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The Companies Act 2006

# Articles of Association of NEX Group plc

Public Company Limited by Shares

Adopted by special resolution dated 18 May 2018

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(No. 10013770)

The Companies Act 2006

# Articles of Association of NEX Group plc

Public Company Limited by Shares

(Adopted and subsequently amended by special resolution dated 24  
November 2016)

## PRELIMINARY

### 1. EXCLUSION OF TABLE A AND THE MODEL ARTICLES

The regulations contained in Table A in the schedule to The Companies (Tables A to F) Regulations 1985, in any Table A applicable to the Company under any former enactment relating to companies and the Model Articles of Association applicable to the Company under or pursuant to the Act, shall not apply to the Company except in so far as they are repeated or contained in these Articles.

### 2. DEFINED TERMS

In these Articles, unless the context otherwise requires:-

**"the Act"** means the Companies Act 2006;

**"address"** in any case where electronic form communication is permitted by or pursuant to the Articles or the Act, include a number or address used for the purpose of sending or receiving documents or information by electronic means but, in any other case, shall not include any number or address used for such purpose;

**"Articles"** means these Articles of Association as altered from time to time;

**"Auditors"** means the auditors for the time being of the Company;

**"clear days' notice"** means that the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given or on which it is to take effect;

**"Directors"** means the Directors for the time being of the Company, or, as the case may be, the board of directors for the time being of the Company or the persons present at a duly convened meeting of the board of directors or any duly authorised committee thereof at which a quorum is present;

**"dividend"** includes bonus;

**"electronic form"** and **"electronic means"** shall where the context so admits have the same meaning as in the Act;

**"Financial Services Authority"** means the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;

**"Group"** means the Company and its subsidiaries from time to time;

**"in writing"** and **"written"** includes printing, lithography, typewriting, photography and other modes of representing or reproducing words in visible form whether sent or supplied in electronic form or otherwise;

**"Issue Price"** means the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value in respect of the relevant share in the capital of the Company;

**"London Stock Exchange"** means London Stock Exchange plc;

**"Member"** means a member of the Company;

**"month"** means calendar month;

**"Office"** means the registered office for the time being of the Company;

**"Ordinary Shareholder"** means a person entered in the register of members of the Company as the holder for the time being of an Ordinary Share;

**"Ordinary Shares"** means ordinary shares of 17.5p in the capital of the Company;

**"paid up"** includes credited as paid up;

**"Quarter Days"** means 31 March, 30 June, 30 September and 31 December;

**"properly authenticated dematerialised instruction"** shall have the same meaning as in the Regulations;

**"Register"** means the register of Members of the Company required to be kept by the Statutes;

**"Regulatory Capital Requirements"** means:-

- (a) the capital adequacy requirements of the UK Securities and Futures Authority (or its successor) which are applicable to the Group at the relevant time as certified by the Company's auditors; and
- (b) the commercial capital requirements for the money and securities broking businesses of the Group in the United States (currently agreed as US\$50,000,000) which are applicable at the relevant time as certified by the board of the Company;

**"Regulations"** means the Uncertificated Securities Regulations 2001;

**"relevant system"** shall have the meaning set out in the Regulations;



**"Seal"** means the common seal of the Company or any official seal that the Company may have or be permitted to have under the Statutes;

**"Secretary"** includes a joint, deputy or assistant secretary, and any person appointed by the Directors to perform the duties of the Secretary of the Company;

**"Shareholder"** means a person entered in the Register as the holder for the time being of any share in the share capital of the Company;

**"Statutes"** means the Companies Acts defined by section 2 of the Act and includes the Regulations and every other statute or subordinate legislation for the time being in force concerning companies and affecting the Company;

**"treasury shares"** means qualifying shares (within the meaning of section 724(2) of the Act) held by the Company under section 724(3)(a) of the Act;

**"UK Listing Authority"** means the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;

**"United Kingdom"** means Great Britain and Northern Ireland,

Words importing the singular number only shall include the plural, and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing individuals and words importing persons shall include bodies corporate and unincorporated associations.

Any reference herein to the provisions of any statute or of any subordinate legislation shall include any amendment or re-enactment (with or without amendment) thereof for the time being in force.

Subject as aforesaid, and unless the context otherwise requires, words and expressions defined in the Statutes or the Regulations shall bear the same meanings in these Articles.

A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.

References to a share being in uncertificated form are references to that share being an uncertificated unit of security.

Headings to these Articles are for convenience only and shall not affect construction.

## **SHARES**

### **3. RIGHTS ATTACHING TO SHARES**

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such rights (including preferred, deferred or other special rights) or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine).

### **4. REDEMPTION AND PURCHASE OF SHARES**

Subject to the provisions of the Statutes:-



4.1 any shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder. The terms and conditions and manner of redemption may be determined by the Directors, provided that this is done before the shares are allotted; and

4.2 the Company may purchase any of its own shares (including any redeemable shares).

5. **FINANCIAL ASSISTANCE**

The Company shall not give any financial assistance for the acquisition of shares in the Company except and in so far as permitted by the Statutes.

6. **ALLOTMENT AT DISCOUNT**

The shares of the Company shall not be allotted at a discount and save as permitted by the Statutes shall not be allotted except as paid up at least as to one-quarter of their nominal value and the whole of any premium thereon.

7. **PAYMENT OF COMMISSION**

The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

8. **ALLOTMENT OF SHARES**

8.1 Subject to the authority of the Company in general meeting required by the Act and without prejudice to any rights attached to any existing shares, the Directors shall have unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any shares of the Company or rights to subscribe for or convert any security into shares to such persons, at such times and for such consideration and generally upon such terms and conditions with such rights and privileges attached to them and subject to such restrictions as the Directors may determine (but so that no shares shall be issued at a discount).

8.2 The Company may at any time and from time to time pass an ordinary resolution referring to this Article and authorising the Directors to allot relevant securities (as defined for the purposes of section 551 of the Act) and, upon the passing of such an ordinary resolution:-

(a) the Directors shall be generally and unconditionally authorised to allot relevant securities provided that the aggregate nominal amount of such securities where they are shares and, where such securities are not shares, the nominal amount of the shares in respect of which such securities confer the right to subscribe or convert, shall not be more than the sum specified in the ordinary resolution; and

(b) any such authority shall (unless otherwise specified in such ordinary resolution or varied or abrogated by ordinary resolution passed at an intervening general meeting) expire on the earlier of the conclusion of the next Annual General Meeting following the passing of the ordinary resolution and the date falling fifteen months after the conclusion of the Annual General Meeting at which such authority was given, but the Directors may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and may allot relevant securities pursuant to the offer or agreement as if the authority had not expired.

8.3 The Company may at any time and from time to time by special resolution referring to this Article authorise the Directors to allot equity securities (as defined in section 560(1) of the Act) for cash as if section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to:-

- (a) the allotment of equity securities in connection with a rights issue, open offer or any other pre-emptive offer in favour of shareholders where the equity securities respectively attributable to the interests of the shareholders are proportionate (as nearly as possible) to the respective numbers of shares held or deemed to be held by them, but subject to such exclusions or other arrangements as the Directors may deem necessary, desirable or expedient to deal with legal or practical problems in respect of overseas shareholders, fractional entitlements or otherwise; and
- (b) the allotment (otherwise than pursuant to Article 8.3(a) above) of equity securities having, in the case of relevant shares (as defined in section 560(1) of the Act), a nominal amount or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares having a nominal amount, not exceeding in aggregate the sum specified in the special resolution;

and such power shall (unless otherwise specified in such special resolution or varied or abrogated by special resolution passed at an intervening general meeting) expire at the conclusion of the next Annual General Meeting following the passing of the special resolution but the Directors may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to the offer or agreement as if such power had not expired.

- 8.4 The Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

## 9. **RECOGNITION OF TRUSTS**

Except as required by law or pursuant to the provisions of these Articles, no person shall be recognised by the Company as holding any share upon any trust, and (except only as by these Articles or by law otherwise provided or under an order of a court of competent jurisdiction) the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

## **SHARE CERTIFICATES**

### 10. **UNCERTIFICATED SHARES**

- 10.1 Unless otherwise determined by the Directors and permitted by the Regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument by virtue of the Regulations. Notwithstanding any provisions of these Articles, the Directors shall have power to implement any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of an uncertificated share (subject always to the Regulations and the facilities and requirements of the relevant system concerned). No provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the holding of shares in uncertificated form.
- 10.2 Conversion of a certificated share into an uncertificated share, and vice versa, may be made in such manner as the Directors may, in their absolute discretion, think fit (subject always to the Regulations and the facilities and requirements of the relevant system concerned).
- 10.3 The Company shall enter on the Register how many shares are held by each Member in uncertificated form and in certificated form and shall maintain the Register in each case as



required by the Regulations and the relevant system concerned. Unless the Directors otherwise determine, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings.

- 10.4 A class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which apply only in respect of certificated or uncertificated shares.
- 10.5 The Company shall be entitled in accordance with regulation 32(2)(c) of the Regulations, to require the conversion of an uncertificated share into certificated form to enable it to deal with that share in accordance with the provisions of these Articles including in particular Articles 46 to 52.
- 10.6 The provisions of Articles 11 to 15 inclusive shall not apply to uncertificated shares.

**11. SHARE CERTIFICATES**

- 11.1 Every share certificate shall be executed in such manner as the Directors having regard to the terms of issue and any listing requirements may authorise and shall specify the number and class and the distinguishing number (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. No certificate shall be issued relating to shares of more than one class.
- 11.2 The Directors may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical means or may be printed on them or that the certificates need not be signed by any person.

**12. RIGHT TO SHARE CERTIFICATES**

Subject to Article 10, every person (other than a recognised clearing house (within the meaning of the Financial Services and Markets Act 2000) or a nominee of a recognised clearing house or of a recognised investment exchange (within the meaning of the Financial Services and Markets Act 2000) in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) upon becoming the holder of a certificated share and whose name is entered as a member on the Register shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all the certificated shares registered in his name or, in the case of shares of more than one class being registered in his name, a separate certificate for each class of certificated share so registered, and where a member (except such a clearing house or nominee) transfers part of the shares of any class registered in his name he shall be entitled without payment to one certificate for the balance of certificated shares of that class retained by him. If a member shall require additional certificates he shall pay for each additional certificate such reasonable sum (if any) as the Directors may determine.

**13. SHARE CERTIFICATE OF JOINT HOLDERS**

In respect of certificated shares of one class held jointly by more than one person the Company shall not be bound to issue more than one certificate, and delivery of a certificate for such shares to one of the joint holders of such shares shall be sufficient delivery to all such holders.

**14. REPLACEMENT OF SHARE CERTIFICATES**

If any certificate be defaced then upon delivery thereof to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate be worn out, lost or destroyed, then upon proof thereof to the satisfaction of the Directors

and on such indemnity with or without security as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such worn out, lost or destroyed certificate.

**15. PAYMENT FOR SHARE CERTIFICATES**

Every certificate issued under the last preceding Article shall be issued without payment, but there shall be paid to the Company such exceptional out-of-pocket expenses of the Company in connection with the request (including, without limiting the generality of the foregoing, the investigation of such request and the preparation and execution of any such indemnity or security) as the Directors think fit.

**VARIATION OF RIGHTS**

**16. VARIATION OF CLASS RIGHTS**

If at any time the share capital is divided into different classes of shares, the rights attached to any class or any of such rights may, subject to the provisions of the Statutes, whether or not the Company is being wound up, be abrogated or varied with the consent in writing of the holders of at least three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

**17. SEPARATE GENERAL MEETINGS**

To every such separate general meeting the provisions of chapter 3 of part 13 of the Act (save as stated in section 334(2) to (3) of the Act) and the provisions of these Articles relating to general meetings shall, mutatis mutandis, so far as applicable apply, subject to the following provisions, namely:-

- 17.1 the necessary quorum at any such meeting, other than an adjourned meeting, shall be two persons present holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (excluding any shares of that class held as treasury shares) and at an adjourned meeting one person present holding shares of the class in question or his proxy;
- 17.2 any holder of shares of the class in question present in person or by proxy may demand a poll; and
- 17.3 for the purposes of Article 17.1 above where a person is present by proxy or proxies he is treated as holding only the shares in respect of which those proxies are authorised to exercise voting rights.

**18. ISSUES OF FURTHER SHARES**

The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by the terms upon which such shares are for the time being held, be deemed not to be modified, abrogated or varied by the creation or issue of further shares ranking pari passu therewith.

**CALLS ON SHARES**

**19. CALLS**

The Directors may, subject to the terms of allotment thereof, from time to time make such calls upon the Members as they think fit in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and each Member shall (subject to the Company serving on him at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place

so specified the amount called on his shares. A call may be revoked or postponed, in whole or in part, as the Directors may determine. A person upon whom a call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

**20. PAYMENT ON CALLS**

A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments.

**21. LIABILITY OF JOINT HOLDERS**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

**22. INTEREST DUE ON NON-PAYMENT**

If a sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person from whom it is due shall pay interest on the sum at such rate, not exceeding 15 per cent. per annum, as the Directors may determine from the day appointed for the payment thereof until the actual payment thereof, and all expenses that may have been incurred by the Company by reason of such non-payment; but the Directors may, if they shall think fit, waive the payment of such interest and expenses or any part thereof.

**23. NON-PAYMENT OF CALLS**

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**24. POWER TO DIFFERENTIATE**

The Directors may, on the issue of shares, differentiate between the holders of such shares in the amounts of calls to be paid and in the times of payment of such calls.

**25. PAYMENT OF CALLS IN ADVANCE**

The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the monies, whether on account of the nominal value of the shares or by way of premium, uncalled and unpaid upon any shares held by him; and upon all or any of the monies so paid in advance the Directors may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) 12 per cent. per annum, as may be agreed upon between the Directors and the Member paying such monies in advance.

**FORFEITURE AND LIEN**

**26. NOTICE IF CALL OR INSTALMENT NOT PAID**

If any Member fails to pay any call or instalment in full on or before the day appointed for payment thereof, the Directors may, at any time thereafter, serve a notice on him requiring him to pay so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment.

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27. **FORM OF NOTICE**

The notice shall name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which, and the place where, such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call or instalment is payable will be liable to be forfeited.

28. **FORFEITURE FOR NON-COMPLIANCE**

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time after the day specified in such notice, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall extend to all dividends declared and other monies payable in respect of the shares so forfeited and not actually paid before such forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Directors. The Directors may accept a surrender of any share liable to be forfeited hereunder upon such terms and conditions as they think fit.

29. **NOTICE AFTER FORFEITURE**

When any share has been forfeited notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share, or any person entitled to the share by transmission, and an entry of the forfeiture or surrender, with the date thereof, shall forthwith be made in the Register, but no forfeiture or surrender shall be invalidated by any failure to give such notice or make such entry as aforesaid.

30. **DISPOSAL OF FORFEITED SHARES**

A share so forfeited or surrendered shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder or to any other person in such manner, either subject to or discharged from all calls made or instalments due prior to the forfeiture or surrender, as the Directors think fit: Provided that the Company shall not exercise any voting rights in respect of such share and any such share not disposed of in accordance with the foregoing within a period of three years from the date of its forfeiture or surrender shall thereupon be cancelled in accordance with the provisions of the Statutes. For the purpose of giving effect to any such sale or other disposition the Directors may authorise some person to transfer the share so sold or otherwise disposed of to, or in accordance with the directions of, the purchaser thereof or other person becoming entitled thereto.

31. **ANNULMENT OF FORFEITURE**

The Directors may, at any time before any share so forfeited or surrendered shall have been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon such terms as they think fit.

32. **CONTINUING LIABILITY**

Any person whose shares have been forfeited or surrendered shall cease to be a Member in respect of those shares and shall surrender to the Company for cancellation the certificate for the forfeited or surrendered shares, but shall, notwithstanding such forfeiture or surrender, remain liable to pay to the Company all monies which, at the date of the forfeiture or surrender, were presently payable by him to the Company in respect of the shares, together with interest thereon at such rate, not exceeding 15 per cent. per annum, as the Directors may determine from the time of forfeiture or surrender until the time of payment, but his liability shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares, together with interest as aforesaid. The Directors may, if they shall think fit, waive the payment of such interest or any part thereof.

The Company may enforce payment of such monies without being under any obligation to make any allowance for the value of the shares forfeited or surrendered or for any consideration received on their disposal.

**33. LIEN ON SHARES NOT FULLY PAID**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of such share; but the Directors may at any time waive any lien which has arisen and may declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all amounts payable in respect of it.

**34. ENFORCEMENT OF LIEN BY SALE**

The Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, (i) stating, and demanding payment of, the sum presently payable, and (ii) giving notice of intention to sell in default of such payment, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law.

**35. APPLICATION OF SALE PROCEEDS**

The net proceeds of such sale, after payment of the costs thereof, shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.


**36. STATUTORY DECLARATION**

A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration, shall be conclusive evidence of the facts stated therein against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with, in the case of certificated shares, the share certificate delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

**TRANSFER OF SHARES**

**37. UNCERTIFICATED SHARES**

All transfers of uncertificated shares shall be made in accordance with and be subject to the provisions of the Regulations and the facilities and requirements of the relevant system and, subject thereto, in accordance with any arrangements made by the Directors pursuant to Article 10.1.



38. **EXECUTION OF TRANSFER**

The instrument of transfer of any certificated share in the Company shall be signed by or on behalf of the transferor (and, in the case of a share which is not fully paid, shall be signed by or on behalf of the transferee). In relation to the transfer of any share (whether a certificated or an uncertificated share) the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

39. **FORM OF TRANSFER**

All transfers of certificated shares shall be effected by instrument in writing in any usual or common form or any other form which the Directors may approve.

40. **RIGHT TO DECLINE REGISTRATION**

Subject to Article 79, the Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share which is not a fully paid share (whether certificated or uncertificated) provided that, where any such shares are admitted to the Official List of the Financial Services Authority or admitted to AIM, such discretion may not be exercised in a way which the Financial Services Authority or the London Stock Exchange regards as preventing dealings in the shares of the relevant class or classes from taking place on an open or proper basis. The Directors may likewise refuse to register any transfer of a share (whether certificated or uncertificated), whether fully paid or not, in favour of more than four persons jointly.

41. **FURTHER RIGHTS TO DECLINE REGISTRATION**

In relation to a certificated share, the Directors may decline to recognise any instrument of transfer unless:

- 41.1 the instrument of transfer is left at the Office, or at such other place as the Directors may from time to time determine, accompanied by the certificate(s) of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);
- 41.2 the instrument of transfer is in respect of only one class of share; and
- 41.3 it is duly stamped (if required).

42. **NOTICE OF REFUSAL**

If the Directors refuse to register a transfer they shall, in the case of certificated shares, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal and (except in the case of fraud) return to him the instrument of transfer or, in the case of uncertificated shares, notify such person as may be required by the Regulations and the requirements of the relevant system concerned. All instruments of transfer which are registered may be retained by the Company.

43. **NO FEE FOR REGISTRATION**

No fee shall be charged by the Company on the registration of any instrument of transfer, probate, letters of administration, certificate of death or marriage, power of attorney, or renunciation of a renounceable letter of allotment, stop notice or other document or instruction relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

**44. SUSPENSION OF REGISTRATION**

The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, and either generally or in respect of any class of shares: Provided always that such registration shall not be suspended, either generally or otherwise, for more than 30 days in any year.

**45. DESTRUCTION OF DOCUMENTS**

The Company shall be entitled to destroy:-

- 45.1 any instrument of transfer (which phrase, together with references to documents, shall for the purposes of this Article 45 include electronically generated or stored communications in relation to the transfer of uncertificated shares and any electronic or tangible copies of the same) or other document which has been registered, or on the basis of which registration was made, at any time after the expiration of six years from the date of registration thereof;
- 45.2 any dividend mandate or any variation or cancellation thereof or any notification of change of address (which shall include, in relation to communications in electronic form, any number or address used for the purposes of such communication), at any time after the expiration of two years from the date of recording thereof;
- 45.3 any share certificate which has been cancelled, at any time after the expiration of one year from the date of such cancellation; and
- 45.4 any proxy form, after one year from the date it was used if it was used for a poll, or after one month from the end of the meeting to which it relates if it was not used for a poll,

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company: Provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to any claim (regardless of the parties thereto);
- (b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (a) above are not fulfilled; and
- (c) references in this Article to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system concerned relating to the transfer of such shares;
- (d) references in this Article to the destruction of any document include references to its disposal in any manner; and
- (e) in relation to uncertificated shares, the provisions of this Article shall apply only to the extent the same are consistent with the Regulations.



## **TRANSMISSION OF SHARES**

### **46. TRANSMISSION ON DEATH**

In case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased Member from any liability in respect of any share which had been solely or jointly held by him.

### **47. PERSON ENTITLED BY TRANSMISSION**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the Member registered as the holder of any such share before his death or bankruptcy or other event, as the case may be.

### **48. RESTRICTIONS ON ELECTION**

If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member or other event had not occurred and the notice or transfer were a transfer signed by the Member registered as the holder of any such share.

### **49. RIGHTS OF PERSONS ENTITLED BY TRANSMISSION**

A person becoming entitled to a share by reason of the death or bankruptcy of the holder or otherwise by operation of law shall, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company (including meetings of the holders of any class of shares in the Company). Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and, if the notice is not complied with within 60 days, the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

## **UNTRACED SHAREHOLDERS**

### **50. POWER TO SELL**

The Company shall be entitled to sell, at the best price reasonably obtainable at the time of sale, any share of a Member or any share to which a person is entitled by transmission if and provided that:-

- 50.1 for a period of 12 years no cheque, warrant or order sent by the Company in the manner authorised by these Articles in respect of the share in question has been cashed and no communication has been received by the Company from the Member or the person entitled

by transmission; provided that, in such period of 12 years, at least three dividends whether interim or final on or in respect of the share in question have become payable and no such dividend during that period has been claimed; and

- 50.2 the Company has, on or after expiration of the said period of 12 years, by advertisement in both a national newspaper and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised in accordance with the provisions of these Articles is located, given notice of its intention to sell such share (but so that such advertisements need not refer to the names of the holder(s) of the share or identify the share in question); and
- 50.3 the Company has not, during the further period of three months after the publication of such advertisements and prior to the exercise of the power of sale, received any communication from the Member or person entitled by transmission; and
- 50.4 if the shares are admitted to the Official List of the Financial Services Authority or admitted to AIM, the Company has given notice to a Regulatory Information Service (as defined in the Financial Services Authority Listing Rules) of its intention to sell such shares.

