vote at a general meeting in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares

68 **EXERCISE OF TRANSMITTEES' RIGHTS**

- 68 1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish
- 68 2 If the share is a certificated share and a transmittee wishes to have it transferred to another person, the transmittee must execute an instrument of transfer in respect of it
- 68 3 If the share is an uncertificated share and the transmittee wishes to have it transferred to another person, the transmittee must
- (a) procure that all appropriate instructions are given to effect the transfer, or
- (b) procure that the uncertificated share is changed into certificated form and then execute an instrument of transfer in respect of it
- 68 4 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred
- 68 5 Transmittes bound by prior notices If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members

CONSOLIDATION OF SHARES

69 **PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES**

- 69 1 This article applies where
- (a) there has been a consolidation or division of shares, and
- (b) as a result, members are entitled to fractions of shares
- 69 2 The directors may
- (a) sell the shares representing the fractions to any person including the company for the best price reasonably obtainable,
- (b) in the case of a certificated share, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (c) distribute the net proceeds of sale in due proportion among the holders of the shares
- 69 3 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland
- 69 4 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions
- 69 5 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

DISTRIBUTIONS

70 PROCEDURE FOR DECLARING DIVIDENDS

- 70 1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends
- 70 2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors
- 70 3 No dividend may be declared or paid unless it is in accordance with members' respective rights
- 70 4 Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it
- 70 5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears
- 70 6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment
- 70 7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights

71 CALCULATION OF DIVIDENDS

- 71 1 Except as otherwise provided by these articles or the rights attached to shares, all dividends must be
- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
 - (b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid
- 71 2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly
- 71 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share (a) in advance of the due date for payment of that amount or (b) which represents a premium to the nominal value of that share

72 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 72 1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means
- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
 - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an

address specified by the distribution recipient either in writing or as the directors may otherwise decide,

- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or
- (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide

72 2 In these articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable

- (a) the holder of the share, or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members, or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee

73 **DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY**

73 1 If

- (a) a share is subject to the company's lien, and
- (b) the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice

73 2 Money so deducted must be used to pay any of the sums payable in respect of that share

73 3 The company must notify the distribution recipient in writing of

- (a) the fact and amount of any such deduction,
- (b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and
- (c) how the money deducted has been applied

74 **NO INTEREST ON DISTRIBUTIONS**

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

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company

75 **UNCLAIMED DISTRIBUTIONS**

75 1 All dividends or other sums which are

(a) payable in respect of shares, and

(b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed

75 2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it

75 3 If

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

(b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company

76 NON-CASH DISTRIBUTIONS

76 1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)

76 2 If the shares in respect of which such a non-cash distribution is paid are uncertificated, any shares in the company which are issued as a non-cash distribution in respect of them must be uncertificated

76 3 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution

(a) fixing the value of any assets,

(b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and

(c) vesting any assets in trustees

77 WAIVER OF DISTRIBUTIONS

77 1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if

(a) the share has more than one holder, or

(b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

CAPITALISATION OF PROFITS

78 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

78 1 Subject to these articles, the directors may, if they are so authorised by an ordinary resolution

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve, and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions

78 2 Capitalised sums must be applied

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them

78 3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct

78 4 A capitalised sum which was appropriated from profits available for distribution may be applied

- (a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or
- (b) in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct

78 5 Subject to these articles the directors may

- (a) apply capitalised sums in accordance with articles 78 3 and 78 4 partly in one way and partly in another,
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
- (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article

PART 5

MISCELLANEOUS PROVISIONS

COMMUNICATIONS

79 MEANS OF COMMUNICATION TO BE USED

79 1 Subject to these articles, anything sent or supplied by or to the company under these articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company

79 2 Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by

the means by which that director has asked to be sent or supplied with such notices or documents for the time being

- 79 3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

80 **FAILURE TO NOTIFY CONTACT DETAILS**

80 1 If

- (a) the company sends two consecutive documents to a member over a period of at least 12 months, and
- (b) each of those documents is returned undelivered, or the company receives notification that it has not been delivered,

that member ceases to be entitled to receive notices from the company

- 80 2 A member who has ceased to be entitled to receive notices from the company becomes entitled to receive such notices again by sending the company

- (a) a new address to be recorded in the register of members, or
- (b) if the member has agreed that the company should use a means of communication other than sending things to such an address, the information that the company needs to use that means of communication effectively

ADMINISTRATIVE ARRANGEMENTS

81 **COMPANY SEALS**

81 1 Any common seal may only be used by the authority of the directors

81 2 The directors may decide by what means and in what form any common seal or securities seal is to be used

81 3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature

81 4 For the purposes of this article, an authorised person is

- (a) any director of the company,
- (b) the company secretary, or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

81 5 If the company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors

81 6 If the company has a securities seal, it may only be affixed to securities by the company secretary or a person authorised to apply it to securities by the company secretary

81 7 For the purposes of these articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document

by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs

82 DESTRUCTION OF DOCUMENTS

82 1 The company is entitled to destroy

- (a) all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration,
- (b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded,
- (c) all share certificates which have been cancelled from one year after the date of the cancellation,
- (d) all paid dividend warrants and cheques from one year after the date of actual payment, and
- (e) all proxy notices from one year after the end of the meeting to which the proxy notice relates

82 2 If the company destroys a document in good faith, in accordance with these articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the company that

- (a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made,
- (b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,
- (c) any share certificate so destroyed was a valid and effective certificate duly and properly cancelled, and
- (d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the company

82 3 This article does not impose on the company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so

82 4 In this article, references to the destruction of any document include a reference to its being disposed of in any manner

83 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

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

84 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

DIRECTORS' INDEMNITY AND INSURANCE

85 INDEMNITY

85 1 Subject to article 85 2, a relevant director of the company or an associated company may be indemnified out of the company's assets against

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act), and
- (c) any other liability incurred by that director as an officer of the company or an associated company

85 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

85 3 In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant director" means any director or former director of the company or an associated company

86 INSURANCE

86 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss

86 2 In this article

- (a) a "relevant director" means any director or former director of the company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director'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
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate