

14692

**THE COMPANIES ACT 1985 (AS AMENDED)**

**A PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**DUNEDIN SMALLER COMPANIES INVESTMENT TRUST PLC**

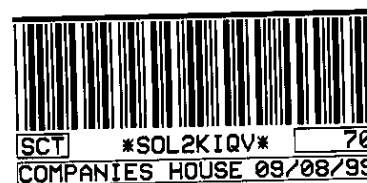
**(as adopted by special resolution passed on 19 July 1994 and amended by special  
resolution passed on 4 August 1999)**

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**THE COMPANIES ACT 1985 (AS AMENDED)**

**A PUBLIC COMPANY LIMITED BY SHARES**

**NEW**

**ARTICLES OF ASSOCIATION**

**of**

**DUNEDIN SMALLER COMPANIES INVESTMENT TRUST PLC\***

**(as adopted by special resolution passed on 19 July 1994 and amended by special resolution passed on 4 August 1999)**

**PRELIMINARY**

**1. Non-application of statutory regulations**

None of any regulations or articles for the management of a company set out in any schedule to any statute, or in any statutory instrument or other subordinated legislation made under any statute, concerning companies shall apply as regulations or articles of the Company.

**2. Definitions**

In these Articles (if not inconsistent with the subject or context and unless otherwise provided) the words in the first column of the table below shall have the meanings set opposite them respectively in the second column:-

<i>Words</i>	<i>Meanings</i>
"the Act"	the Companies Act 1985;
"these Articles"	these Articles of Association as they may be altered from time to time by special resolution;
"auditors"	the auditors for time to time of the Company;
"business day"	any day on which the London Stock Exchange is open for business;
"clear days"	in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

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\* The Company's name was changed from Dundee and London Investment Trust PLC to Dunedin Smaller Companies Investment Trust PLC conform to Certificate of Incorporation on Change of Name dated 29 July 1994.

<b>"Company"</b>	Dunedin Smaller Companies Investment Trust PLC or such other name by which the Company may for the time being be registered in accordance with the Statutes;*
<b>"Directors"</b>	the directors from time to time of the Company or (as the context may require) those of such directors present at a duly convened meeting of the directors of the Company at which a quorum is present;
<b>"execution"</b>	includes any valid mode of execution (and "executed" shall be construed accordingly);
<b>"holder" or "member"</b>	in relation to shares, the person whose name is entered in the register of members as the holder of such shares;
<b>"holding company"</b>	holding company as defined in section 736 of the Act;
<b>"in writing"</b>	written or produced by any visible substitute for writing, or partly one and partly another;
<b>"London Stock Exchange"</b>	The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited;
<b>"month"</b>	calendar month;
<b>"office"</b>	the registered office for the time being of the Company;
<b>"paid"</b>	paid up or credited as paid up;
<b>"recognised clearing house"</b>	recognised clearing house as defined in section 207(1) of the Financial Services Act 1986;
<b>"recognised investment exchange"</b>	recognised investment exchange as defined in section 207(1) of the Financial Services Act 1986;
<b>"register of members"</b>	the register of members to be kept in accordance with section 352 of the Act;
<b>"seal"</b>	the common seal of the Company;
<b>"securities seal"</b>	an official seal kept by the Company by virtue of section 40 of the Act;
<b>"Statutes"</b>	the Act and every other Act (including any orders, regulations or other subordinate legislation made under any such Act) for the time being in force concerning companies and affecting the Company;
<b>"subsidiary"</b>	subsidiary as defined in section 736 of the Act;

<b>"subsidiary undertaking"</b>	subsidiary undertaking as defined in section 258 of the Act and, for the avoidance of doubt, shall be deemed to include a subsidiary;
<b>"transfer office"</b>	the place where the register of members is situate for the time being;
<b>"transmission event"</b>	death, bankruptcy or any other event giving rise to the transmission of a person's entitlement to a share by operation of law;
<b>"undertaking"</b>	undertaking as defined in section 259 of the Act;
<b>"United Kingdom"</b>	Great Britain and Northern Ireland; and
<b>"year"</b>	calendar year.

### 3. Interpretation

In these Articles:-

the expressions "debenture" and "debenture holder" shall include "debenture stock" and "debenture stockholder" respectively;

the expression "member present in person" shall be deemed to include the presence of an authorised representative of a corporate member and cognate expressions shall be construed accordingly;

the expression "Secretary" shall (subject to the provisions of the Statutes) include any deputy secretary, assistant secretary and any other person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as joint secretaries shall include any one of those persons;

any reference to days of notice in relation to a meeting shall be construed as meaning clear days;

any reference to a meeting shall not be taken as requiring more than one person to be present in person if any quorum requirement can be satisfied by one person;

words denoting the singular shall include the plural and *vice versa* and words denoting the masculine gender shall include the feminine and neuter genders;

any reference to a person shall be construed as including a reference to an undertaking;

references to any statute or statutory provision shall (if not inconsistent with the subject or context) include any statutory modification or re-enactment thereof for the time being in force;

where any of the provisions of these Articles are stated to apply to an Article referred to by its principal number only, those provisions shall apply (where relevant) to all and any Articles designated by that number and a further number;

save as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meaning in these Articles;

where for any purpose an ordinary resolution of the Company is expressed to be required under the provisions of these Articles, a special or extraordinary resolution shall also be effective; and where an extraordinary resolution is so expressed to be required, a special resolution shall also be effective; and

the table of contents, headings and sub-headings to Articles are inserted for convenience only and do not affect the construction of these Articles.

## **CAPITAL**

### **4. Share capital**

The authorised capital of the Company at the date of adoption of these Articles as the Articles of Association of the Company is £5,200,000 divided into 20,800,000 ordinary shares of 25p each.

### **5. Redeemable shares and shares with special rights**

Subject to the provisions of the Statutes:-

- (i) shares in the Company may be issued on the terms that they are, or are to be liable, to be redeemed at the option of the Company or the holder on such terms and in such manner as the Company, before the issue thereof, may determine by ordinary resolution;
- (ii) without prejudice to any rights attached to any existing shares and subject to sub-paragraph (i) above, any shares in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether relating to dividend, return of capital, voting, conversion or otherwise, as the Company may by ordinary resolution determine.

### **6. Warrants to subscribe for shares**

The Company may, subject to the provisions of the Statutes and of these Articles, issue warrants to subscribe for shares of the Company. Such warrants shall be issued upon such terms and subject to such conditions as may be resolved upon by the Directors including, without prejudice to the foregoing generality, terms and conditions which provide that, on a winding up of the Company, a holder of warrants may be entitled to receive out of the assets of the Company available in the liquidation *pari passu* with the holders of shares of the same class as the shares in respect of which the subscription rights conferred by the warrants can be exercised such a sum which he would have received had he exercised the subscription rights conferred by his warrants prior to the winding up but under deduction of the price (if any) payable on exercise of such subscription rights.

## VARIATION OF CLASS RIGHTS

### 7. 7.1 Method of varying class rights

Whenever the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class may, subject to the provisions of the Statutes and unless otherwise expressly provided by the rights attached to the shares of that class, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate general meeting all the provisions of sections 369, 370, 375 and 377 of the Act and of these Articles relating to general meetings of the Company and to the proceedings thereat shall, so far as applicable, apply *mutatis mutandis*, except that the necessary quorum shall be two persons together holding or representing by proxy at least one-third in nominal value of the issued shares of that class (but so that, if at any adjourned meeting a quorum as above defined is not present, any holder of shares of that class present in person or by proxy shall be a quorum), that any holder of shares of that class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of that class held by him. The foregoing provisions of this Article 7.1 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes.

### 7.2 When class rights deemed not to be varied

The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of such shares or the terms upon which such shares are for the time being held, be deemed not to be varied or abrogated by the creation or issue of further shares ranking *pari passu* with or subsequent to the firstmentioned shares or by the purchase by the Company of its own shares.

## ALTERATION OF CAPITAL

### 8. Increase in capital

The Company may from time to time by ordinary resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

### 9. New shares

All new shares shall be subject to the provisions of the Statutes and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

## **10. 10.1 Consolidation, cancellation and sub-division**

The Company may from time to time by ordinary resolution:-

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (ii) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its share capital by the amount of the shares so cancelled; and
- (iii) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association of the Company (subject, nevertheless, to the provisions of the Statutes), provided that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each share resulting from the sub-division shall be the same as it was in the case of the share from which the shares resulting from the sub-division are derived and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

## **10.2 Fractions arising**

Upon any consolidation and division of fully paid shares into shares of larger nominal value ("consolidated shares") the Directors may settle any difficulty which may arise with regard thereto and in particular may, as between the holders of shares so consolidated and divided, determine which shares are consolidated and divided into each consolidated share and in the case of any shares registered in the name of one holder (or joint holders) being consolidated with shares registered in the name of another holder (or other joint holders) may (on behalf of the members) make such arrangements for the allocation, acceptance or sale of the consolidated share to any person (including, subject to the provisions of the Statutes, the Company) and for the distribution to the members entitled thereto of any net proceeds received in respect thereof as may be thought fit (except that any amount otherwise due to a member, being not more than £3.00 or such other sum as the Directors may from time to time determine, may be retained for the benefit of the Company) and for the purpose of giving effect thereto may appoint some person to transfer the consolidated share or any fractions thereof and to receive the purchase price thereof and any transfer executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity.

**11. Power to purchase own shares**

Subject to the provisions of the Statutes, the Company may purchase any of its own shares (including any redeemable shares) provided always that, if at any time there is outstanding any class of shares which are convertible into equity share capital of the Company ("convertible shares"), such purchase may only be made with the consent in writing of the holders of not less than three-fourths of the issued convertible shares or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the convertible shares. To any such separate general meeting the provisions of these Articles relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply with the exceptions contained in Article 7.1. Neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or in accordance with the rights as to dividends or capital conferred by any class of shares.

**12. Power to reduce capital**

Subject to the provisions of the Statutes and to any rights attached to any shares, the Company may by special resolution reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner.

**SHARES****13. Unissued shares at the disposal of the Directors**

Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise, of any resolution of the Company in general meeting passed pursuant thereto and of these Articles, all unissued shares in the Company shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over, offer or otherwise dispose of them to such persons, at such times and on such terms as they may determine.

**14. Payment of commission**

In addition to all other powers of paying commissions, the Company may exercise the powers of paying commissions conferred by the Statutes to the full extent permitted by, and in accordance with, the Statutes. Any such commissions may be paid in cash or in fully or partly paid shares of the Company, or partly in one way and partly in another, as may be arranged. The Company may also on any issue of shares pay such brokerage as may be lawful.

**15. Renunciation**

The Directors may at any time after the allotment of any share, but before any person has been entered in the register of members as the holder, 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.