**51. POWER TO SELL FURTHER SHARES**

If, during any 12 year period or three month period referred to in paragraphs 50.1 and 50.3 of the preceding Article, further shares have been either issued in respect of those held at the beginning of such 12 year period or of any shares subsequently issued during such periods and all the other requirements of such Article have been satisfied in respect of the further shares, the Company may also sell such further shares.

**52. AUTHORITY TO EFFECT SALE**

To give effect to any sale pursuant to the previous two Articles, the Directors may authorise any person to execute as transferor an instrument of transfer of the said share and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such share. The transferee shall not be bound to see to the application of the purchase monies and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former Member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former Member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company (if any)) as the Directors may from time to time think fit.

**53. AUTHORITY TO CEASE SENDING CHEQUES**

If either (i) on two consecutive occasions cheques, warrants or orders in payment of dividends or other monies payable in respect of any share have been sent through the post or otherwise in accordance with the provisions of these Articles but have been returned undelivered or left uncashed during the periods for which the same are valid or any transfer by bank or other funds transfer system has not been satisfied; or (ii) following one such occasion reasonable enquiries have failed to establish any new address of the registered holder; the Company need not thereafter despatch further cheques, warrants or orders and need not thereafter transfer any sum (as the case may be) in payment of dividends or other monies payable in respect of the share in question until the Member or other person entitled thereto shall have communicated with the Company and supplied in writing to the Office an address for the purpose.

## **ALTERATION OF CAPITAL**

### **54. CONSOLIDATION AND SUB-DIVISION**

The Company may, subject to the passing of a resolution authorising it to do so in accordance with the Act:

- 54.1 consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- 54.2 sub-divide its existing shares, or any of them, into shares of smaller nominal amount, provided that:-
  - (a) in the sub-division, consolidation or division the proportion between the amount paid and the amount, if any, unpaid on each resulting share shall be the same as it was in the case of the share from which that share is derived; and
  - (b) the resolution pursuant to which any share is sub-divided may determine that as between the resulting shares one or more of such shares may be given any preference or advantage or be subject to any restriction as regards dividend, capital, voting or otherwise over the others or any other of such shares.

### **55. FRACTIONS**

Subject to any direction by the Company in general meeting, whenever as the result of any consolidation or division of shares Members of the Company are entitled to any issued shares of the Company in fractions, the Directors may deal with such fractions as they shall determine and in particular may sell the shares to which Members are so entitled in fractions to any person (including, subject to the provisions of the Statutes, the Company) and pay and distribute to and amongst the Members entitled to such shares in due proportions the net proceeds of the sales thereof (except that if the amount due to a person is less than £5, or such other sum as the board may decide, the sum may be retained for the benefit of the Company). For the purpose of giving effect to any such sale the Directors may, in respect of certificated shares, nominate some person to execute a transfer of the shares sold on behalf of the Members so entitled to, or, in respect of uncertificated shares nominate any person to transfer such shares in accordance with the facilities and requirements of the relevant system concerned or make such other arrangements as are compatible with the relevant system concerned or, in either case, in accordance with the directions of the purchaser thereof and may cause the name of the transferee(s) to be entered in the Register as the holder(s) of the shares comprised in any such transfer, and such transferee(s) shall not be bound to see to the application of the purchase money nor shall such transferee(s) title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. For the purposes of this Article, any shares representing fractional entitlements to which any member would, but for this Article, become entitled may be issued in certificated form or uncertificated form.

### **56. REDUCTION OF CAPITAL**

Subject to the provisions of the Statutes, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account and any redenomination reserve in any way.

## **GENERAL MEETINGS**

### **57. ANNUAL GENERAL MEETING**

The Company shall in accordance with the Statutes, hold a general meeting as its annual general meeting (the "**Annual General Meeting**"). The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

**58. GENERAL MEETINGS**

All general meetings other than Annual General Meetings shall be called general meetings.

**59. CONVENING OF GENERAL MEETINGS**

The Directors may, whenever they think fit, convene a general meeting, and general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by the Statutes. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum the Directors in the United Kingdom capable of acting may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

**NOTICE OF GENERAL MEETINGS**

**60. LENGTH AND FORM OF NOTICE**

An Annual General Meeting shall be called by not less than 21 clear days' notice, and a meeting of the Company other than an Annual General Meeting shall be called by not less than 14 clear days' notice. (If the Company is a traded company (as defined in section 360C of the Act), the provisions of section 307A must be complied with if the meeting is to be called by less than 21 clear days' notice, unless the meeting is of holders of a class of shares.) The notice shall specify the place, the day and the time of meeting and the general nature of the business to be dealt with at the meeting. It shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Statutes or by the Company in general meeting, to such persons as are entitled to receive such notices from the Company and shall comply with the provisions of the Statutes as to informing Members of their right to appoint proxies. If on two consecutive occasions any notice document or other information have been sent, whether through the post or in electronic form to any Member at his registered address or his address for service of notices but have been returned undelivered (in the case of an item sent or supplied in electronic form, it will be treated as undelivered if the Company receives notification that it was not delivered to the address to which it was sent), such Member shall not thereafter be entitled to receive notices documents and information from the Company until he shall have communicated with the Company and supplied in writing to the Office a new registered address or address within the United Kingdom for the service of notices, documents and information. A notice calling an Annual General Meeting and a notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as such and shall include the text of the resolution.

**61. SHORT NOTICE**

A meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed:-

- 61.1 in the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- 61.2 in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right (excluding any shares in the Company held as treasury shares).
- 61.3 This Article 61 does not apply to general meetings (other than meetings of holders of a class of shares) of a traded company (as defined in section 360C of the Act).

62. **OMISSION OR NON-RECEIPT OF NOTICE OF RESOLUTION OR MEETING OR PROXY**

The accidental failure to give notice of a meeting, or of a resolution intended to be moved at a meeting, or to issue an invitation to appoint a proxy with a notice where required by these Articles, to any one or more persons entitled to receive notice, or the non-receipt of notice of a meeting or of such a resolution or if an invitation to appoint a proxy by any such persons, shall be disregarded for the purpose of determining whether notice of the meeting or of any resolution to be moved at the meeting is duly given.

63. **POSTPONEMENT OF GENERAL MEETINGS**

If the Directors, in their absolute discretion, consider that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, they may postpone the general meeting to another date, time and/or place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be placed in at least two national newspapers in the United Kingdom. Notice of the business to be transacted at such postponed meeting shall not be required.

**PROCEEDINGS AT GENERAL MEETINGS**

64. **QUORUM**

No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business; save as herein otherwise provided, two Members present in person or by proxy and entitled to vote shall be a quorum. The appointment of a Chairman in accordance with the provisions of these Articles shall not be treated as part of the business of the meeting.

65. **PROCEDURE IF QUORUM NOT PRESENT**

If within five minutes (or such longer time as the Chairman may decide) from the time appointed for the meeting a quorum is not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such day time and place as the Chairman shall appoint (save that, if the Company is a traded company (as defined in section 360C of the Act), the provisions of section 307A will also apply unless the meeting is of holders of a class of shares). If at such adjourned meeting a quorum is not present within five minutes from the time appointed therefor, the Member or Members present in person or by proxy and entitled to vote shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

66. **ARRANGEMENTS FOR SIMULTANEOUS ATTENDANCE, SECURITY AND ORDERLY CONDUCT**

66.1 In the case of any general meeting, the Directors may, notwithstanding the specification in the notice convening the general meeting of the place (the "**Principal Place**") at which the chairman of the meeting shall preside, make arrangements for simultaneous attendance and participation at other places by Members and proxies and others entitled to attend the general meeting but excluded from the Principal Place under the provisions of this Article 66.

66.2 Such arrangements for simultaneous attendance at the general meeting may include arrangements regarding the level of attendance at the other places provided that they shall operate so that any Members and proxies excluded from attendance at the Principal Place are able to attend at one of the other places. For the purpose of all other provisions of these Articles any such general meeting shall be treated as being held and taking place at the Principal Place.

- 66.3 The Directors may, for the purpose of facilitating the organisation and administration of any general meeting to which such arrangements apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to afford to all Members and proxies and others entitled to attend the meeting an equal opportunity of being admitted to the Principal Place) or the imposition of some random means of selection or otherwise as they shall in their absolute discretion consider to be appropriate, and may from time to time vary any such arrangements or make new arrangements in their place. The entitlement of any Member or proxy or other person entitled to attend a general meeting at the Principal Place shall be subject to such arrangements as may for the time being in force whether stated in the notice of the general meeting to apply to that general meeting or notified to the Members concerned subsequent to the provision of the notice of the general meeting.

**67. SECURITY ARRANGEMENTS**

- 67.1 The Directors or the Chairman of the meeting or any person authorised by the Directors may direct that Members, proxies or corporate representatives wishing to attend any general meeting or anyone else permitted by the Chairman to attend should submit to such searches or other security arrangements or restrictions (including without limitation, restrictions on items of personal property which may be taken into the meeting) as the Directors or the Chairman of the meeting or such person authorised by the Directors shall consider appropriate in the circumstances. Such persons shall be entitled in their or his absolute discretion to refuse entry to, or to eject from, such general meeting any such person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.
- 67.2 The Directors or the Chairman or any person authorised by the directors may at any meeting take such action as is thought fit to secure the safety of the people attending the meeting and to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the chairman of the meeting's decision on matters or procedure or matters arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such a nature.

**68. CHAIRMAN OF GENERAL MEETINGS**

The Chairman, if any, of the board of directors shall preside as Chairman at every general meeting of the Company. If there be no such Chairman, or if at any general meeting he shall not be present within five minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the Directors present shall select one of their number to be Chairman; or if no Director be present and willing to take the chair the Members present and entitled to vote shall choose one of their number to be Chairman of the meeting. In the case of an equality of votes, whether on a show of hands or a poll, the Chairman shall not be entitled to second a casting vote.

**69. ADJOURNMENTS**

- 69.1 The Chairman may, at any time without the consent of the meeting, adjourn any meeting (whether or not it has commenced or has already been adjourned or a quorum is present) either indefinitely or to another time or place where it appears to him that (a) the Members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting, (b) the conduct of any persons prevents or is likely to prevent the orderly continuation of business or (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- 69.2 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place; but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, not less than seven clear days' notice of the

adjourned meeting shall be given specifying the day, the place and the time of the meeting as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment.

**70. ORDERLY CONDUCT**

The Chairman shall, at any meeting, take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the Chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such a nature.

**71. DIRECTORS' RIGHT TO ATTEND AND SPEAK**

Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate General Meeting of the holders of any class of shares in the Company. The Chairman may invite any person to attend and speak at any general meeting of the Company whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

**72. AMENDMENTS TO RESOLUTIONS**

If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than an amendment to correct a patent error) may in any event be considered or voted upon.

**73. METHOD OF VOTING**

**73.1** At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-

- (a) by the Chairman; or
- (b) by at least five Members present in person or by proxy and having the right to vote on the resolution; or
- (c) by any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or
- (d) by a Member or Members present in person or by proxy holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right (excluding any shares in the Company conferring a right to vote on a resolution which are held as treasury shares).

**73.2** Unless a poll is so demanded (and the demand is not subsequently withdrawn) a declaration by the Chairman that a resolution has on a show of hands been passed or passed unanimously, or with a particular majority, or lost and an entry to that effect in the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

**73.3** Except as provided in Article 74, if a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting

directs and he may appoint scrutineers and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

**74. TIMING AND PROCEDURE OF POLL**

A poll demanded on the election of a Chairman or on the question of an adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 clear days after the date of the meeting or adjourned meeting at which the poll is demanded) and place as the Chairman may direct. No notice need be given of a poll not taken immediately. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll. The demand for a poll may be withdrawn with the consent of the Chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and in that event shall not invalidate the result of a show of hands declared before the demand was made.

**VOTES OF MEMBERS**

**75. VOTES OF MEMBERS**

Subject to any rights or restrictions for the time being attached to any class or classes of shares and to any other provisions of these Articles or the Statutes, on a show of hands every Member present in person shall have one vote and on a show of hands every proxy present who has been duly appointed by one or more Members shall have one vote, provided that a proxy shall have one vote for and one vote against the resolution if:


- (a) the proxy has been duly appointed by more than one Member entitled to vote on the resolution; and
- (b) the proxy has been instructed by or exercises a discretion given by one or more of those Members to vote for the resolution and has been instructed by, or exercises a discretion given by, one or more of those Members to vote against it; and
- (c) on a poll every Member present in person and each person present as a duly appointed proxy of a Member shall have one vote for each share held by him.

**76. VOTES OF JOINT HOLDERS**

In the case of joint holders of a share, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the share.

**77. VOTING ON BEHALF OF INCAPABLE MEMBER**

A Member in respect of whom an order has been made by any court or official having jurisdiction (in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver curator bonis or other person authorised on his behalf appointed by that court or official, and such receiver curator bonis or other person may vote by proxy, provided that evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote has been delivered at the Office (or at such other place as may be specified in accordance with these Articles for the delivery of appointments of proxies) not later than the last time at which an appointment of a proxy should have been delivered in order to be valid for use at that meeting or on the holding of that poll.



**78. NO RIGHT TO VOTE WHERE SUMS OVERDUE**

No Member shall, unless the Directors otherwise determine, be entitled, in respect of any share in the capital of the Company held by him, to be present or to vote on any question, either in person or by proxy, at any general meeting, or separate general meeting of the holders of any class of shares of the Company, or to be reckoned in a quorum, if any call or other sum presently payable by him to the Company in respect of such share remains unpaid.

**79. SUSPENSION OF RIGHTS FOR NON-DISCLOSURE OF INTERESTS**

79.1 If any Member, or any other person appearing to the Directors to be interested in any shares in the capital of the Company held by such Member, has been duly served with a notice under section 793 of the Act and is in default for the period of 14 days from the date of service of the notice under the said section 793 in supplying to the Company the information thereby required, then the Company may (at the absolute discretion of the Directors) at any time thereafter by notice (a "**restriction notice**") to such Member direct that, in respect of the shares in relation to which the default occurred and any other shares held at the date of the restriction notice by the Member, or such of them as the Directors may determine from time to time, (the "**restricted shares**" which expression shall include any further shares which are issued in respect of any restricted shares), the Member shall not, nor shall any transferee to which any of such shares are transferred other than pursuant to a permitted transfer or pursuant to paragraph 79.2(c) below, be entitled to be present or to vote on any question, either in person or by proxy, at any general meeting of the Company or separate general meeting of the holders of any class of shares of the Company, or to be reckoned in a quorum.

79.2 Where the restricted shares represent at least 0.25 per cent. (in nominal value) of the issued shares of the same class as the restricted shares (excluding any shares of that class held as treasury shares), then the restriction notice may also direct that:-

- (a) any dividend or any part thereof or other monies which would otherwise be payable on or in respect of the restricted shares shall be withheld by the Company; shall not bear interest against the Company, and shall be payable (when the restriction notice ceases to have effect) to the person who would but for the restriction notice have been entitled to them; and/or
- (b) where an offer of the right to elect to receive shares of the Company instead of cash in respect of any dividend or part thereof is or has been made by the Company, any election made thereunder by such Member in respect of such restricted shares shall not be effective; and/or
- (c) no transfer of any of the shares held by such Member shall be recognised or registered by the Directors unless the transfer is a permitted transfer or:-

the Member is not himself in default as regards supplying the information required;  
and

the transfer is of part only of the Member's holding and, when presented for registration, is accompanied by a certificate by the Member in a form satisfactory to the Directors to the effect that after due and careful enquiry the Member is satisfied that none of the shares the subject of the transfer are restricted shares.

Upon the giving of a restriction notice, its terms shall apply accordingly.

79.3 The Company shall send a copy of the restriction notice to each other person appearing to be interested in the shares the subject of such notice, but the failure or omission by the Company to do so shall not invalidate such notice.

79.4 Any restriction notice shall have effect in accordance with its terms until no more than 7 days after the Directors are satisfied that the default in respect of which the restriction notice was issued no longer continues but shall cease to have effect in relation to any shares which are transferred by such Member by means of a permitted transfer or in accordance with paragraph 79.2(c) above on receipt by the Company of notice that a transfer as aforesaid has been made. The Company may (at the absolute discretion of the Directors) at any time give notice to the Member cancelling, or suspending for a stated period the operation of, a restriction notice in whole or in part.

79.5 For the purposes of this Article:-

(a) a person shall be treated as appearing to be interested in any shares if the Member holding such shares has given to the Company a notification whether following service of a notice under the said section 793 or otherwise which either (1) names such person as being so interested or (2) (after taking into account the said notification and any other relevant information in the possession of the Company) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares; and

(b) a transfer of shares is a permitted transfer if but only if:-

· it is a transfer by way of, or in pursuance of, acceptance of a takeover offer for the Company (as defined in section 974 of the Act); or

the Directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a third party unconnected with the transferring Member or with any other person appearing to the Directors to be interested in such shares (and for the purposes of this paragraph 79.5(b)(ii) any associate (as that term is defined in section 435 of the Insolvency Act 1986) of the Member or of any other person appearing to the Directors to be interested in any of the restricted shares shall be deemed to be connected with the transferring Member); or

the transfer results from a sale made on or through a market operated by the London Stock Exchange or on or through any stock exchange outside the United Kingdom on which the Company's shares of the same class as the restricted shares are normally dealt in.

79.6 The provisions of this Article are in addition and without prejudice to the provisions of the Statutes.

## **80. OBJECTIONS TO AND ERRORS IN VOTING**

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, a vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered (or at which the error occurs), and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive. Whether a proxy or corporate representative has voted in accordance with any instructions given by the Member who has appointed such proxy or corporate representative need not be verified by the Company or any other person and any vote (whether on a show of hands or a poll) given by such proxy or corporate representative will be valid for all purposes notwithstanding any failure to follow such instructions.

## **81. VOTING ON A POLL**

On a poll votes may be given personally or by proxy and a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

**82. EXECUTION OF PROXIES**

83.1 The appointment of a proxy shall be in writing in any usual or common form, or any other form which the Directors may approve and shall be:

- (a) under the hand of the appointor or of his attorney duly authorised in writing; or
- (b) if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised; or
- (c) if permitted by the Directors in electronic form in the manner and form and subject to such terms and conditions as the Directors may decide.

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

**83. APPOINTMENT OF PROXY**

A proxy need not be a Member of the Company. A Member may appoint more than one proxy to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the Member. The appointment of a proxy shall not preclude a Member from attending and voting in person at the meeting or any adjournment thereof.

**84. DELIVERY OF PROXY**

84.1 The appointment of a proxy shall:

- (a) (in the case of an appointment not sent in electronic form), be deposited at the Office or at such other place or one of such places (if any) within the United Kingdom as is or are specified for that purpose in or by way of note to the notice convening the meeting or any document accompanying such notice; or
- (b) (in the case of an appointment sent in electronic form) where an address has been specified for the purpose by the Company (generally or specifically) be received at such address,

not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote (or, in the case of a meeting adjourned for 48 hours or any shorter time specified in the notice), delivered at the adjourned meeting) or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not less than 24 hours (or any shorter time specified in the notice) before the time appointed for the taking of the poll at which it is to be used, and in default the appointment of a proxy shall not be treated as valid. Failing previous registration with the Company, the power of attorney or other authority, if any, under which the appointment of a proxy is executed, or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of that power or authority, or a copy in some other way approved by the Directors, shall whether (a) or (b) shall apply also be deposited or received at the Office or at such other place in accordance with (a) above or (if the Directors so agree) at the address or by the means provided in accordance with (b) above, not later than the time by which the appointment of a proxy is required to be deposited or (as the case may be) received in accordance with this Article.

84.2 Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Directors may from time to time permit appointments of a proxy to be made by an Uncertificated Proxy Instruction, (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the

facilities and requirements of the relevant system concerned)); and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means. Notwithstanding any other provision of these Articles, the Directors may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

- 84.3 An appointment of a proxy and any other document referred to in the last sentence of Article 84.1 shall be deemed to have been validly deposited or received in accordance with Article 84.1 if the appointment is received at the Office or at such other place specified in accordance with Article 84.1 by facsimile transmission within the period of time specified by Article 84.1, provided that the original instrument in the same form as the appointment received by facsimile transmission and any other such document is deposited at the place at which the facsimile transmission was received not less than twenty-four hours before the time appointed for the Meeting or adjourned Meeting or the holding of a poll subsequently at which the vote is to be used.
- 84.4 The Company shall not be obliged to verify that a proxy or corporate representative of a corporation that is a Member has acted in accordance with the terms of their appointment and any failure to so act in accordance with the terms of their appointment shall not affect the validity of any proceedings at a meeting of the Company.
- 84.5 If two or more valid but differing appointments of a proxy are delivered or (in the case of appointments in electronic form) received in accordance with Article 84.1 in respect of the same share for use at the same meeting, the one which is last delivered or, as the case may be, received as aforesaid (regardless of its date, its date of sending or the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was delivered or received last, none of them shall be treated as valid in respect of that share.

85. **VALIDITY OF PROXY**

An appointment of a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. No appointment of a proxy shall be valid after the expiration of 12 months from the date of its receipt in accordance with Article 84.1 except at an adjourned meeting or on a poll demanded at a meeting or adjourned meeting in cases where the meeting was originally held within 12 months from that date.

86. **AUTHORITY OF PROXIES TO CALL FOR A POLL**

The appointment of a proxy to vote on a matter at a meeting of the Company shall be deemed to confer authority on the proxy to demand or join in demanding a poll on that matter.