**16. 16.1 Interests not recognised**

Except as required by law or by these Articles, the Company shall not be bound by or 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 (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the holder or, in the case of a share warrant, in the bearer of the warrant for the time being.

**16.2 Trusts may be recognised**

The Company shall be entitled, but shall not be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust, whether express, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owners thereof. For the purpose of this Article 16.2, "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in these Articles.

**17. 17.1 Issue of share warrants to bearer**

The Company may, with respect to any fully paid shares, issue a warrant to bearer (referred to in these Articles as a "share warrant") stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends on the shares included in a share warrant.

**17.2 Conditions of issue**

The powers referred to in Article 17.1 may be exercised by the Directors who may determine and vary the conditions upon which share warrants shall be issued and in particular upon which:-

- (i) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out or lost (provided that no new share warrant will be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed);
- (ii) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;



- (iii) dividends will be paid; and
- (iv) a share warrant may be surrendered and the name of the holder entered in the register of members in respect of the shares specified in it.

Subject to such conditions and to these Articles, the bearer of a share warrant shall be deemed to be a member for all purposes. The bearer of a share warrant shall be subject to the conditions for the time being in force and applicable thereto made before or after the issue of such share warrant.

## CERTIFICATES

### 18. 18.1 Authentication and form of certificates

For so long as required by the regulations of the London Stock Exchange, every certificate for shares, warrants, debentures or other securities of the Company shall be issued under the seal (or under a securities seal) provided that nothing in this Article 18.1 shall require any such certificates to be sealed if neither the Statutes nor the regulations of the London Stock Exchange require such certificates to be sealed. Every such certificate shall specify the number, class and distinguishing number (if any) of the shares, warrants, debentures or other securities to which it relates and the amount or respective amounts paid up thereon. No certificate shall be issued representing shares, warrants, debentures or other securities of more than one class. No certificate need be issued in respect of shares, warrants, debentures or other securities held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of which the Company is not required by law to complete and have ready for delivery a certificate.

### 18.2 Evidence and transfer of title to securities

Nothing in these Articles shall require title to any shares, warrants, debentures or other securities of the Company to be evidenced or transferred by a written instrument, the regulations from time to time made under the Statutes and of the London Stock Exchange so permitting. The Directors shall have power to implement such procedures (if any) as they may think fit and as may accord with the Statutes and any regulations made thereunder and with the regulations of the London Stock Exchange for the recording and transferring of title to uncertificated securities and for the regulation of those procedures and the persons responsible for or involved in their operation.

### 19. Members' rights to certificates

Subject to the provisions of Article 18, every person whose name is entered as a member in the register of members shall be entitled without payment to a certificate for the shares registered in his name:-

- (i) in the case of issue, within one month (or such longer period as the terms of issue shall provide) after allotment;
- (ii) in the case of a transfer of fully paid shares, within two months after lodgment of a transfer; or
- (iii) in the case of a transfer of partly paid shares, within two months after lodgment of a transfer;

or (upon payment of such reasonable charge (if any) for every certificate after the first as the Directors shall from time to time determine) to several certificates, each for one or more of his shares of any one class provided that the Company shall not be bound to register more than four persons as the joint holders of a share and, in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate for each class of share so held and delivery of a certificate to one of such persons shall be deemed sufficient delivery to all.

## **20. Delivery of certificate to broker or agent**

Delivery of a certificate for shares to a broker or agent acting in regard to the purchase or transfer of shares to which it relates shall be sufficient delivery to the purchaser or the transferee, as the case may be.

## **21. Transfer of part of a holding**

Where a member transfers some only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

## **22. Cancellation and replacement of certificates**

- 22.1 Any two or more certificates representing shares of any one class held by any member may, at his request, be cancelled and a single new certificate for all such shares issued in lieu upon payment of such reasonable charge (if any) as the Directors shall from time to time determine.
- 22.2 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request upon payment of such reasonable charge (if any) as the Directors shall from time to time determine.
- 22.3 If a share certificate shall be damaged, defaced, worn out or alleged to have been lost, stolen or destroyed, it may be replaced by a new certificate on request subject to (in the case of damage, defacement or wearing out) delivery up of the certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions (if any) as to evidence and indemnity as the Directors think fit. Any

such replacement certificate shall be issued without charge save that, in the case of alleged loss, theft or destruction, the person to whom a new certificate is issued shall pay to the Company any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity as aforesaid.

- 22.4 In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

## **CALLS ON SHARES**

### **23. Power to make calls**

The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue thereof made payable at fixed times. Each member shall (subject to being given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company, at the time or times and place so specified, the amount called on his shares. A call may be required to be paid in instalments and may be either revoked or postponed by the Directors in whole or in part at any time before receipt by the Company of a sum due thereunder. Without prejudice to the lien created by Article 37, a person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

### **24. Time when call made**

A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

### **25. Liability of and receipts by joint holders**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof and any one of such persons may give an effective receipt for any return of capital payable in respect of such share.

### **26. Interest payable on non-payment**

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate as may be fixed by the terms upon which such shares have been issued or, if no such rate is fixed, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, twenty per cent per annum) as the Directors may determine and shall also pay all expenses that may have been incurred by the Company by reason of such non-payment, but the Directors may,

if they think fit, in any case or cases, waive payment of such interest and expenses, wholly or in part.

**27. Sums due on allotment deemed as calls**

Any sum (whether on account of the nominal value of the shares or by way of premium) which by the terms of issue of a share becomes payable upon allotment or (whether by instalment or otherwise) at any fixed date 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. In the 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.

**28. Differentiation in calls**

Subject to the terms of issue, the Directors may at any time and from time to time differentiate between the allottees or holders of shares as to the amount of calls to be paid and the times of payment.

**29. Payments 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 moneys (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 such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made. The Company may pay interest upon the moneys so received (until and to the extent that the same would but for such advance become payable) at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, fifteen per cent per annum) as the member paying such moneys and the Directors may agree upon. No moneys paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend, or other payment or distribution, subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment in advance, become payable. The Directors may at any time repay moneys paid up in advance of calls upon giving to the member not less than one month's notice in writing.

## **FORFEITURE, SURRENDER AND LIEN**

**30. Notice requiring payment of call on default**

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

**31. Form of notice**

The notice referred to in Article 30 shall name a further day (being not less than fourteen days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment in accordance therewith, the shares in respect of which the call or instalment of the call is payable will be liable to be forfeited.

**32. Forfeiture for non-compliance with notice**

If the requirements of any notice referred to in Article 30 are not complied with, any share in respect of which such notice has been given may, at any time thereafter and before payment of all calls or instalments, interest and expenses due in respect thereof has been received by the Company, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited share and not actually paid or distributed before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

**33. Notice of forfeiture**

When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share in consequence of a transmission event, as the case may be, and an entry of such notice having been given, and of the forfeiture or surrender, with the date thereof, shall forthwith be made in the register of members opposite to the entry of the share but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

**34. Annulment of forfeiture**

Notwithstanding any forfeiture or surrender of a share pursuant to these Articles, the Directors may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of or cancelled, annul such forfeiture or surrender upon such terms as they think fit.

**35. Sale or cancellation of forfeited shares**

A share forfeited or surrendered pursuant to these Articles shall become the property of the Company and may (subject to the provisions of the Statutes) be sold, re-allotted or otherwise disposed of either to the person who was, before such forfeiture or surrender, the holder thereof or entitled thereto in consequence of a transmission event or to any other person upon such terms and in such manner as the Directors shall think fit and whether with or without all or any part of the amount previously paid on the share being credited as paid.

The Directors may, if necessary, authorise any person to transfer a forfeited or surrendered share to any such other person as aforesaid. Any share which has been so forfeited or surrendered and has not been sold, re-allotted or otherwise disposed of shall be cancelled by resolution of the Directors within the period specified in and otherwise in accordance with the Statutes.

**36. Arrears to be paid notwithstanding forfeiture or surrender**

A person, all or any of whose shares have been forfeited or surrendered, shall cease to be a member in respect of the forfeited or surrendered shares but shall, notwithstanding the forfeiture or surrender or cancellation of the shares, remain liable (unless payment is waived in whole or in part by the Directors) to pay to the Company all moneys which, at the date of forfeiture or surrender, were presently payable by him to the Company in respect of the shares, with interest thereon at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, twenty per cent per annum) as the Directors may determine from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part, and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal.

**37. Company to have lien on shares**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time or times in respect of such share. The Company shall also, insofar as is permitted by the Statutes, have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a member (whether solely or jointly) for all the debts and liabilities of such member, or his estate, to the Company. The lien shall apply (i) notwithstanding that those debts and liabilities have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, (ii) whether or not the period for the payment or discharge of the same shall have actually arrived and (iii) notwithstanding that the same are joint debts or liabilities of such member, or his estate, and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and other payments or distributions payable or distributable thereon or in respect thereof. The Directors may waive any lien which has arisen and may declare any share to be exempt, wholly or partially, from the provisions of this Article 37.

**38. 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 fourteen days after a notice in writing stating and demanding payment of the sum presently payable, and giving notice of the intention to sell in default of such payment, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of a transmission event. For the

purpose of giving effect to any such sale, the Directors may authorise any person to transfer the shares sold to the purchaser.

**39. Application of proceeds of sale**

The net proceeds of a sale pursuant to the provisions of Article 38, after payment of the costs of such sale, shall be received by the Company and applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists, so far as the same are presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale and upon surrender, if required by the Directors, of the certificate of the shares sold) be paid to the person entitled to the shares at the time of the sale.

**40. Statutory declaration as to forfeiture, surrender or sale**

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 therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or other disposal thereof together with the share certificate (if any) 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 otherwise 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 in reference to the forfeiture, surrender, sale, re-allotment or other disposal of the share.

## **TRANSFER OF SHARES**

**41. Form and execution of transfers**

Except as may be provided by any procedures implemented pursuant to Article 18.2, all transfers of shares shall be effected by instrument in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be executed by, or on behalf of, the transferor and (except in the case of fully paid shares) by, or on behalf of, the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect thereof.

**42. Suspension of registration**

The registration of transfers may be suspended and the register of members closed, 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 that the register of members shall not be closed for more than thirty days in any year.

**43. Notice of refusal to register**

The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register a transfer of any share which is not a fully paid share unless such share is listed on the London Stock Exchange. The Directors may also refuse to register any transfer of a share on which the Company has a lien. If the Directors refuse to register a transfer pursuant to any provision of these Articles they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

**44. Requirements for registration of transfer**

The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register a transfer of any share unless the relevant instrument of transfer (i) is in respect of only one class of share, (ii) is duly stamped, or adjudged or certified as not chargeable to stamp duty, and is lodged at the transfer office, or at such other place as the Directors may from time to time determine, accompanied by the relevant share certificate(s) 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) and (iii) is in favour of not more than four transferees jointly. In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, the lodgment of share certificates will only be necessary if, and to the extent that, certificates have been issued in respect of the shares in question.