87. **CANCELLATION OF PROXY'S AUTHORITY**

A vote given or poll demanded in accordance with the terms of an appointment of a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or determination of the authority of the person voting or demanding a poll, provided that intimation in writing of such death, insanity, revocation or determination shall have been received by the Company at the Office or such other place (if any) as is specified for depositing the appointment of a proxy or where the appointment of the proxy was in electronic form at the address at which such appointment was duly received, in each case in accordance with Article 84.1 before the time for the holding or before the commencement of the meeting or

adjourned meeting or the time appointed for taking a poll subsequently thereto at which such vote is given.

**88. CORPORATE REPRESENTATIVES**

Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an Individual Member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat. Where the corporation authorises more than one person, the provisions of sections 323(3) and (4) of the Act apply.

**DIRECTORS**

**89. NUMBER OF DIRECTORS**

Unless and until the Company in general meeting shall otherwise determine, the number of Directors shall be not more than 20 nor less than 2. The Company may by ordinary resolution from time to time vary the minimum number and/or maximum number of Directors.

**90. DIRECTORS' SHAREHOLDING QUALIFICATION**

A Director shall not be required to hold any shares in the capital of the Company. A Director who is not a Member shall nevertheless be entitled to receive notice of and attend and speak at all general meetings of the Company and all separate general meetings of the holders of any class of shares in the capital of the Company.

**91. AGE LIMIT OF DIRECTORS**

There shall not be an age limit for Directors.

**92. OTHER INTERESTS OF DIRECTORS**

Subject to the provisions of the Statutes, a Director of the Company may be or continue as or become a director or other officer, employee or member of, a party to any contract, transaction or arrangement with or otherwise interested in, any body corporate in which the Company may be (directly or indirectly) interested as shareholder or otherwise or any parent undertaking or subsidiary undertaking of any parent undertaking of the Company, and no such Director shall by reason of his office be accountable to the Company for any remuneration or other benefits which derive from any office or employment or from any contract, transaction or arrangement with or from his membership or interest in such other body corporate or undertaking, No such office, employment, contract, transaction or arrangement or interest shall be liable to be avoided on the ground of any such interest or benefit.

**93. DIRECTORS' FEES AND EXPENSES**

**93.1** The Directors shall be paid out of the funds of the Company by way of fees for their services as Directors such sums (if any) as the Directors may from time to time determine (not exceeding in the aggregate an annual sum (excluding amounts payable under any other provision of these Articles) of £1,600,000 or such larger amount as the Company may by Ordinary Resolution determine) and such remuneration shall be divided between the Directors as they shall agree or, failing agreement, equally. Such remuneration shall be deemed to accrue from day to day. A fee payable to a Director pursuant to this Article is

distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of these Articles or otherwise and accrues from day to day.

- 93.2 The Directors may also be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or of the holders of any class of shares or debentures of the Company or otherwise in connection with the business of the Company.

94. **ADDITIONAL REMUNERATION**

Any Director who is appointed to any executive office or who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.

**ALTERNATE DIRECTORS**

95. **ALTERNATE DIRECTORS**

- 95.1 Each Director shall have the power at any time to appoint as an alternate Director either (1) another Director or (2) any other person approved for that purpose by a resolution of the Directors, and, at any time, to terminate such appointment. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the Office or at a meeting of the Directors or in the case of an appointment or removal in electronic form at such address (if any) specified by the Company for that purpose. An alternate Director shall not be required to hold any shares in the capital of the Company and shall not be counted in reckoning the maximum and minimum numbers of Directors allowed or required by Article 89.
- 95.2 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be an agent of his appointor.
- 95.3 An alternate Director shall be entitled (subject to his giving to the Company either an address within the United Kingdom or an address for the purpose of sending or receiving documents or information by electronic means at which notices may be served upon him) to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a member, and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as Director of his appointor.
- 95.4 The appointment of an alternate Director shall automatically determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.
- 95.5 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition

to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

#### **BORROWING POWERS**

##### **96. DIRECTORS' BORROWING POWERS**

The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 549 of the Act to grant any mortgage, charge or other security over its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the Statutes, to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

#### **POWERS AND DUTIES OF DIRECTORS**

##### **97. POWERS OF COMPANY VESTED IN THE DIRECTORS**

The business of the Company shall be managed by the Directors, who may exercise all the powers of the Company subject, nevertheless, to the provisions of these Articles and of the Statutes, and to such directions as may be given by the Company in general meeting by special resolution provided that no alteration of these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if such alteration had not been made or such direction had not been given. The general powers conferred upon the Directors by this Article shall not be deemed to be abridged or restricted by any specific power conferred upon the Directors by any other Article.

##### **98. PENSIONS, INSURANCE AND GRATUITIES FOR DIRECTORS AND OTHERS**

98.1 The Directors or any committee authorised by the Directors may exercise all the powers of the Company to give or award pensions, annuities, gratuities or other retirement, superannuation, death or disability allowances or benefits (whether or not similar to the foregoing) to (or to any person in respect of) any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any body corporate which is or was a subsidiary undertaking or a parent undertaking of the Company or another subsidiary undertaking of a parent undertaking of the Company or otherwise associated with the Company or any such body corporate, or a predecessor in business of the Company or any such body corporate, and to the spouses, civil partners, former spouses, former civil partners, children and other relatives and dependants of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director or former Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such trust, fund or scheme or otherwise).

98.2 Without prejudice to any other provisions of these Articles, the Directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company, or of any other body (whether or not incorporated) which is or was its parent undertaking or subsidiary undertaking or another subsidiary undertaking of any such parent undertaking (together, "**Group Companies**") or otherwise associated with the Company or any Group Company or in which the Company or any such Group Company has or had any interest, whether direct or indirect, or of any predecessor in business of any of the foregoing, or who are or were at any time trustees of (or directors of trustees of) any pension, superannuation or similar fund, trust or scheme or any employees' share scheme or other scheme or arrangement in which any employees of the Company or of any such other body

are interested, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses or liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and discretions and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such other body, fund, trust, scheme or arrangement.

99. **LOCAL BOARDS**

The Directors may make such arrangements as they think fit for the management and transaction of the Company's affairs in the United Kingdom and elsewhere and may from time to time and at any time establish any local boards or agencies for managing any of the affairs of the Company in any specified locality, and may appoint any persons to be members of such local board, or any managers or agents, and may fix their remuneration. The Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities, and discretions for the time being vested in the Directors (other than the powers of borrowing and of making calls), with power to sub-delegate, and may authorise the members for the time being of any such local board, or any of them, to fill up any vacancies therein, and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

100. **ATTORNEYS**

The Directors may from time to time and at any time by power of attorney appoint any body corporate, firm or person or body of persons, whether nominated or otherwise directly or indirectly by the Directors, to be the attorney or attorneys or agent or agents of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointments may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney or agent to sub-delegate all or any of the powers, authorities and discretions vested in him.

101. **OFFICIAL SEAL**

The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and the powers conferred by section 50 of the Act with regard to having an official seal for sealing and evidencing securities, and such powers shall be vested in the Directors.


102. **OVERSEAS BRANCH REGISTER**

The Company may exercise the powers conferred upon the Company by the Statutes with regard to the keeping of an overseas branch register, and the Directors may (subject to the provisions of the Statutes) make and vary such regulations as they may think fit concerning the keeping of any such register.

103. **DIRECTORS' PERMITTED INTERESTS AND ENTITLEMENT TO VOTE**

- 103.1 Subject to the provisions of the Statutes, a Director may hold any other office or place of profit with the Company, except that of Auditor, in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company (otherwise than as Auditor), and in any such case on such terms as to remuneration and otherwise as the Directors may decide. Any such remuneration shall be in addition to any

remuneration provided for by any other Article. No Director or intending Director shall be disqualified by his office from entering into or being otherwise interested in any of the foregoing or any other contract, transaction or arrangement with the Company or in which the Company has a (direct or indirect) interest. Subject to the provisions of the Statutes and save as therein provided no such contract, arrangement, transaction shall be liable to be avoided, on the grounds of the Director's interest nor shall any Director be liable to account to the Company for any remuneration or other benefit which derives from any such contract, transaction, arrangement or interest or proposal by reason of such Director holding that office or of the fiduciary relationship thereby established, but he shall declare the nature of his interest in accordance with the requirements of the Statutes.

- 103.2 Save as herein provided, a Director shall not vote in respect of any contract, arrangement, transaction whatsoever in which he has an interest which (together with any interest of any person connected with him within the meaning of section 252(2) of the Act) is to his knowledge a material interest otherwise than by virtue of interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- 103.3 A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-
- (a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
  - (b) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (c) any proposal concerning an offer of securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
  - (d) any contract, arrangement or transaction concerning any other body corporate in which he or any person connected with him (within section 252 – 255 of the Act) is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he and any persons so connected with him do not to his knowledge hold an interest (within the meaning of sections 820 to 825 of the Act) in one per cent. or more of any class of the equity share capital of such body corporate or of the voting rights available to members of the relevant body corporate;
  - (e) any contract, arrangement or transaction for the benefit of employees of the Company or any of its subsidiary undertakings which does not accord to him any privilege or advantage not generally accorded to the employees to whom the scheme relates;
  - (f) any contract, arrangement or transaction concerning any insurance which the Company is to purchase and/or maintain for or for the benefit of any Directors or for the benefit of persons including Directors;
  - (g) the giving of an indemnity pursuant to Article 157; and
- 

- (h) the provision of funds to any Director to meet or the doing of anything to enable a Director to avoid incurring expenditure of the nature described in section 205(1) and 206 of the Act).
- 103.4 A Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.
- 103.5 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under paragraph 103.3(d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 103.6 If any question shall arise at any meeting as to the materiality of an interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.
- 103.7 Subject to the provisions of the Statutes the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any contract, arrangement or transaction not duly authorised by reason of a contravention of this Article.
- 103.8
- (a) For the purposes of Section 175 of the Act, the Directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, constitute or give rise to an infringement of duty by a Director under that Section.
  - (b) Authorisation of a matter under sub-paragraph (a) of this Article shall be effective only if -
    - (i) the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve;
    - (ii) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and
    - (iii) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
  - (c) Any authorisation of a matter pursuant to sub-paragraph (a) of this Article shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
  - (d) Any authorisation of a matter under sub-paragraph (a) of this Article shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.

- (e) A Director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the Directors under sub-paragraph (a) of this Article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration or other benefit or on the ground of the Director having any interest as referred to in the said section 175.
- (f) A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this sub-paragraph (f) of this Article applies only if the existence of that connection has been authorised by the Directors under sub-paragraph (a) of this Article. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he fails:
  - (i) to disclose any such information to the Directors or to any Director or other officer or employee of the Company; and/or
  - (ii) to use any such information in performing his duties as a Director or officer or employee of the Company.
- (g) Where the existence of a Director's connection with another person has been authorised by the Directors under sub-paragraph (a) of this Article and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he -
  - (i) absents himself from meetings of the Directors or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
  - (ii) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.
- (h) The provisions of sub-paragraphs (f) and (g) of this Article are without prejudice to any equitable principle or rule of law which may excuse the Director from -
  - (i) disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise; or
  - (ii) attending meetings or discussions or receiving documents and information as referred to in sub-paragraph (g) of this Article, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

103.9 For the purposes of this Article, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

**104. EXERCISE OF COMPANY'S VOTING POWERS**

The Directors may exercise or procure the exercise of the voting rights conferred by the shares in any other body corporate held or owned by the Company or any power of appointment in relation to any other body corporate, and may exercise any voting rights or power of appointment to which they are entitled as directors of such other body corporate, in such manner as they shall in their absolute discretion think fit, including the exercise thereof in favour of appointing themselves or any of them as directors, officers or servants of such other body corporate, and fixing their remuneration as such, and may vote as Directors of the Company in connection with any of the matters aforesaid.

**105. SIGNING OF CHEQUES ETC.**

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

**106. MINUTES**

106.1 The Directors shall cause minutes to be made in books provided for the purpose:-

- (a) of all appointments of officers made by the Directors;
- (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors.

106.2 It shall not be necessary for Directors present at any meeting of Directors or committee of Directors to sign their names in any Minute Book or other book kept for recording attendance. Minutes recorded as aforesaid, if purporting to be signed by the Chairman of the meeting or by the Chairman of the next succeeding such meeting, shall be receivable as evidence of the matters stated in such minutes.

**DISQUALIFICATION OF DIRECTORS**

**107. VACATION OF DIRECTOR'S OFFICE**

The office of a Director shall be vacated in any of the following events, namely:-

- 107.1 if a bankruptcy order is made against him or he makes any arrangement or composition with his creditors generally;
- 107.2 if he becomes prohibited or disqualified by law from acting as a Director;
- 107.3 if he resigns his office by notice to the Company or offers by notice to resign and the Directors resolve to accept such offer;
- 107.4 if, not having leave of absence from the Directors, he and his alternate (if any) fail to attend the meetings of the Directors for six successive months, unless prevented by illness, unavoidable accident or other cause which may seem to the Directors to be sufficient, and the Directors resolve that his office be vacated;
- 107.5 if, being a Director holding an executive office, he is dismissed from such office;
- 107.6 if it has been so resolved by the Members in accordance with Article 113; or

- 107.7 if, by notice in writing delivered to or received at the Office or in the case of a notice in electronic form at such address (if any) specified by the Directors for that purpose or tendered at a meeting of the Directors, his resignation is requested by all of the other Directors (but so that this shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company).

**RETIREMENT AND SUBMISSION  
FOR RE-ELECTION OF DIRECTORS**

**108. REGULAR SUBMISSION OF DIRECTORS FOR RE-ELECTION**

- 108.1 Subject to the provisions of these Articles (including Article 108.2), at every Annual General Meeting, each Director shall retire from office. A Director who retires at an Annual General Meeting shall be eligible for re-appointment.

- 108.2 A Director retiring at a meeting shall, if he is not re-appointed, or deemed to have been re-appointed, at such meeting, retain office until the meeting appoints someone in his place, or if it does not do so, until the conclusion or adjournment of such meeting unless the provisions of Articles 108.3 and 108.4 apply.

- 108.3 If:

- (a) any resolution or resolutions for the appointment or re-appointment of the Directors are put to a general meeting and not passed; and
- (b) at the end of that meeting the number of Directors is fewer than any minimum number of Directors required under Article 89,

each of the executive directors and the senior independent director of the Company (together, the "**Continuing Directors**") shall be deemed to have been re-appointed as Directors and shall remain in office until the end of the meeting required to be convened under Article 108.4, but the Continuing Directors may only:

- (I) act for the purpose of filling vacancies and convening general meetings of the Company; and
- (II) perform such duties as are appropriate to maintain the Company as a going concern and to comply with the Company's legal and regulatory obligations,

but not for any other purpose.

- 108.4 The Continuing Directors, shall as soon as reasonably practicable following the general meeting referred to in Article 108.3, convene a general meeting for the purpose of voting on the appointment of the new Director(s) in place of the Continuing Directors. Any Directors appointed by the Continuing Directors since the general meeting referred to in Article 108.3, shall be required to stand for re-appointment. If at the end of any meeting convened under this Article the number of Directors is fewer than any minimum number of Directors required under Article 89, the provision of Articles 108.3 and 108.4 shall also apply to that meeting.

**109. APPOINTMENT OF DIRECTORS BY SEPARATE RESOLUTION**

A single resolution for the appointment of two or more persons as Directors shall not be put at any general meeting, unless an ordinary resolution that it should be so put has first been agreed to by the meeting without any vote being given against it.

110. **PERSONS ELIGIBLE FOR APPOINTMENT**

No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for appointment to the office of Director at any general meeting unless not less than 7 nor more than 42 days before the date appointed for the meeting there shall have been left at the Office notice in writing, signed by a Member duly qualified to attend and vote at such meeting, of his intention to propose such person for appointment, and also notice in writing signed by that person of his willingness to be appointed.

111. **CASUAL VACANCIES AND ADDITIONAL DIRECTORS - POWERS OF COMPANY**

Subject as aforesaid, the Company may from time to time by ordinary resolution appoint a person who is willing to act to be a Director either to fill a casual vacancy or as an additional director, and may also determine when any such appointed Director is to retire.

112. **CASUAL VACANCIES AND ADDITIONAL DIRECTORS - POWERS OF DIRECTORS**

The Directors shall have power at any time, and from time to time, to appoint any person to be a Director of the Company, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the maximum number, if any, fixed by or pursuant to these Articles. Any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-appointment. If not re-appointed at such meeting, he shall vacate office at the conclusion thereof.

113. **POWER OF REMOVAL BY ORDINARY RESOLUTION**

The Company may by ordinary resolution, of which special notice has been given in accordance with the provisions of the Statutes, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

114. **APPOINTMENT OF REPLACEMENT DIRECTOR**

Subject to Article 112, the Company may by ordinary resolution appoint another person in place of a Director removed from office under the immediately preceding Article.

**PROCEEDINGS OF DIRECTORS**

115. **BOARD MEETINGS AND PARTICIPATION**

The Directors may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Without prejudice to the foregoing, all or any of the Directors or of the members of any committee of the Directors may participate in a meeting of the Directors or of that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other and to address each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting is then present. The word "meeting" in these Articles shall be construed accordingly.

116. **QUORUM AT BOARD MEETINGS**

The Directors may determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall constitute a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the

Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to a Director who is not within the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retrospective.

**117. NOTICE OF BOARD MEETINGS**

Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose or sent in electronic form to such address (if any) for the time being specified by him or on his behalf to the Company for that purpose. A Director absent or intending to be absent from the United Kingdom may request the Directors that notices of meetings of the Directors shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, whether or not out of the United Kingdom or be sent by electronic means to such address (if any) for the time being notified by him to the Company for that purpose. If no such request is made to the Directors, it shall not be necessary to send notice of a meeting of the Directors to any Director who is for the time being absent from the United Kingdom.

**118. DIRECTORS BELOW MINIMUM**

The continuing Directors or sole continuing Director may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.

**119. APPOINTMENT OF CHAIRMAN**

The Directors may elect one of their number as a Chairman of their meetings, and one of their number to be the Deputy Chairman and may at any time remove either of them from such office; but if no such Chairman or Deputy Chairman be elected, or if at any meeting neither the Chairman nor the Deputy Chairman is present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number to be Chairman of such meeting.

**120. DELEGATION OF DIRECTORS' POWERS TO COMMITTEES**

The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve any payment to or the conferring of any other benefit on all or any of the Directors) to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Insofar as any such power or discretion is delegated to a committee any reference in these Articles to the exercise by the Directors of such power or discretion shall be read and construed as if it were a reference to the exercise of such power or discretion by such committee. Any committee so formed shall in the exercise of the powers and discretions so delegated conform to any regulations that may from time to time be imposed by the Directors in default of which the meetings and proceedings of a committee consisting of more than one member shall be governed mutatis mutandis by the provisions of these Articles regulating the proceedings and meetings of the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation be deemed to include authority to sub-delegate to one or more Directors (whether or not acting as a committee) or to any employee or agent of the Company all or any of the powers and discretions delegated and

may be made subject to such conditions as the Director may specify and may be revoked or altered.

**121. VALIDITY OF DIRECTORS' ACTS**

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

**122. WRITTEN RESOLUTION OF DIRECTORS**

A resolution in writing, signed or otherwise agreed to by all those Directors for the time being entitled to receive notice of a meeting of the Directors or by all the members of a committee for the time being entitled to receive notice of a committee meeting (in each case) who would have been entitled to vote on a resolution at a meeting of the Directors and such committees, shall be as valid and effective for all purposes as a resolution passed at a meeting duly convened and held, and may consist of two or more documents in like form each signed or agreed to by one or more of the Directors or members of such committee, provided that all those signing or agreeing to the resolution would have formed a quorum at such a meeting. Such a resolution in writing need not be signed or agreed to by an alternate Director if it is signed or agreed to by the Director who appointed him.

**MANAGING AND EXECUTIVE DIRECTORS**

**123. APPOINTMENT OF EXECUTIVE DIRECTORS**

Subject to the provisions of the Statutes the Directors, or any committee authorised by the Directors, may from time to time appoint one or more of their body to the office of Managing Director or to hold such other Executive Office in relation to the management of the business of the Company as they may decide, for such period and on such terms as they think fit, and, subject to the terms of any service contract entered into in any particular case and without prejudice to any claim for damages such Director may have for breach of any such service contract, may revoke such appointment. Without prejudice to any claim for damages such Director may have for breach of any service contract between him and the Company, his appointment shall be automatically determined if he ceases from any cause to be a Director.

**124. RETIREMENT AND SUBMISSION FOR RE-ELECTION OF EXECUTIVE DIRECTORS**

For the avoidance of doubt, any Managing Director or Executive Director is subject to Article 108.

**125. REMUNERATION OF EXECUTIVE DIRECTORS**

The salary or remuneration of any Managing Director or such Executive Director of the Company shall, subject as provided in any contract, be such as the Directors may from time to time determine, and may either be a fixed sum of money, or may altogether or in part be governed by the business done or profits made, and may include the making of provisions for the payment to him, his widow or other dependants, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension and life assurance and other benefits, or may be upon such other terms as the Directors determine.

**126. POWERS OF EXECUTIVE DIRECTORS**

The Directors may entrust to and confer upon a Managing Director or such Executive Director any of the powers and discretions exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and discretions and may from time to time revoke, withdraw, alter or vary all or any of such powers or discretions. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate one or more Directors (whether or not acting as a committee) or to any employee or agent of the Company or any of the powers and discretions delegated and may be made subject to such conditions as the Directors may specify and maybe revoked or altered.

**SECRETARY**

**127. APPOINTMENT AND REMOVAL OF SECRETARY**

Subject to the provisions of the Statutes the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they think fit; and any Secretary may be removed by them.

**THE SEAL**

**128. USE OF SEAL**

The Directors shall provide for the safe custody of the Seal and any official seal kept under section 50 of the Act, and neither shall be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. Every instrument to which either shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors, or as otherwise determined by the Directors, save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical or electronic means.


**129. EXECUTION HAVING EFFECT OF SEAL**

Where the Statutes so permit, any instrument signed by one Director and the Secretary or by two Directors or by a Director in the presence of a witness who attests the signature and expressed in whatever words to be executed by the Company shall have the same effect as if executed under the Seal in that behalf. The Director may by resolution determine that such signatures or either of them shall be affixed by some mechanical or electronic method or system.