**45. Retention of transfers**

All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors refuse to register shall (except in the case where fraud or any other crime involving dishonesty is suspected in relation to such transfer) be returned to the person lodging it when notice of refusal is given.

**46. No fee payable for registration of transfers**

No fee will be charged by the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the register of members affecting the title to any shares.



**47. Directors' powers to authorise transfers**

Nothing in these Articles shall preclude the Directors, if empowered by these Articles to authorise any person to execute an instrument of transfer of a share, from authorising any person to transfer that share in accordance with any procedures implemented pursuant to Article 18.2.

**DESTRUCTION AND PRESUMPTIONS AS TO VALIDITY OF DOCUMENTS****48. 48.1 Permitted times for destruction**

The Company shall be entitled to destroy:-

- (i) all share certificates which have been cancelled at any time after the expiration of one year from the date of such cancellation;
- (ii) all notifications of change of name and address and all dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of two years from the date of the recording of such notification or, as the case may be, the date of such cancellation or cessation;
- (iii) all instruments of transfer of shares which have been registered at any time after the expiration of six years from the date of registration thereof; and
- (iv) any other documents on the basis of which any entry in the register of members has been made at any time after the expiration of six years from the date of the first entry in the register of members in respect thereof.

**48.2 Presumptions as to validity**

It shall conclusively be presumed in favour of the Company that (i) every entry in the register of members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made, (ii) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, (iii) every share certificate so destroyed was a valid and effective document duly and properly cancelled and (iv) every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice to the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid, or in any other circumstances, which would not attach to the Company in the absence of this Article 48;

- (c) references in this Article 48 to the destruction of any document include references to the disposal thereof in any manner; and
- (d) references in this Article 48 to an instrument of transfer shall be deemed to include references to any document constituting the renunciation of an allotment of any shares in the Company by the allottee in favour of some other person.

## TRANSMISSION OF SHARES

### 49. 49.1 Transmission on death

In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person or persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article 49 shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

### 49.2 Registration or transfer on death, bankruptcy, etc

Subject to the provisions of Article 49.1, any person becoming entitled to a share in consequence of a transmission event may (subject as hereinafter provided), upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, either elect to be registered himself as the holder of the share upon giving to the Company notice in writing in such form as the Directors may prescribe of such desire or transfer such share to some other person 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 transmission event as aforesaid had not occurred and the notice or transfer was a transfer executed by that member. The Directors may at any time give notice requiring a person becoming entitled to a share in consequence of a transmission event to elect to be registered himself or to transfer the share and, if the notice is not complied with within sixty days, the Directors may withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the notice have been complied with.

### 49.3 Rights of persons entitled by transmission

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of a transmission event (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share, but he shall not be entitled (except with the approval of the Directors) to receive notices of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a member, unless and until he shall have become a member in respect of the share.

## DISCLOSURE OF INTERESTS IN SHARES

### 50. 50.1 Interpretation of and definitions for Article 50

For the purposes of this Article 50:-

- (i) a person other than the member holding a share shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a section 212 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
- (ii) "interested" shall be construed as it is for the purpose of section 212 of the Act;
- (iii) "section 212 notice" means a notice given by the Company under section 212 of the Act;
- (iv) reference to a person having failed to give the Company the information required by a section 212 notice, or being in default as regards supplying such information, includes (a) reference to his having failed or refused to give all or any part of it and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
- (v) an "approved transfer" means, in relation to any shares held by a member:-
  - (a) a transfer by way of or pursuant to acceptance of a takeover offer for the Company (within the meaning in section 428 of the Act); or
  - (b) a transfer in consequence of a sale made through a recognised investment exchange or recognised clearing house or any other stock exchange or market outside the United Kingdom on which the Company's shares are normally traded (if any); or
  - (c) a transfer which is shown to the satisfaction of the Directors to be made in consequence of a *bona fide* sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

### 50.2 Disenfranchisement

If a member, or any other person appearing to be interested in shares held by that member, has been served with a section 212 notice and has failed in relation to any shares (the "default shares", which expression shall include any further shares which are allotted or issued in respect of such shares) to give the Company the information thereby required within fourteen days after service of the section 212

notice, then the Directors may, in their absolute discretion at any time thereafter, by notice (a "direction notice") to such member (which shall be conclusive against such member and its validity shall not be questioned by any person) direct, with effect from the service of the direction notice, that:-

- (i) the member shall not be entitled in respect of the default shares to attend or vote (either in person or by proxy) at any general meeting or at any separate general or class meeting of the holders of that class of shares; and
- (ii) where the default shares represent 0.25 per cent or more in nominal value of the issued shares of their class (calculated by reference to the number of shares in issue at the time when the section 212 notice is given):-
  - (a) any dividends payable (including shares issued in lieu of dividends in accordance with Article 141) in respect of the default shares, or any of them, shall be withheld by the Company until such time as the section 212 notice ceases to have effect and the Company shall not have any obligation to pay interest on any payment so withheld when it is finally paid to the member; and
  - (b) no transfer of any default shares held by the member shall be registered unless:-
    - (aa) the member is not himself in default as regards supplying the information required and the member provides evidence to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares which are the subject of the transfer; or
    - (bb) the transfer is an approved transfer.

### **50.3 Service of notices on non-members**

The Company shall send to each other person appearing to be interested in the default shares, the address of whom has been intimated to the Company, a copy of the direction notice at the same time as such notice is given to the relevant member, but the failure or omission to do so, or the non-receipt by that person of the copy, shall not invalidate or otherwise affect the application of Article 50.2.

### **50.4 Cessation of disenfranchisement**

The sanctions under Article 50.2 shall have effect for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect seven days after the earlier of:-

- (i) receipt by the Company of notice that the default shares have been transferred by such member by means of a transfer in accordance with sub-paragraph (ii) (b) of Article 50.2; and
- (ii) due compliance, to the satisfaction of the Company, with the section 212 notice.

In addition, the Directors may at any time give notice suspending for any given period or cancelling a direction notice or any part thereof.

#### **50.5 No restriction of statutory provisions**

The provisions in this Article 50 are in addition and without prejudice to the provisions of the Act and, in particular, the Company may apply to the court under section 216(1) of the Act whether or not the provisions of this Article 50 apply or have been applied.

### **UNTRACED SHAREHOLDERS**

#### **51. 51.1 Power to dispose of shares of untraced shareholders**

The Company shall be entitled to sell, in such manner and for such price as the Directors think fit, any share held by a member or any share to which a person is entitled in consequence of a transmission event if and provided that:-

- (i) for a period of 12 years before the giving of notice pursuant to sub-paragraph (iii) of this Article 51.1 no cheque or warrant for amounts payable in respect of the share, sent and payable in a manner authorised by these Articles, has been cashed and no communication in respect of the share has been received by the Company from the member or person concerned;
- (ii) during that period at least three cash dividends (whether interim or final) in respect of the share have become payable and no dividend in respect of the share has been claimed;
- (iii) the Company has, after the expiration of that period, 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 by these Articles is located and by notice to of the London Stock Exchange if shares of the class concerned are listed or dealt in on that exchange, given notice of its intention to sell such share; and
- (iv) the Company has not, during the further period of three months after the date (or, if they are published on different dates, the last date) of such advertisements and prior to the sale of the share, received any communication in respect of the share from the member or person concerned.

#### **51.2 Power to dispose of additional shares**

The Company shall also be entitled to sell, in the manner provided for in this Article 51, any share ("additional share") issued during the said period or periods of 12 years and 3 months in right of any share to which Article 51.1 applies or in right of any share issued during either of such periods, provided that the requirements of sub-paragraphs (i) (but modified to exclude the words "for a

period of 12 years before the giving of notice pursuant to sub-paragraph (iii) of this Article 51.1"), (iii) (but modified to exclude the words "after the expiration of that period") and (iv) of Article 51.1 are satisfied in respect of such additional share.

### **51.3 Sale procedure and application of proceeds**

To give effect to any such sale, the Directors may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the holder of, or person entitled in consequence of a transmission event to, such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating to the said transfer. The Company shall be indebted to the former member or other person previously entitled to the said shares for an amount equal to the net proceeds of sale and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. 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 of sale. The net proceeds of sale 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.

## **STOCK**

### **52. Conversion into stock**

Subject to the provisions of these Articles, the Company may from time to time by ordinary resolution convert any fully paid shares into stock or reconvert any stock into fully paid shares of any denomination. If and whenever any shares of any class in the capital of the Company for the time being shall have been issued and be fully paid, and at that time the shares of that class previously issued and fully paid shall stand converted into stock, such further shares and shares issued prior to the conversion of the shares of that class into stock but which were not fully paid at the date of conversion, upon being fully paid, shall *ipso facto* be converted into stock transferable in the same units as the existing stock of that class.

### **53. Transfer of stock**

The holders of stock may transfer the same or any part thereof, unless otherwise directed by ordinary resolution of the Company, in the same manner and subject to the same regulations as those subject to which the shares from which the stock arose might, prior to conversion, have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the nominal value of the shares from which the stock arose) as the Directors may from time to time determine.

**54. Rights of stockholders**

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except as regards participation in the dividends, profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage. All the provisions of these Articles applicable to paid up shares shall apply to stock and the words "share" and "member" shall include "stock" and "holder of stock" respectively.

**WRITTEN RESOLUTIONS****55. Written resolutions of the Company**

Subject to the provisions of the Statutes, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general or class meetings (or, being corporations, by their duly authorised representatives) shall be as valid and effectual as if the same had been passed at a general or class meeting of the Company duly convened and held and may consist of one or more documents in like form each signed by one or more members (or, being corporations, by their duly authorised representatives), as the case may be.

**GENERAL AND CLASS MEETINGS****56. Annual general meetings**

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year. An annual general meeting shall be held at such time (within a period of not more than fifteen months after the holding of the last preceding annual general meeting) and place as may be determined by the Directors.

**57. Extraordinary general meetings**

All general meetings other than annual general meetings shall be called extraordinary general meetings. The Directors may whenever they think fit proceed to convene an extraordinary general meeting in accordance with the Statutes. Extraordinary general meetings shall also be convened by the Directors on a requisition in accordance with section 368 of the Act or, in default, may be convened by the requisitionists of such extraordinary general meeting, in accordance with the Statutes. An extraordinary general meeting when convened by the Directors shall be held at such time and place as may be determined by the Directors provided that, whenever the Directors shall on a members' requisition convene an extraordinary general meeting, they shall convene such meeting for a date not more than six weeks after the requisition is deposited at the office. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two members may convene an extraordinary general meeting in the same manner (as

nearly as may be) as that in which such a meeting might have been convened by the Directors.