**RESERVE**

**130. ESTABLISHMENT OF RESERVE**

The Directors may from time to time set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.



## **DIVIDENDS**

### **131. DECLARATIONS OF DIVIDENDS BY COMPANY**

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

### **132. PAYMENT OF INTERIM AND FIXED DIVIDENDS BY DIRECTORS**

Subject to the provisions of the Statutes, the Directors:-

132.1 may from time to time pay such interim dividends as they think fit;

132.2 may also pay the fixed dividends payable on any shares of the Company half-yearly or otherwise on fixed dates.

If the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

### **133. RESTRICTIONS ON DIVIDENDS**

No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of the Statutes.

### **134. CALCULATION OF DIVIDENDS**

Subject to the rights of persons, if any, entitled to shares with any priority, preference or special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purpose of this Article as paid up on the share. All dividends shall be 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; but if any share is issued on terms providing that it shall rank for dividend as if paid up in full or in part from a particular date, whether past or future, such share shall rank for dividend accordingly.

### **135. DEDUCTIONS OF AMOUNTS DUE ON SHARES AND WAIVER OF DIVIDENDS**

135.1 The Directors may deduct from any dividend or other monies payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

135.2 The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

### **136. DIVIDENDS OTHER THAN IN CASH**

Any general meeting declaring a dividend may, upon the recommendation of the Directors, direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other body corporate, and the Directors shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the

footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

**137. PAYMENT PROCEDURE**

137.1 All dividends and other distributions shall be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at such other time and/or date as the Company by Resolution or the Directors may determine.

137.2 The Company may pay any dividend or other monies payable in cash in respect of shares by direct debit, bank or other funds transfer system (subject always, in the case of shares in uncertified form, to the facilities and requirements of the relevant system concerned, where payment is to be made by means of such system), or by cheque, dividend warrant or money order and may remit the same by post directed to the registered address of the holder or person entitled thereto (or, in the case of joint holders or of two or more persons entitled thereto, to the registered address of the person whose name stands first in the Register), or to such person and to such address as the holder or joint holders or person or persons may in writing direct, and the Company shall not be responsible for any loss or delay of any such cheque, warrant or order nor for any loss or delay in the course of any such transfer or where it has acted on any such directions. Every such cheque, warrant or order shall be made payable to, or to the order of, the person to whom it is sent, or to, or to the order of, such person as the holder or joint holders or person or persons entitled may in writing direct, and the payment of such cheque, warrant or order or the collection of funds from or the transfer of funds by a bank in accordance with such direct debit or bank or other funds transfer or, in respect of shares in uncertificated form, the making of payment by means of the relevant system concerned shall be a good discharge to the Company. Any one of two or more joint holders of any share, or any one of two or more persons entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, may give effectual receipts for any dividends or other monies payable or property distributable on or in respect of the share.

**138. INTEREST**

Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other monies payable on or in respect of a share shall bear interest against the Company.

**139. FORFEITURE OF DIVIDENDS**

All dividends or other sums payable on or in respect of any share which remain unclaimed may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years or more after becoming due for payment shall be forfeited and shall revert to the Company. The payment of any unclaimed dividend or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee thereof.

**CAPITALISATION OF PROFITS AND SCRIP DIVIDENDS**

**140. POWER TO CAPITALISE**

140.1 Subject to the provisions of Article 142, the Directors may capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including any share premium account and capital redemption reserve) or to the credit of the profit and loss or retained earnings account (in each case, whether or not such amounts are available for distribution), and appropriate the sum resolved to be capitalised either:-

- (a) to the holders of Ordinary Shares (on the Register at such time and on such date as may be specified in, or determined as provided in, the resolution of the general meeting granting authority for such capitalisation) who would have been entitled

thereto if distributed by way of dividend and in the same proportions (including for this purpose any shares in the Company held as treasury shares, as if the restriction on payment of dividends in the Statutes did not apply), and the Directors shall apply such sum on their behalf either in or towards paying up any amounts, if any, for the time being unpaid on any shares held by such Shareholders respectively or in paying up in full (as to nominal value and any premium) new shares or debentures of the Company to be allotted credited as fully paid up to such Shareholders in the proportions aforesaid, or partly in the one way and partly in the other; or

- (b) to such holders of Ordinary Shares who may, in relation to any dividend or dividends, validly accept an offer or offers on such terms and conditions as the Directors may determine (and subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with legal or practical problems in respect of overseas Shareholders or in respect of shares represented by depository receipts) to receive new shares (according to the Shareholder's respective class), credited as fully paid up, in lieu of the whole or any part of any such dividend or dividends (any such offer being called a "**Scrip Dividend Offer**"); and the Directors shall apply such sum on their behalf in paying up in full (as to nominal value and any premium) new shares (in accordance with the terms, conditions and exclusions or other arrangements of the Scrip Dividend Offer) to be allotted credited as fully paid up to such Shareholders respectively.

**141. AUTHORITY REQUIRED**

- 141.1 The authority of the Company in general meeting shall be required before the Directors implement any Scrip Dividend Offer (which authority may extend to one or more offers).
- 141.2 The authority of the Company in a general meeting shall be required for any capitalisation pursuant to paragraph 140.1(a) above.
- 141.3 A share premium account and a capital redemption reserve and any other amounts which are not available for distribution may only be applied in the paying up of new shares to be allotted to holders of Ordinary Shares of the Company credited as fully paid up (as to nominal value and any premium).

**142. PROVISION FOR FRACTIONS ETC.**

Whenever a capitalisation requires to be effected, the Directors may do all acts and things which they may consider necessary or expedient to give effect thereto, with full power to the Directors to make such provision as they think fit for the case of shares or debentures becoming distributable in fractions (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned) and also to authorise any person to enter on behalf of all Members concerned into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

**ACCOUNTS**

**143. ACCOUNTING RECORDS TO BE KEPT**

The Directors shall cause accounting records to be kept in accordance with the provisions of the Statutes.

**144. INSPECTION OF ACCOUNTING RECORDS**

The accounting records shall be kept at the Office or, subject to the provisions of the Statutes, at such other place or places as the Directors think fit, and shall always be open to the inspection of the officers of the Company.

**145. POWER TO EXTEND INSPECTION**

The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.

**146. ANNUAL ACCOUNTS**

The Directors shall from time to time, in accordance with the provisions of the Statutes, cause to be prepared and to be laid before the Company in general meeting copies of the Company's annual accounts, the Directors' report and the Auditors' report on those accounts.

**147. DELIVERY OF ANNUAL ACCOUNTS**

A copy of the Company's annual accounts, together with a copy of the Auditors' report and Directors' report, which is to be laid before the Company in general meeting, shall not less than 21 days before the date of the meeting be sent to every Member (whether or not he is entitled to receive notices of general meetings of the Company) and every holder of debentures of the Company (whether or not he is so entitled) and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or these Articles. Provided that this Article shall not require a copy of these documents to be sent to any Member or holder of debentures to whom a summary financial statement is sent in accordance with the Statutes and provided further that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures. Where permitted by the Statutes, any document or copy referred to in this Article 147 may be sent by using Electronic Communication.

**AUDIT**

**148. APPOINTMENT OF AUDITORS**

Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes.

**NOTICES**

**149. SERVICE OF NOTICE AND CURTAILMENT**

149.1 A notice or other document (including a share certificate) or information may be given, sent, supplied, delivered or provided by the Company to any Member in accordance with the Act, subject to these Articles. The Company may at any time and in its sole discretion choose to give, send, supply, deliver or provide any notice, document or information in hard copy form alone to some members.

149.2 Subject to the Statutes if at any time by reason of the suspension or any curtailment of postal services in the United Kingdom or of services for delivery by electronic means, the Company is unable in the opinion of the Directors effectively to convene a general meeting by notices sent through the post, or by notification by post as to the availability of the notice of meeting on a website (in the case of those Members in respect of whom an address has for the time being been notified to the Company, in a manner specified by the Directors, for the purpose of giving notices by electronic means) by electronic means, the Directors may decide that the only person to whom notice of the affected general meeting must be sent are:

- (a) the Directors;
- (b) the Company's auditors;
- (c) those Members to whom notice to convene the general meeting can validly be sent by electronic means; and
- (d) those Members to whom notice to convene the general meeting can validly be sent by means of a website and to whom notification as to the availability of the notice of meeting on a website can validly be sent by electronic means.

In any such case the Company shall:

- (i) send confirmatory copies of the notice (or a confirmatory notification as to the availability of the notice on the Company's website in the case of those Members to whom notice to convene the general meeting can validly be sent by means of a website but to whom notification as to the availability of the notice of meeting on a website cannot validly be sent by electronic means) by post or (as the case may be) by electronic means if, at least seven days prior to the date of the general meeting, the posting of the notices to addresses throughout the United Kingdom or (as the case may be) the sending of notices by electronic means again, becomes in the opinion of the Directors, practicable;
- (ii) advertise the notice of meeting in at least one national newspaper; and
- (iii) make the notice of meeting available on its website from the day the notice was sent until the conclusion of the meeting or any adjournment thereof.

**150. MEMBERS RESIDENT ABROAD**

150.1 A Member who has no registered address within the United Kingdom, and has not supplied to the Company an address (not being an address for communication by electronic means) within the United Kingdom at which notices or other documents or information may be given to him shall not be entitled to receive any notice or other documents or information from the Company.

**151. NOTICE DEEMED SERVED**

151.1 Where a notice or other document or information is given, sent, supplied, delivered or provided by the Company by post, service of the notice or other document or information shall be deemed to be effected by properly addressing, prepaying, and posting it or a letter containing the notice or other document, and to have been effected at the latest at the expiration of 24 hours after posting if first class post was used and at the latest at the expiration of 48 hours after posting if first class post was not used after the letter containing the same is posted. In proving such service it shall be sufficient to prove that the notice, document or information or the letter containing the same was properly addressed and stamped and put in the post with postage paid.

151.2 Where a notice or other document or information is given, sent, supplied, delivered or provided by the Company by electronic means, service of the notice or other document or information shall be deemed to be effected by sending it by electronic means to an address for the time being notified to the person giving the notice or other document or information or otherwise permitted by the Statutes for that purpose, and to have been effected at the latest at the expiration of 24 hours after the time it was sent (even if the Company subsequently sends a hard copy of such notice, document or information by post) such service it shall be sufficient to prove that the notice or other document or information was properly addressed subject to the provisions of section 1147(4) of the Act or as to deemed delivery of documents or information by means of a website.

**152. NOTICE TO JOINT HOLDERS**

A notice or other document or information may be given, sent, supplied, delivered or provided by the Company to the joint holders of a share by giving the notice or other document to the joint holder first named in the Register in respect of the share.

Anything to be agreed or specified by joint holders of a share may be agreed or specified by any of the joint holders (and any such agreement or specification shall be deemed for all purposes to be agreed or specified by all the joint holders) unless the Directors require it to be agreed or specified by all the joint holders or by the joint holder first named on the Register in respect of the Share.