#### **58. Separate class meetings**

All the provisions of sections 369, 370, 375 and 377 of the Act and of these Articles relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply to any separate meeting of the holders of shares of any class held otherwise than pursuant to Article 7.1. For the purposes of any such separate class meeting, an extraordinary resolution is a resolution duly passed by a majority consisting of not less than three-fourths of the votes given upon the resolution at such meeting of which notice specifying the intention to propose the resolution as an extraordinary resolution shall have been duly given. Notice of any such separate meeting given before the adoption of these Articles as the Articles of Association of the Company shall be as valid as if these Articles had been in force at the date that the notice was given.

### **LOCATION OF GENERAL MEETINGS**

#### **59. 59.1 General meetings at more than one place**

The provisions of this Article 59 shall apply if any general meeting is convened at, or adjourned to, more than one place.

#### **59.2 Notice and conditions of holding meeting**

The notice of the meeting or adjourned meeting shall specify the place at which the chairman of the meeting shall preside (the "specified place"), and the Directors shall make arrangements for simultaneous attendance and participation at that or any other place by members, provided that persons attending at any particular place shall be able to see and hear, and be seen and heard by, persons attending at the other place or places at which the meeting is convened.

#### **59.3 Controlling level of attendance**

The Directors may, from time to time, make such arrangements for the purpose of controlling the level of attendance at any such place as they shall, in their absolute discretion, consider appropriate, and may from time to time vary any such arrangements or make any new arrangements in place of them, provided that the entitlement of a member to attend a meeting or adjourned meeting shall be satisfied by his being given the entitlement to attend at such place (fulfilling the conditions specified in Article 59.2) as may be specified by the Directors for the purposes of this Article 59.3.

#### **59.4 Deemed location of meeting**

For the purposes of all other provisions of these Articles any such meeting shall be treated as being held at the specified place.



**59.5 Adjournment to more than one place**

If a meeting is adjourned to more than one place, notice of the adjourned meeting shall be given notwithstanding any other provision of these Articles.

**NOTICE OF GENERAL MEETINGS****60. Period and omission or non-receipt of notice**

An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company shall be called by not less than twenty one days' notice in writing and any other general meeting shall be called by not less than fourteen days' notice in writing. The notice shall be given in accordance with the provisions of these Articles to the auditors and to all members other than such as are not under the provisions of these Articles or the terms of issue of the shares they hold entitled to receive such notices from the Company and to every other person who, by virtue of the Statutes or these Articles, is entitled to receive such notices from the Company; provided that a general meeting, notwithstanding that it has been called by shorter notice than that specified above, shall be deemed to have been duly called (and the business thereat duly transacted) if it is so agreed:-

- (i) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (ii) in the case of any other general meeting, by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right; and

provided also that the accidental omission to give notice to, or the non-receipt of notice by any person entitled thereto, shall not invalidate the proceedings at any general meeting.

**61. Contents of notice**

- 61.1 Every notice calling a general meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- 61.2 In the case of an annual general meeting, the notice shall also specify the meeting as such.
- 61.3 In the case of any general meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business and, if any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect.

**62. Routine business**

Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:-

- (i) sanctioning or declaring dividends;
- (ii) receiving and/or adopting the accounts, the reports of the Directors and auditors and other documents required to be annexed to the accounts;
- (iii) appointing or re-appointing the retiring auditors (unless they were last appointed otherwise than by the Company in general meeting);
- (iv) fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed; and
- (v) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement by rotation or otherwise.

**63. Notice of resolutions on members' requisitions**

The Directors shall, on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

- (i) give to the members entitled to receive notice of the next annual general meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- (ii) circulate to the members entitled to have notice of any general meeting, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

**PROCEEDINGS AT GENERAL MEETINGS****64. Quorum**

No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Save as otherwise provided in these Articles, two members present in person and entitled to vote shall be a quorum for all purposes.

**65. If quorum not present**

If within fifteen minutes from the time appointed for a general meeting (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) a quorum is not present, the meeting, if convened on or by the requisition of members, shall be dissolved.

In any other case the meeting shall stand adjourned to the same day in the next week (or, if

that day is a holiday, the next working day thereafter), at the same time and place, or to such other day and at such other time as the Directors may determine and, if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the member or members present in person or by proxy and entitled to vote shall be a quorum.

#### **66. Chairman**

The chairman of the Board of Directors shall be entitled to preside as chairman at every general meeting. If there is no such chairman or, if at any meeting the chairman shall not be present within fifteen minutes after the time appointed for holding the meeting and willing to preside, the Directors present shall choose one of their number (or, if no Director is present or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of their number) to be chairman of the meeting.

#### **67. Adjournments**

The chairman of the meeting may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place. In addition, the chairman of the meeting may at any time without the consent of the meeting adjourn the meeting to another time or place if it appears to him that:-

- (i) the number of persons wishing to attend cannot be conveniently accommodated in the place(s) appointed for the meeting; or
- (ii) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of its business; or
- (iii) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

#### **68. Time and place of adjourned meetings**

When a meeting is adjourned for thirty days or more or *sine die*, notice of the adjourned meeting shall be given in like manner as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**69. 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 resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special or extraordinary resolution no amendment thereto (other than an amendment to correct a patent error) may in any event be considered or voted upon.

**70. Methods of voting**

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 or on the withdrawal of any other demand for a poll as hereinafter mentioned) demanded by:-

- (i) the chairman of the meeting; or
- (ii) not less than two members present in person or by proxy and entitled to vote; or
- (iii) a 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 at the meeting; or
- (iv) a member or members present in person or by proxy and representing shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

**71. Declaration of result and conduct of poll**

A demand for a poll may be withdrawn at any time before the conclusion of the meeting or the taking of the poll, whichever is the earlier. If a demand for a poll is withdrawn, the result of a show of hands declared before the demand was made shall remain valid. Unless a poll is duly demanded (and the demand is not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost and an entry to that effect in the minute book of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand is not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to such place and time fixed by him for the purpose of declaring the result of the poll.

**72. Chairman's casting vote**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the votes to which he may be entitled as a member or as a proxy or authorised representative of a member.

**73. When poll to be taken**

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (being not more than fourteen days after the date of the meeting at which the poll was demanded) and place as the chairman may direct. Unless the chairman otherwise directs, no notice need be given of a poll not taken immediately.

**74. Continuance of meeting**

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

## VOTES OF MEMBERS

**75. Right to vote**

Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares and to the provisions of these Articles, on a show of hands every member present in person and entitled to vote shall have one vote and on a poll every member present in person or by proxy and entitled to vote shall have one vote for every share held by him.

**76. Votes of joint holders**

In the case of joint holders of a share, the vote of the senior member 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 of members in respect of the joint holding.

**77. Member under incapacity**

A member who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, receiver, *curator bonis* or other

person in the nature of a committee, receiver or *curator bonis* appointed by such court, and any such committee, receiver, *curator bonis* or other person may, on a poll, vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the transfer office, or at such other place (if any) as is specified for the delivery of instruments of proxy in accordance with these Articles, not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at, or on the same day as, the meeting or adjourned meeting) for the taking of the poll at which it is desired to vote.

**78. Calls in arrears**

No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to attend or vote at a general meeting of the Company either in person or by proxy or to exercise any other right conferred by membership in relation to general meetings of the Company if any call or other sum presently payable by him to the Company in respect of shares in the Company remains unpaid.

### **ADMISSIBILITY OF VOTES**

**79. Objections to voting**

If (i) any objection shall be raised to the qualification of any person to vote or to the admissibility of any vote or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error raised or pointed out in due time shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman of the meeting decides that the same may have effected the decision of the meeting. The decision of the chairman of the meeting on such matters shall be final and conclusive.

**80. Supplementary provisions on voting**

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

### **PROXIES**

**81. Proxy need not be member**

A proxy need not be a member of the Company and a member may appoint more than one proxy to attend on the same occasion provided that he may appoint only one proxy in respect of the same shares.

**82. Appointment and form of proxy**

An instrument appointing a proxy shall be in writing in any usual or common form, or in any other form which the Directors may prescribe or accept, and shall be executed by, or on behalf of, the appointor. A corporation may execute an instrument appointing a proxy under its common seal or the hand of a duly authorised officer or person. The signature on such instrument need not be witnessed. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting, and shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit.

**83. Delivery of form of proxy**

An instrument appointing a proxy and (if required by the Directors) the power of attorney or other authority (if any) under which it is signed or an extract from the Books of Council and Session or a notarially certified copy of such power or authority must be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to any documents accompanying the notice convening the meeting or any notice of any adjournment (or, if no place is so specified, to the transfer office) not less than forty eight hours before the time appointed for the holding of the meeting or 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 twenty four hours before the time appointed for the taking of the poll at which it is to be used, and in default shall not be treated as valid, provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meetings to which it relates. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or in the poll concerned.

**84. Issue of forms of proxy**

Subject to the provisions of the Statutes, the Directors may, if they think fit, at the expense of the Company, issue forms of proxy for use by the members with or without prepaid postage and with or without inserting therein the names of any of the Directors or any other person as proxies. In cases where instruments of proxy are sent out with notices, the accidental omission to send such instruments of proxy to, or the non-receipt of such instruments of proxy by, any person entitled to receive notice shall not invalidate the proceedings at any general meeting.

**85. Validity of forms of proxy**

An instrument appointing a proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. When two or more valid but differing instruments appointing a proxy are received in respect of the same share for use at the same meeting, the one which is last received (regardless of its date or of

the date of its execution) shall be treated as replacing and revoking the other or others as regards that share and, if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution, except:-

- (i) at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in the case where the meeting was originally held within twelve months from such date; or
- (ii) a power of attorney containing a power to act and vote for a member at all meetings of the Company, and such a power, if once duly intimated to the Company, shall not require to be again deposited at the transfer office or such other place or one of such other places (if any) as is specified for the delivery of instruments appointing a proxy in accordance with these Articles.

#### **86. Revocation of proxy etc.**

A vote cast or poll demanded by a proxy or by the duly authorised representative of a corporation shall not be invalidated by the revocation of the authority of the person voting or demanding a poll (such revocation being deemed to include revocation of the proxy or of the authority under which the proxy was executed or the death or insanity of the appointing member) or transfer of the shares in respect of which the vote is given or poll is demanded unless notice in writing of the revocation or transfer shall have been received by the Company at the transfer office or such other place or one of such other places (if any) as is specified for the delivery of instruments appointing a proxy in accordance with these Articles before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at, or on the same day as, the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

### **INCORPORATED MEMBERS ACTING BY REPRESENTATIVES**

#### **87. Authority of representatives**

Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by authority to be given under the hand of any officer duly authorised by it, authorise such person or persons as it thinks fit to act as its representative (or, as the case may be, representatives) at any meeting of the Company, or at any separate meeting of the holders of any class of shares. A person so authorised shall be entitled to exercise the same powers on behalf of the grantor of the authority (in respect of that part of the grantor's holding to which his authorisation relates, in the case of an authorisation of more than one person) as the grantor could exercise if it were an individual member of the Company, and the grantor 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 at it. For the purpose of this Article 87, the expression "corporation" shall include a company whether incorporated in the United Kingdom or overseas.



## **DIRECTORS**

### **88. Limits on number of Directors**

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than alternate Directors) shall not be less than three nor more than six.

### **89. Director need not be member**

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

### **90. Directors' fees**

The fees paid to, and benefits in kind received by, the Directors for their services in the office of director shall not exceed in aggregate £50,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine. Subject thereto, each such Director shall be paid a fee (which shall be deemed to accrue from day to day) at such rate, and shall receive such benefits in kind, as may from time to time be determined by the Directors and, in default of such determination within a reasonable period, such fees and benefits in kind shall be divided among the Directors equally. Any fee payable pursuant to this Article 90 shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provision of these Articles or any contract or arrangement between the Company and the relevant Director.

### **91. Directors may be paid expenses**

The Directors may pay or repay to any Director all such proper and reasonable travelling, hotel and other expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or general or class meetings or otherwise in connection with the business of the Company.

### **92. Additional remuneration of Directors**

Any Director who is appointed to any executive office (including for this purpose the office of chairman whether or not such office is held in an executive capacity) or who serves on any committee of the Directors or who otherwise performs services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director or who makes any special exertions in going or residing abroad or otherwise in connection with the business of the Company may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Directors may determine and such remuneration may at the discretion of the Directors be either in addition to or in substitution for all or any part of any other remuneration to which such Director may be entitled under these Articles.

**93. 93.1 Retirement and other benefits**

Without prejudice to the general power of the Directors under these Articles to exercise on behalf of the Company (by establishment or maintenance of schemes or otherwise) all the powers of the Company to give, or procure the giving of, retirement, death or disability benefits, annuities or other allowances, emoluments or benefits to, or for the benefit of, any person, and without restricting the generality of their other powers, the Directors shall have power to pay, and agree to pay, emoluments or benefits to any Director, ex-Director, officer or ex-officer of the Company or its predecessors in business or of any other undertaking which is (i) the holding company of the Company or (ii) a subsidiary undertaking of the Company or of any such holding company or (iii) otherwise allied to or associated with the Company or any such holding company or subsidiary undertaking or in which the Company or such holding company or subsidiary undertaking has any interest, whether directly or indirectly, and to the husbands, wives, widowers, widows, children, families, dependants and personal representatives of any such Director, ex-Director, officer or ex-officer, and, for the purpose of providing any such benefits, annuities, allowances or emoluments, to establish or contribute to any trust, scheme, association, arrangement or fund or to pay premiums, and shall have power to establish trusts, schemes, associations, arrangements or funds considered to be for the benefit of any such persons aforesaid. A Director, ex-Director, officer or ex-officer shall not be accountable to the Company or the members for any such benefit, annuities, allowances or emoluments, and the receipt of the same shall not disqualify any person from being or becoming a Director of the Company.

**93.2 Insurance**

Without prejudice to the provisions of Article 162, the Directors shall have power 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 its predecessors in business or of any other undertaking which is (i) the holding company of the Company or (ii) a subsidiary undertaking of the Company or of any such holding company or (iii) otherwise allied to or associated with the Company or any such holding company or subsidiary undertaking or in which the Company or any such holding company or subsidiary undertaking has any interest, whether directly or indirectly, or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability 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/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other undertaking or pension fund.

**94. 94.1 Directors' interests in contracts with the Company**

Subject to the provisions of the Statutes and to Article 110, a Director or alternate Director may be a party to, or in any way interested, whether directly or indirectly, in any contract, arrangement or transaction to which the Company is a party, or in which the Company is in any way interested, whether directly or indirectly, and any such contract, arrangement or transaction shall not be avoided by virtue of such Director's interest, and he may hold and (in addition to any other remuneration provided for by, or pursuant to, any other Article) be remunerated in respect of any office (other than the office of auditor of the Company or of any subsidiary of the Company) or employment under the Company or any other company in which the Company is in any way interested, and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and, in any such case as aforesaid (unless otherwise agreed), the Director may retain, for his own absolute use and benefit, all remuneration, profits and other benefits accruing to him thereunder or in consequence thereof.

**94.2 Appointments with other companies**

Subject to any agreement to the contrary between the Company and the Director, a Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and (unless otherwise agreed) shall not be accountable to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of, or from his interest in, such other company. The Directors may also cause the voting power conferred by the shares in any other company held or owned by the Company or interest or right in such company to be exercised in such manner as they think fit, including the exercise thereof in favour of any resolution or decision appointing themselves or any of them to be directors, officers or servants of, or to any other position in, such other company, or voting or providing for the payment of remuneration to the directors, officers or servants of, or any holders of any other position in, such other company.

**95. 95.1 Executive office**

The Directors may from time to time appoint one or more of their number to be the holder of any executive office or make any appointment by them of a Director conditional upon his accepting any executive office (including, where considered appropriate, the office of chairman or managing director) on such terms, and for such period, as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any service contract entered into in any particular case, may at any time revoke such appointment.

**95.2 When termination of appointment automatic**

The appointment of any Director to any of the two executive offices specifically mentioned in Article 95.1 shall automatically determine if he ceases from any cause to be a Director, but without prejudice to any claim for damages for breach of any service contract between him and the Company.

### **95.3 When termination of appointment not automatic**

The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds or is removed from office shall expressly state otherwise, in which event the termination of his office if he ceases to be a Director shall be without prejudice to any claim for damages for breach of any service contract between him and the Company.

### **96. Delegation of powers to individual Directors**

The Directors may entrust to, and confer upon, any Director any of the powers, authorities and discretions (including power to sub-delegate) exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with, or to the exclusion of, their own powers, authorities and discretions, and may from time to time revoke, withdraw, alter or vary all or any of such powers, authorities and discretions but no person dealing in good faith and without notice of any such revocation, withdrawal, alteration or variation shall be affected thereby.

## **APPOINTMENT, DISQUALIFICATION AND RETIREMENT OF DIRECTORS**

### **97. Age limit**

The provisions of section 293 of the Act (which regulate the appointment and continuation in office of Directors who have attained the age of seventy) shall apply to the Company.

### **98. Disqualification of a Director**

Without prejudice to the provisions for retirement by rotation or otherwise contained in these Articles, the office of Director shall be vacated in any of the following events, namely:-

- (i) if, pursuant to any provisions of the Statutes, he is removed or prohibited from being a Director;
- (ii) if he shall resign by writing under his hand left at the office or if he shall tender his resignation and the Directors shall resolve to accept the same;
- (iii) if he ceases to be a Director by virtue of section 293 of the Act;
- (iv) if he shall have a receiving order made against him, become bankrupt, apparently insolvent, execute a trust deed for behoof of his creditors or shall compound with his creditors generally;
- (v) if he shall become of unsound mind or otherwise incapax;
- (vi) if, without special leave of absence from the Directors, he shall be absent from meetings of the Directors for six consecutive months and his alternate Director (if

any) shall not, during such period, have attended in his stead and the Directors shall resolve that his office be vacated;

- (vii) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that in the case of a Director holding an executive office which automatically determines on his ceasing to be a Director, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office.

**99. 99.1 Number of Directors to retire by rotation**

At the annual general meeting (not being an annual general meeting adjourned from an earlier date) in every year one-third of the Directors who are subject to retirement by rotation for the time being (or, if their number is not three or an integral multiple of three, the number nearest to, but (except where less than three Directors are subject to retirement by rotation) not greater than, one-third) shall retire from office.

**99.2 Directors not subject to retirement by rotation may also be required to retire**

A Director who is not required to retire by rotation at any annual general meeting which is the third annual general meeting after the later of:-

- (i) his appointment by the Company in general meeting; and
- (ii) the last occasion on which he was re-elected as a director of the Company in general meeting;

shall nevertheless be required to retire at such annual general meeting.

**99.3 Retiring Directors generally eligible for re-election**

Any Director who retires in accordance with this Article 99 may, subject to the other provisions of these Articles, offer himself for re-election.

**100. Identity of Directors to retire**

The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that, as between persons who became or were last re-elected or appointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board of Directors of the Company at the date of the notice convening the annual general meeting and no Director shall be required to retire, or be relieved from retiring, by reason of any change in the number or identity of the Directors after the date of such notice but before the close of the meeting. A retiring Director shall be eligible for re-election.

**101. Filling rotation vacancies**

The Company at the meeting at which a Director retires under any provision of these Articles may (subject to Article 103) by ordinary resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. If the Company, at the meeting at which a Director retires (whether by rotation or otherwise), does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been re-elected unless at the meeting it is resolved not to fill the vacancy or a resolution for the re-election of the Director is put to the meeting and lost or the provisions of section 293 of the Act apply. If he is not re-elected or deemed to have been re-elected, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

**102. Resolution to appoint Directors**

A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it and any resolution moved in contravention of this provision shall be void.

**103. Eligibility for appointment**

No person other than a Director retiring at the meeting (whether by rotation or otherwise) shall, unless recommended by the Directors for appointment, be eligible for appointment as a Director at any general meeting unless, not less than seven nor more than forty two days before the day appointed for the meeting, there shall have been left at the office, addressed to the Secretary, notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for appointment, and also notice in writing signed by the person to be proposed of his willingness to be appointed. The notice to be lodged by the proposing member shall state the particulars of the nominee which would, if he were appointed, be required to be included in the register of directors maintained by the Company in terms of section 288 of the Act.

**104. Power of the Company to remove Directors**

The Company may, in accordance with and subject to the provisions of the Statutes, by ordinary resolution of which special notice has been given, remove any Director from office notwithstanding any provision of these Articles or of any agreement between the Company and such Director (but without prejudice to any claim he may have for damages for breach of any such agreement) and by ordinary resolution appoint another person in place of a Director so removed from office, and any person so appointed shall be treated, for the purpose of determining the time at which he or any other Director is to retire by rotation, as if he had become a Director on the day on which the Director in whose place he is appointed

was last elected a Director. In default of such appointment, the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

#### **105. Appointment by ordinary resolution or by Directors**

The Company may, by ordinary resolution, appoint any person to be a Director either to fill a casual vacancy or as an additional Director and, without prejudice and in addition thereto, the Directors shall have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that, in either case, the total number of Directors shall not at any time exceed the maximum number (if any) fixed by, or in accordance with, these Articles. Any person so appointed by the Directors shall hold office only until the next annual general meeting and shall then be eligible for appointment, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

### **ALTERNATE DIRECTORS**

#### **106. 106.1 Power to appoint alternate Directors**

Any Director may at any time by writing under his hand and deposited at the office, or received by the Secretary, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director, and may, in like manner, at any time terminate such appointment. If such alternate Director is not another Director, such appointment, unless previously approved by a majority of the other Directors, shall have effect only upon and subject to being so approved. An alternate Director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor. Any of the Directors may appoint the same alternate Director. An alternate Director shall not be taken into account in reckoning the minimum and maximum numbers of Directors fixed by, or in accordance with, these Articles.