**153. SERVICE OF NOTICE ON PERSONS ENTITLED BY TRANSMISSION**

A notice or other document or information may be given, sent, supplied, delivered or provided by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law by sending, supplying, delivering or providing addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, to the address, if any, within the United Kingdom supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving, sending, supplying, delivering or providing the notice or other document or information in any manner in which the same might have been sent, supplied, delivered or provided if the death or bankruptcy or other event had not occurred.

**ELECTRONIC COMMUNICATION**

**154. ELECTRONIC COMMUNICATION**

Notwithstanding anything in these Articles to the contrary, but subject to the Statutes:-

- (a) any document or information to be given, sent, supplied, delivered or provided to any person by the Company whether pursuant to these Articles, the Statutes or otherwise is also to be treated as given, sent, supplied, delivered or provided where it is made available on a website or is sent in electronic form in the manner provided for by the Act for the purposes of, inter alia, the Act (subject to the provisions of these Articles);
- (b) for the purposes at paragraph 10(2)(b) of Schedule 5 to the Act the Company may give, send, supply, deliver or provide documents or information to Members by making them available on a website and for the purpose of paragraph 6.1.8R(c) of the Disclosure Rules and Transparency Rules the Company may use electronic means (as defined therein) to convey information or documents to Members or holders of debt securities (defined herein); and
- (c) the Directors may from time to time make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the giving of notices or other documents or information by electronic means by or to the Company and otherwise for the purpose of implementing and/or supplementing the provisions of these Articles and the Statutes in relation to electronic means; and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article.

**PROVISION FOR EMPLOYEES**

**155. PROVISION FOR EMPLOYEES**

The power conferred upon the Company by section 247 of the Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its



subsidiaries, in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any subsidiary shall only be exercised by the Company with the prior sanction of a special resolution. If at any time the capital of the Company is divided into different classes of shares, the exercise of such power as aforesaid shall be deemed to be a variation of the rights attached to each class of shares in issue and shall accordingly require either (i) the prior consent in writing of the holders of at least three-quarters of the nominal value of issued shares or (ii) the prior sanction of a special resolution passed at a separate general meeting of the holders of the shares, of each class, in accordance with the provisions of Article 16 hereof.

#### **WINDING UP**

##### **156. DISTRIBUTION OF ASSETS**

- 156.1 If the Company shall be wound up the Liquidator may, subject to the Statutes, with the sanction of an Extraordinary Resolution of the Company and any other sanction required by the Statutes, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other securities or other assets whereon there is any liability.

#### **INDEMNITY**

##### **157. INDEMNITY**

- 157.1 Subject to the provisions of the Statutes (but so that this Article does not extend to any matter insofar as it would cause this Article or any part of it to be void under the Statutes) but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every person who is or was at any time a Director or other officer of the Company or any Group Company (as defined in these Articles) excluding the Auditors may be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities (together "**Liabilities**") which he may sustain or incur in or about the actual or purported execution and/or discharge of his duties (including these duties, powers and discretions in relation to any Group Company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act)) and/or the actual or purported exercise of his power or discretions and/or otherwise in relation thereto or in connection therewith, including (without prejudice to the generality of the foregoing) any Liability suffered or incurred by him in disputing defending investigating or providing evidence in connection with any actual or threatened or alleged claims, demands, investigations, or proceedings, whether civil or criminal or regulatory, or in connection with any application under section 661(3) or (4) or section 1157 of the Act.

The Company may also provide funds to any Director or other officer of the Company or any Group Company (excluding the Auditors) to meet or do anything to enable a Directors or other officer of the Company or any Group Company to avoid incurring expenditure of the nature described in sections 205(1) of the Act.

##### **158. LIMITED LIABILITY**

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

159. **CHANGE OF NAME**

159.1 The name of the Company may be changed by:

- (a) special resolution of the Members; or
- (b) a resolution of the Directors; or
- (c) otherwise in accordance with the Act

160. **SCHEME OF ARRANGEMENT**

160.1 In this Article, references to the "**Scheme**" are to the scheme of arrangement dated 25 April 2018 between the Company and the holders of NEX Scheme Shares (as defined in the Scheme) under Part 26 of the Act in its original form or with or subject to any modification, addition or condition agreed by the Company and CME Group Inc. ("**CME**") (which expression includes any other name which CME may adopt from time to time) and which the Court may approve or impose and (save as defined in this Article) expressions defined in the Scheme shall have the same meanings in this Article.

160.2 Notwithstanding any other provision of these articles or the terms of any resolution, whether ordinary or special, passed by the Company in general meeting, if the Company issues any ordinary shares (other than to CME, CME London Limited, a wholly-owned subsidiary of CME, ("**Bidco**")) on or after the adoption of this Article and on or prior to the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be NEX Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.

160.3 Subject to the Scheme becoming Effective, if the Company issues or is obliged to issue any ordinary shares in the Company to any person (a "**New Member**") after the Scheme Record Time (other than under the Scheme or to CME and Bidco) (the "**Post-Scheme Shares**"), such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme has become Effective, be obliged to transfer all the ordinary shares in the Company held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to CME and Bidco (as CME or Bidco may direct) who shall be obliged to acquire all of the Post-Scheme Shares. In consideration for the transfer of the Post-Scheme Shares, the purchaser shall pay to the New Member the Consideration for each Post-Scheme Share transferred to it (or such lesser or greater amount as may be payable for NEX Scheme Shares under the Scheme if each Post-Scheme Share were a NEX Scheme Share), provided that:

- (a) if in respect of any New Member with a registered address in a jurisdiction outside the United Kingdom or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, the Company is advised that the allotment and/or issue or transfer of New CME Shares pursuant to this Article would or may infringe the laws of such jurisdiction or would or may require the Company and/or CME and/or Bidco to comply with any governmental or other consent or any registration, filing or other formality with which the Company and/or CME and/or Bidco is unable to comply or compliance with which the Company and/or CME and/or Bidco regards as unduly onerous, the Company, CME and Bidco may, in their sole discretion, determine that the New CME Shares shall be sold and a cash amount equal to the value of the New CME Shares be delivered to the New Member. In the event that the New CME Shares are to be sold the Company shall appoint a person to act as agent for the New Member pursuant to this Article and such person shall be authorised on behalf of such New Member to procure that any shares in respect of which the Company, CME and Bidco have made such determination shall, as soon as practicable following the allotment, issue or transfer of such shares, be sold at the best price which can be reasonably be obtained in the market at the time of sale, including being authorised to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member and the net proceeds of sale (after the deduction of all expenses and commissions,

including any value added tax thereon incurred in connection with such sale) shall be paid to the persons entitled thereto in due proportions as soon as practicable, save that fractional cash entitlements shall be rounded down to the nearest whole penny; and

- (b) any New Member may, prior to the issue of any Post-Scheme Shares to such New Member pursuant to the exercise of an option or satisfaction of an award under any of the NEX Share Schemes, give not less than five Business Days' written notice to the Company in such manner as the board shall prescribe of their intention to transfer some or all of such Post-Scheme Shares to their spouse or civil partner. Any such New Member may, if such notice has been validly given, on such Post-Scheme Shares being issued to such New Member, immediately transfer to their spouse or civil partner any such Post-Scheme Shares, provided that such Post-Scheme Shares shall then be immediately transferred from that spouse or civil partner to CME or Bidco (or as CME or Bidco may direct) pursuant to this Article as if the spouse or civil partner were a New Member. Where a transfer of Post-Scheme Shares to a New Member's spouse or civil partner takes place in accordance with this Article, references to "New Member" in this Article shall be taken as referring to the spouse or civil partner of the New Member. If notice has been validly given pursuant to this Article but the New Member does not immediately transfer to their spouse or civil partner the Post-Scheme Shares in respect of which notice was given, such shares shall be transferred directly to CME or Bidco (or as CME or Bidco may direct) pursuant to this Article.

For the purposes of this Article, "**NEX Share Schemes**" means:

- (i) the NEX Group plc 2016 Performance Share Plan;
- (ii) the NEX Group plc 2016 Deferred Share Bonus Plan;
- (iii) the NEX Group plc 2016 Senior Management Long Term Incentive Plan;
- (iv) the NEX Group plc 2016 Global Sharesave Plan;
- (v) the ICAP plc 2015 Performance Share Plan;
- (vi) the ICAP plc 2015 Deferred Share Bonus Plan;
- (vii) the ICAP plc Senior Management Long Term Incentive Plan;
- (viii) the ICAP plc 2008 Sharesave Scheme;
- (ix) the ICAP 2003 Bonus Share Matching Plan;
- (x) the ICAP Senior Executive Equity Participation Plan; and
- (xi) the Traiana, Inc. 2000 Stock Plan,

each as amended from time to time.

160.4 The New CME Shares allotted and issued or transferred to a New Member pursuant to Article 160.3 above shall be credited as fully paid and shall rank equally in all respects with all other fully paid CME Shares in issue at that time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of allotment or transfer) and shall be subject to the charter and bylaws of CME from time to time.

160.5 On any reorganisation of, or material alteration to, the share capital of the Company or CME (including, without limitation, any subdivision and/or consolidation) effected after the Effective Date, the amount of Consideration, including the number of New CME Shares, due to a New Member for each Post-Scheme Share pursuant to Article 160.3 above may be adjusted by the board of the Company and the directors of CME in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or

alteration. References in this Article to ordinary shares shall, following such adjustment, be construed accordingly.

- 160.6 Fractions of New CME Shares will not be allotted, issued or transferred to New Members pursuant to this Article. Instead, New Members shall receive in lieu of such fractional entitlements, cash in an amount in pounds sterling (rounded down to the nearest penny) equal to such fractional amount multiplied by the last reported sale price of CME Shares on Nasdaq (as reported in The Wall Street Journal or, if not reported therein, in another authoritative source selected by CME) on the last Business Day prior to the Effective Date applying an exchange rate for conversion of U.S. dollars into pounds sterling derived from WM/Reuters as at 4.00 p.m. (London time) on the Business Day prior to the Effective Date.
- 160.7 To give effect to any transfer of Post-Scheme Shares, the Company may appoint any person as attorney and agent for the New Member (the "**agent**") to transfer the Post-Scheme Shares to CME or Bidco or as CME or Bidco may direct and do all such other things and execute and deliver all such documents as may in the opinion of the agent be necessary or desirable to vest the Post-Scheme Shares in CME or Bidco or another person as directed by CME or Bidco, and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as CME or Bidco may direct. If an agent is so appointed, the New Member shall not thereafter (except to the extent that the agent fails to act in accordance with the directions of CME or Bidco) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by CME or Bidco. The agent shall be empowered to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member (or any subsequent holder) in favour of CME or Bidco and/or another person as directed by CME or Bidco and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register CME or Bidco and/or another person as directed by CME or Bidco as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. CME and/or Bidco shall, subject to Article 160.3 above, settle the Consideration due to the New Member within 14 days of the issue of the Post-Scheme Shares to the New Member.
- 160.8 Notwithstanding any other provision of these Articles, neither the Company nor the board shall register the transfer of any NEX Scheme Shares effected between the Scheme Record Time and the Effective Date.
- 160.9 If the Scheme shall not have become Effective by the date referred to in Clause 8 of the Scheme, this Article 160 shall be of no effect.