#### **106.2 Termination**

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 ceases to be a Director or, if applicable, the approval of the Directors to his appointment is withdrawn, provided that if, at any meeting, any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article 106 which was in force immediately before his retirement shall remain in force as though he had not retired. An alternate Director may, by writing under his hand and deposited at the office or delivered at a meeting of the Directors, resign such appointment.

#### **106.3 Alternate Director to receive notices**

An alternate Director shall (except when absent from the United Kingdom) be entitled, if his appointor so requests, to receive notices of meetings of the Directors to the same extent as the Director appointing him and shall be entitled to attend and vote as a Director and be counted for the purposes of a quorum at any such

meeting at which the Director appointing him is not personally present and, generally, at such meeting to perform all functions, powers and duties of his appointor as a Director and, for the purposes of the proceedings at such meeting, the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall himself be a Director, or shall attend any such meeting as an alternate for more than one Director, he shall be counted as one for the purposes of a quorum at any such meeting but his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom, or temporarily unable to act through ill-health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees formed under Article 115.1, this Article 106.3 shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

#### **106.4 Alternate Director may be paid expenses but not remuneration**

An alternate Director shall be entitled to contract with and be interested in and benefit from contracts, arrangements or transactions to which the Company is a party and to be repaid expenses and to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company any remuneration, except only such proportion (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.

### **PROCEEDINGS OF DIRECTORS**

#### **107. Meetings of Directors**

Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In the event of an equality of votes, the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary at the request of a Director shall, at any time summon a meeting of the Directors. 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 in the United Kingdom given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Directors that notices of meetings of Directors shall, during his absence, be sent in writing to him at his last known address or any other address in the United Kingdom given by him to the Company for this purpose but, in the absence of any such request, it shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively. Without prejudice to the first sentence of this Article 107, a meeting of the Directors, or of a committee of the Directors, may consist of a conference between Directors who are not all in one place, but of whom each is able to speak to each of the others and to be heard by each of the others simultaneously. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating



in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is. The word "meeting" when referring to a meeting of the Directors, or of a committee of the Directors, in these Articles shall be construed accordingly.

#### **108. Authority to vote**

A Director who is unable to attend any meeting of the Directors and has not appointed an alternate Director may authorise any other Director to vote for him at that meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote provided that he shall only be counted once in the quorum at the meeting. Any such authority must be in writing or by cable, telegram, telex or facsimile which must be produced at the meeting at which the same is to be used and be left with the Secretary for retention.

#### **109. Quorum**

The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and, unless so fixed at any other number, shall be two. A meeting of the Directors, at which a quorum is present, shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

#### **110. Declaration of Directors' interests in contracts**

A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract (or any transaction or arrangement whether or not constituting a contract) with the Company shall declare the nature and extent of his interest in accordance with the provisions of the Statutes. For the purposes of this Article 110:-

- (i) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

#### **111. 111.1 Directors' powers to vote**

Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has an interest which (together with any interest of any person connected with him within the meaning of section 346 of the Act) is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in

or through, the Company. A Director shall not be counted in the quorum present at a meeting in relation to any resolution on which he is not entitled to vote.

### **111.2 Where interest does not prevent voting**

Subject to the provisions of the Statutes, a Director shall (in the absence of some material interest other 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:-

- (i) the giving of any security, guarantee 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 subsidiaries;
- (ii) the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of a security;
- (iii) any contract, arrangement or other proposal concerning an offer by the Company or any of its subsidiary undertakings of securities 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;
- (iv) any contract, arrangement or other proposal relating to another company in which he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 198 to 211 of the Act) representing one per cent. or more of either any class of the equity share capital, or the voting rights, in such company;
- (v) any contract, arrangement or other proposal for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- (vi) any contract, arrangement or other proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of any Directors or for the benefit of persons who include Directors provided that, for the purposes of this sub-paragraph (vi), insurance shall mean only insurance against liability incurred by a Director in respect of any act or omission by him referred to in Article 93.2, or any other insurance which the Company is empowered to purchase and/or maintain for, or for the benefit of, any groups of persons consisting of or including Directors.

### **111.3 Consideration of appointment of two or more Directors**

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 company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not prohibited from voting under Article 111.2 or otherwise precluded from voting)

shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning his own appointment.

#### **111.4 Materiality of Directors' interests**

If any question shall arise at any meeting as to the materiality of a Director's interest, or as to the entitlement of any Director to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting (or, if the Director concerned is the chairman, to the other Directors at the meeting) and his ruling in relation to any Director other than himself (or, as the case may be, the ruling of the majority of the other Directors in relation to the chairman) shall be final and conclusive, except in a case where the nature or extent of the interest of such Director (or, as the case may be, the chairman) has not been fairly disclosed.

#### **111.5 Interests of alternate Directors**

In the case of an alternate Director, the interest of his appointor shall be treated as an interest of the alternate Director in addition to any interest which the alternate Director may have.

#### **111.6 Relaxation of Article 111 provisions**

Subject to the provisions of the Statutes, the Company may, by ordinary resolution, suspend or relax the provisions of this Article 111 to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article 111.

### **112. Power of Directors if number falls below minimum**

The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but if, and so long as, the number of Directors is reduced below the number fixed by, or in accordance with, these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of filling up such vacancies or of convening general meetings of the Company, but not for any other purpose. If there are no Directors or Director able or willing to act, then any two members may convene a general meeting for the purpose of appointing Directors.

### **113. Chairman**

The Directors may elect a chairman (or make any appointment by them of a Director conditional upon his becoming the chairman) and determine the period for which he is to hold office. Any chairman so elected without any fixed period of office shall, if he be re-elected a Director following retirement at any annual general meeting, continue as chairman unless the Directors otherwise determine. The chairman shall preside at meetings of the Directors, but if no chairman shall have been elected or, if at any meeting he is not present within five minutes after the time appointed for holding the same and willing to act, the Directors present may choose one of their number to be chairman of the meeting.

#### **114. Resolutions in writing**

A resolution in writing, signed by all the Directors for the time being in the United Kingdom and all the alternate Directors (if any) for the time being in the United Kingdom whose appointors are for the time being absent from the United Kingdom or are temporarily unable to act through ill-health or disability (provided that their number is sufficient to constitute a quorum) or by all the members of a committee formed under Article 115.1 for the time being, shall be as valid and effectual as a resolution passed at a meeting of the Directors or, as the case may be, of such committee duly convened and held and may consist of two or more documents in the like form, each signed by one or more of the Directors or alternate Directors or members of the committee concerned. For the purposes of this Article 114, any signature may be affixed to a facsimile copy of the resolution and any signed resolution shall be valid if the Company receives the original or a copy by facsimile.

#### **115. 115.1 Committees of Directors**

The Directors may delegate all or any of their powers, authorities or discretions (including, for the avoidance of doubt, any powers, authorities or discretions to sub-delegate or relating to the remuneration of Directors) to a committee or committees consisting of one or more of the Directors and (if thought fit) one or more other persons co-opted as hereinafter provided. Insofar as any such power or discretion is so delegated 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 by such committee. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations which may from time to time be imposed by 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, but so that (i) the number of co-opted members shall be less than one-half of the total number of members of the committee and (ii) no resolution of the committee shall be effective unless a majority of the members of the committee present throughout the meeting are Directors or alternate Directors. The Directors may at any time dissolve or revoke any delegation made to any committee established under this Article 115, but no person dealing in good faith and without notice of any such dissolution or revocation shall be affected thereby.

#### **115.2 Proceedings of committees**

The meetings and proceedings of any such committee consisting of two or more persons shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any regulations made by the Directors under Article 115.1 save that the chairman of the meeting shall not have a second or casting vote at any meeting where only two members of such committee are present or at which only two members of such committee are competent to vote on the issue in question.

**116. Validity of proceedings**

All acts done by any meeting of Directors or of any committee established under Article 115.1 or by any person acting as a Director (or as an alternate of a Director) or member of such committee shall, as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any such Director (or his alternate), or member of such committee, or person acting as aforesaid, or that any such Director (or his alternate), member or person was disqualified or had vacated office, or was not entitled to vote, be as valid as if any such person had been duly appointed and was qualified and had continued to be a Director (or alternate Director) or member of such committee and had been entitled to vote.

**GENERAL POWERS OF DIRECTORS****117. Business to be managed by the Directors**

The business and affairs of the Company shall be managed by the Directors who, subject to the provisions of the Statutes, the Memorandum of Association of the Company (the "Memorandum") and these Articles and to any directions being not inconsistent with the aforesaid provisions given by special resolution of the Company, may exercise all the powers of the Company. No alteration of the Memorandum or these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The general powers given by this Article 117 shall not be limited, or restricted, by any special authority or power given to the Directors by these Articles or by resolution of the Company and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.

**118. Local boards**

The Directors may make such arrangements as they think fit for the management and transaction of the Company's affairs in any specified locality, whether in the United Kingdom or elsewhere, and, without prejudice to the generality of the foregoing, may at any time, and from time to time, (i) establish any regional, divisional or local boards, committees or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, (ii) appoint any one or more of the Directors, or any other person or persons, to be members of such regional, divisional or local boards or committees, or any regional, divisional or local directors, managers or agents, and may fix their remuneration, (iii) delegate to any regional, divisional or local board or committee or any regional, divisional or local director, manager or agent any of the powers, authorities and discretions vested in the Directors (other than the powers of borrowing and making calls) with power to sub-delegate, (iv) authorise the members of any regional, divisional or local boards or committees, or any of them, to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit and (v) remove any person so appointed, fix the quorum of any regional, divisional or local boards or committees and annul or vary any such delegation, but no person dealing in good faith and without notice of any such removal, annulment or variation shall be affected thereby.

**119. Powers of attorney**

The Directors may, from time to time and at any time, by power of attorney or otherwise, appoint any person or undertaking, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys 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 power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Directors may remove any person or undertaking appointed under this Article 119 and may annul or vary any such sub-delegation but no person dealing in good faith and without notice of any such removal, annulment or variation shall be affected thereby.

**120. Overseas and local registers**

Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory outside the United Kingdom a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit in respect of the keeping of any such register.

**121. Cheques, etc**

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

**BORROWING POWERS****122. General power to borrow**

Subject as provided in Article 123, the Directors may exercise all the powers of the Company to borrow money and to mortgage, pledge, charge or grant any security over all or any part of its undertaking, property and assets (present and future) and uncalled capital and, subject to the Statutes, to issue debentures, debenture stock and other securities whether terminable, redeemable or perpetual and whether outright or as collateral security for any guarantee, debt, liability or obligation of the Company or of any other third party.

**123. 123.1 Definitions for and interpretation of Article 123**

For the purposes of this Article 123:-

"Adjusted Capital and Reserves" shall be interpreted in accordance with Article 123.3;

"debenture and "equity share capital" have the same meanings as in section 744 of the Act;

"Group" means the Company and its subsidiary undertakings for the time being and "member of the Group" shall be construed accordingly;

"Latest Accounts" means in the case where:-

- (i) the Company has no subsidiary undertakings, the latest published audited balance sheet of the Company; or
- (ii) the Company has subsidiary undertakings but there is no audited consolidated balance sheet of the Group, the respective latest published audited balance sheets of the undertakings comprising the Group; or
- (iii) the Company has subsidiary undertakings some only of whose audited balance sheets are consolidated in the latest published audited balance sheet of the Group, the latest published audited consolidated balance sheet of the Group together with the latest published audited balance sheets of those subsidiary undertakings whose audited balance sheets are not included in the audited consolidated balance sheet of the Group; or
- (iv) the Company has subsidiary undertakings all of whose audited balance sheets are consolidated in the latest published audited consolidated balance sheet of the Group, the latest published audited consolidated balance sheet of the Group;

"moneys borrowed" shall be interpreted in accordance with Article 123.4;

"outside interests" means the proportion of the nominal amount of the issued equity share capital of a partly owned subsidiary undertaking which is not attributable, directly or indirectly, to the Company; and

"subsidiary undertaking" shall be construed as a subsidiary undertaking of the Company and "subsidiary undertakings" shall be construed accordingly.

## **123.2 Maximum limit on borrowings**

The Directors shall restrict the moneys borrowed by the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate principal amount (including any fixed or minimum premium payable on final redemption or repayment (or, in the case of an index-linked stock or other index-linked obligation, the highest amount that would be repayable thereon under the provisions of the instrument constituting or regulating such stock or obligation if such stock or obligation were to be redeemed on the date on which the calculation falls to be made)) outstanding in respect of all moneys borrowed (whether secured or not) by the Group (exclusive of moneys borrowed by any member of the Group from any other member of the Group, subject to paragraph 123.4.3 of Article 123.4), subject as hereinafter provided, shall not without the previous sanction of

an ordinary resolution of the Company exceed at the time of borrowing an amount equal to two-thirds of the Adjusted Capital and Reserves.

### **123.3 Adjusted Capital and Reserves**

For the purposes of this Article 123, the expression "Adjusted Capital and Reserves" shall mean at the relevant time the aggregate of:-

- (i) the amount for the time being paid up or credited as paid up on the issued share capital of the Company; and
- (ii) the total of the amounts standing to the credit of the capital and revenue reserves of the Group (including any share premium account, capital reserve, capital redemption reserve, revaluation or other reserve and the revenue account);

all based on the Latest Accounts after:-

- (a) deducting any debit balance on the revenue account or any other reserve;
- (b) making such adjustments as may be appropriate to reflect any variations since the date of the Latest Accounts in such share capital and/or reserves (other than the revenue account);
- (c) excluding any sums attributable to outside interests in any subsidiary undertakings and making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiary undertakings since the date of the Latest Accounts;
- (d) deducting the gross amount of any distributions declared, recommended or made by a member of the Group (other than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the Latest Accounts to the extent that any such distributions are not provided for therein; and
- (e) excluding any sums set aside for future taxation (other than deferred taxation) less any sum properly added back in respect thereof.

### **123.4 Moneys borrowed**

123.4.1 For the purposes of this Article 123, "moneys borrowed" shall be deemed to include (but shall not be restricted to) the following, except in so far as otherwise taken into account:-

- (i) the principal amount for the time being outstanding and owing by a member of the Group in respect of any loan capital or debenture, whether issued, in whole or in part, for cash or otherwise;
- (ii) the nominal amount of any issued share capital and the principal amount of any borrowings of any person the redemption or repayment of which is guaranteed or is wholly or (to the extent that the same is partly secured)



partly secured by a member of the Group (but excluding any such share capital which is for the time being beneficially owned by, and (as determined in accordance with paragraph 123.4.3 below) any such borrowings which are for the time being owed to, a member of the Group); and

- (iii) any fixed or minimum premium payable on final redemption or repayment of any loan capital, debentures, share capital or other moneys borrowed (or, in the case of an index-linked stock or other index-linked obligation, the highest amount that would be repayable thereon under the provisions of the instrument constituting or regulating such stock or obligation if such stock or obligation was to be redeemed on the date on which the calculation falls to be made).

#### 123.4.2

For the purposes of this Article 123 "moneys borrowed" shall be deemed not to include amounts borrowed (including any fixed or minimum premium payable on repayment (or, in the case of an index-linked stock or other index-linked obligation, the highest amount that would be repayable thereon under the provisions of the instrument constituting or regulating such stock or obligation if such stock or obligation were to be redeemed on the date on which the calculation falls to be made)) for the purpose of repaying (and intended to be so applied within six months of being first borrowed) the whole or any part of other moneys borrowed for the time being outstanding pending their application for such purpose within such period.

#### 123.4.3

For the purposes of this Article 123:-

- (i) moneys borrowed by a partly owned subsidiary undertaking and not owing to another member of the Group shall (notwithstanding paragraph 123.4.1 above) be taken into account subject to the exclusion of a proportion of such moneys borrowed attributable to outside interests;
- (ii) moneys borrowed from and owing to a partly owned subsidiary undertaking by another member of the Group shall, subject to paragraph 123.4.1 above and sub-paragraph (iii) below, be taken into account to the extent of the proportion of such moneys borrowed attributable to the outside interests in such partly owned subsidiary undertaking; and
- (iii) in the case of moneys borrowed from and owing to a partly owned subsidiary undertaking by another partly owned subsidiary undertaking, the amount which would otherwise be taken into account under sub-paragraph (ii) above shall be reduced to the extent of the proportion of such amount which is attributable to the outside interests in the borrowing subsidiary undertaking.

- 123.4.4 For the avoidance of doubt, no amount shall be taken into account more than once in any calculation of moneys borrowed.

### **123.5 Conversion into sterling**

For the purpose of calculating the aggregate amount of all moneys borrowed, any amount expressed in a currency other than sterling shall be translated into sterling at the latest establishable rate of exchange ruling in London prior to the date on which the calculation falls to be made (and so that for that purpose the rate of exchange shall be taken as the spot rate of any bank in London approved by the Directors at 11.00 am, London time, on the date on which such latest rate of exchange can be established) and, for the purpose of calculating the Adjusted Capital and Reserves, any amount so expressed in a currency other than sterling shall be translated into sterling at the rate of exchange used for the purposes of the Latest Accounts.

### **123.6 Validity of borrowing arrangements**

No person dealing with the Company or any of its subsidiaries in good faith shall, by reason of the foregoing provisions, be concerned to see or inquire whether the limits imposed by this Article 123 are observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or the security was given, express notice that the said limit had been or would thereby be exceeded.

### **123.7 Certification by auditors**

A certificate or report by the auditors as to the amount of Adjusted Capital and Reserves or as to the amount of moneys borrowed or to the effect that the limit imposed by this Article 123 has or has not been or will or will not be exceeded at any particular time or times shall be conclusive evidence of the amount or of that fact.

## **SECRETARY**

### **124. Secretary**

The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may, at any time, be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two or more persons may be appointed as joint secretaries. The Directors may also appoint, from time to time, on such terms as they may think fit, one or more deputy secretaries and assistant secretaries. Anything by the Statutes or by these Articles required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any deputy or assistant secretary, or if there is no deputy or assistant secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors.

## SEALS

### 125. Common and securities seals

- 125.1 *The Directors shall provide for the safe custody of the seal and any securities seal and neither shall be used without the authority of the Directors or a committee authorised by the Directors on their behalf.*
- 125.2 Every deed, contract, document, instrument or other writing to which the seal shall be affixed shall (except as permitted by Article 18.1) be subscribed on behalf of the Company by two of the Directors of the Company, or by a Director and the Secretary of the Company, or by two persons authorised to subscribe such deed, contract, document, instrument or other writing on its behalf.
- 125.3 The securities seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the securities seal shall not require to be signed.

### 126. Official seal for use abroad

The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

## AUTHENTICATION OF DOCUMENTS

### 127. Authentication of documents

Any Director or the Secretary or any person appointed by the Directors or by a duly authorised committee of the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company, any resolutions passed by the Company or the Directors or any committee of the Directors and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the office the officer, servant or agent of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or any class of members of the Company or of the Directors or any committee of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes are or such extract is a true and accurate record of proceedings at a duly constituted meeting.

## MINUTES AND BOOKS

### 128. Keeping of minutes and books

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

- (i) of all appointments of officers made by the Directors;
- (ii) of the names of the Directors or their alternates and any other persons present at each meeting of Directors and of any committee formed under Article 115.1; and
- (iii) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees formed under Article 115.1.

Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting.

### 129. Safeguarding of minutes and books

Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner authorised by the Statutes.

In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery of falsification.

## DIVIDENDS

### 130. Declaration of dividends

The Company may, by ordinary resolution, declare dividends in accordance with the respective rights of the members, but no dividend shall be payable except out of the profits of the Company available for distribution under the provisions of the Statutes and these Articles or in excess of the amount recommended by the Directors. Subject to any priority, preference or special rights as to dividends attached by or in accordance with these Articles to any class of shares, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article 130, no amount paid on a share in advance of calls shall be treated as paid on the share.

### 131. Interim dividends

Subject to the provisions of the Statutes, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Directors may pay

interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay, at intervals settled by them, any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. If the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferential rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

**132. Interest not payable**

No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company, unless otherwise provided by the rights attached to the share.

**133. Permitted deductions**

The Directors may deduct from any dividend or other moneys payable to any member, whether alone or jointly with any other member, on or in respect of a share all sums of money (if any) presently payable by him, whether alone or jointly with any other member, to the Company on account of calls or otherwise in relation to shares of the Company.

**134. Retention of dividends**

The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or other obligations in respect of which the lien exists.

**135. Waiver of dividends**

The waiver, in whole or in part, of any dividend on any share by any document shall be effective only if such document is signed by the holder (or the person entitled to the share in consequence of a transmission event) 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. Unclaimed dividends**

Without prejudice to the operation of Article 137, all dividends or other moneys payable on, or in respect of, a share unclaimed after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment by the Directors of any unclaimed dividend or other moneys payable on, or in respect of, a share into a separate account shall not constitute the Company a trustee in respect thereof.

### 137. Forfeiture of unclaimed dividends

Any dividend unclaimed after a period of twelve years from the date of payment of such dividend shall be forfeited and shall revert to the Company.

### 138. Dividends *in specie*

The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend, in whole or in part, by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) to the member or person entitled thereto in consequence of a transmission event and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may (i) settle the same as they think expedient and, in particular, may issue fractional certificates or may authorise any person to sell and transfer any fractions or may disregard fractions altogether, (ii) fix the value for distribution of such specific assets or any part thereof, (iii) determine that cash payments shall be made to any members on the basis of the value so fixed in order to adjust the rights of those entitled to participate in the dividend and (iv) vest any such specific assets in trustees as may seem expedient to the Directors. When deemed requisite, a proper contract shall be filed in accordance with the Statutes and the Directors may appoint any person to sign such contract on behalf of the persons entitled to such distribution of specific assets.

### 139. Procedure for payment

- 139.1 Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto in consequence of a transmission event (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of a transmission event, to any one of such persons), or to such person and such address as such member or person or persons may in writing direct. Every such cheque or warrant shall be made payable to, or to the order of, the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of a transmission event may in writing direct. Any such dividend or other moneys may also be paid by any bank or other funds transfer system as the Directors may consider appropriate and to or through such person as the member or the person entitled thereto in consequence of a transmission event (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of a transmission event, any one of such persons) may in writing direct. Payment of the cheque or warrant by the bank upon whom it is drawn or transfer of the funds by the bank instructed to make the same shall be a good discharge to the Company. Every such cheque or warrant shall be sent and every such transfer of funds shall be made at the risk of the person or persons entitled to the money represented thereby. If on two or more consecutive occasions cheques or warrants in payment of dividends or other moneys payable on, or in respect of, any share have been sent through the post in accordance with the provisions of this Article 139 but have been returned undelivered or left uncashed during the periods for which the same are valid or if,

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 or warrants in payment of dividends or other moneys payable on or in respect of the share in question until the member or other person entitled thereto shall have communicated with the Company in respect of the share and supplied in writing to the transfer office an address for the purpose.

- 139.2 In addition, any such dividend or other moneys may be paid by any bank or other funds transfer system or by such other means and to or through such person as the member (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of a transmission event, any one of such persons) may direct in writing and the Company shall have no responsibility for any such dividend and other moneys lost or delayed in the course of any such transfer or when it has acted on any such direction.

#### **140. Receipts where joint holders**

If two or more persons are registered as joint holders of any share or are entitled jointly to a share in consequence of a transmission event, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

#### **141. Scrip dividends**

Subject to approval by ordinary resolution of the Company, the Directors may, in respect of any dividend declared or proposed to be declared at any time during the period specified in such resolution (and provided that an adequate number of unissued shares is available for the purpose), determine and announce that shareholders will be entitled to elect to receive in lieu of any cash dividend (or part thereof) an allotment of additional shares credited as fully paid.

Any such announcement shall, where practicable, be made prior to or contemporaneously with the announcement of the dividend in question and any related information as to the Company's profits for such financial period or part thereof. In any such case the following provisions shall apply:-

- (i) the basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value calculated by reference to the average quotation of the additional shares (including any fractional entitlement) to be allotted in lieu of any amount of dividend shall equal such amount. For such purpose the "average quotation" of a share shall be the average of the middle market quotations of shares of the same class on the London Stock Exchange, as derived from the Daily Official List of the London Stock Exchange, on each of the first five consecutive business days on which such shares are quoted ex the relevant dividend. A certificate or report by the auditors as to the amount of the average quotation in respect of any dividend shall be conclusive evidence of that amount;
- (ii) the Directors shall, after determining the basis of allotment, give notice in writing to the members of the right of election accorded to them and shall send with or following such notice forms of election specifying the procedure to be followed

and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

- (iii) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (the "elected shares"), and in lieu thereof additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or profit and loss account as the Directors may determine a sum equal to the aggregate nominal amount of additional shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the elected shares on such basis;
- (iv) the additional shares so allotted shall rank *pari passu* in all respects with the fully paid shares then in issue, save only as regards participation in the relevant dividend (or share election in lieu);
- (v) the Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter into, on behalf of all the members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned;
- (vi) notwithstanding the foregoing, the Directors may at any time prior to payment of the relevant dividend determine, if it appears to them desirable to do so because of a change in circumstances, that the dividend shall be payable wholly in cash after all and if they so determine then all elections made shall be disregarded. The dividend shall be payable wholly in cash if the ordinary share capital of the Company ceases to be listed on the Official List of the London Stock Exchange at any time prior to the due date of issue of the additional shares or if the listing is suspended and not reinstated by the date immediately preceding the due date of such issue; and
- (vii) the Directors may on occasion determine that rights of election shall not be made available to any members with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of rights of election would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.

#### 142. Record date

Notwithstanding any other provision of these Articles but without prejudice to the rights of the holders of any shares to receive any dividend on a date or dates fixed by the terms of issue of or the rights attaching to such shares, the Company or the Directors may by



resolution specify any date (the "record date") as the date at the close of business on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment or issue and such record date may be on, or at any time before or after, the same is recommended, resolved, declared, announced, paid, allotted or issued, but without prejudice to the rights *inter se* in respect of the same of transferors and transferees of any such shares or other securities.

## RESERVES

### 143. Sums carried to reserves

The Directors may, before recommending any dividend, from time to time set aside out of the profits of the Company and carry to reserves such sums as they think proper which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Directors think fit. The Directors may divide the reserves 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 reserves may have been divided. The Directors may also without placing the same to reserves carry forward any profits. In carrying funds to reserves and in applying the same the Directors shall comply with the provisions of the Statutes.

### 144. 144.1 Capital reserve

The Directors shall establish a reserve to be called the "capital reserve" and shall either carry to the credit of such reserve from time to time all capital profits or appreciations arising on the sale, transposition, payment of or revaluation of any investment or other capital asset of the Company in excess of the book value thereof or apply the same in providing for depreciation or contingencies. For the avoidance of doubt, accrued but unpaid interest or any sum received in respect of accrued but unpaid interest shall not be treated as capital profits or appreciations arising on the sale, transposition, payment of or revaluation of any investment or other capital asset. Any losses realised on the sale, transposition, payment of or revaluation of any investment or other capital asset and any other expenses, loss or liability (or provision therefor) considered by the Directors to be of a capital nature may be carried to the debit of the capital reserve. Any increase or diminution in the amount of any index-linked stock or other index-linked obligation of the Company may be carried to the debit or credit of the capital reserve, except so far as the Directors decide to make good the same out of or credit the same to other funds or reserves of the Company. Subject to the Statutes and without prejudice to the foregoing generality, the Directors may also debit the capital reserve with the whole or such part of (i) any management fees incurred by the Company and (ii) any finance costs (including, without limitation, any interest payable by the Company in respect of any borrowings of the Company) as may be deemed appropriate by the Directors. All sums carried and standing to the credit of the capital reserve may be applied for any of the purposes to which sums standing to any reserve under the provisions of Article 143 are applicable, provided that, subject to Article 144.2, no part of the capital reserve or any other moneys in the nature of accretion to capital shall in any event be available for distribution as

dividend or, to the extent prohibited by section 266 of the Act, any other distribution (within the meaning ascribed thereto by section 263 of the Act).

#### **144.2 Investment company status**

If the Directors shall determine, at any time when the Company is an investment company within the meaning of section 266 of the Act, that the Company shall cease to carry on business as an investment company within the meaning of section 266 of the Act and a notice has been given to the Registrar of Companies in accordance with section 266 of the Act, then, for such period as the Company is not an investment company and until the Directors determine that the Company shall carry on business as an investment company as provided below and the Company has given notice to that effect to the Registrar of Companies in the prescribed form, Article 144.1 shall have effect as if the words "or, to the extent prohibited by section 266 of the Act, any other distribution (within the meaning ascribed thereto by section 263 of the Act)" at the end thereof were omitted therefrom. The Directors may, at any time when the Company is not an investment company within the meaning of section 266 of the Act, determine that the Company should carry on business as an investment company and, from the date of the notice given by the Company to the Registrar of Companies in the prescribed form in accordance with section 266(1) of the Act, Article 144.1 shall apply as if the words "or, to the extent prohibited by section 266 of the Act, any other distribution (within the meaning ascribed thereto by section 263 of the Act)" at the end thereof were not omitted therefrom.

### **CAPITALISATION OF PROFITS AND RESERVES**

#### **145. Capitalisation of profits and reserves**

The Directors may, with the authority of an ordinary resolution of the Company:-

- (i) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or other fund including the Company's share premium account and capital redemption reserve;
- (ii) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this Article 145, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

- (iii) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividend only to the extent that the latter shares rank for dividend;
- (iv) make such provision by authorising the sale and transfer to any person of shares or debentures representing fractions to which any members would become entitled or by the issue of fractional certificates (or by ignoring fractions) or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable in fractions;
- (v) authorise any person to enter, on behalf of all the members concerned, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any further shares to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members; and
- (vi) generally do all acts and things required to give effect to such resolution as aforesaid.

## ACCOUNTS

### 146. Right to inspect accounts

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the office or, subject to the Statutes, at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Directors or by an ordinary resolution of the Company.

### 147. Preparation and laying of accounts

The Directors shall, from time to time in compliance with the provisions of the Statutes, cause to be prepared and to be laid before a general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be required by the Statutes.

### 148. Accounts to be sent to members

Subject to the provisions of Article 149, a copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be attached or annexed thereto) and of the Directors' and auditors' reports shall, not less than twenty one days before the date of the meeting, be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles, provided that this Article 148 shall not require a copy of

such documents to be sent to more than one of any joint holders or to any person who is not entitled to receive notices of meetings or of whose address the Company is not aware. Whenever a listing or quotation on any stock exchange for all or any of the shares or debentures or other securities of the Company shall for the time being be in force, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

#### **149. Summary financial statements**

The Company need not, subject to the provisions of the Statutes or any regulations made thereunder and the regulations of the London Stock Exchange so permitting and if the Directors so decide, send copies of the documents specified in Article 148 to those persons mentioned in Article 148 as being entitled to receive such documents but may instead send them a summary financial statement derived from the Company's annual accounts and the Directors' report in such form and containing such information as may be required by the Statutes or any regulations made thereunder and provided further that copies of the documents specified in Article 148 shall be sent to any such person who wishes to receive them and the Company shall comply with any provisions of the Statutes or any regulations made thereunder as to the manner in which it is to ascertain whether a member wishes to receive them.

### **AUDITORS**

#### **150. Validity of acts of auditors**

Subject to the provisions of the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

#### **151. Rights of auditors**

The auditors shall be entitled to attend any general meeting and to receive all notices of, and other communications relating to, any general meeting which any member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns them as auditors.

### **NOTICES**

#### **152. 152.1 Notice in writing**

Any notice to be given to or by any person pursuant to these Articles shall be in writing, except that a notice calling a meeting of the Directors need not be in writing.

**152.2 Method of giving notice to members**

Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

In the case of a member registered in a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or delivered in accordance with these Articles by post, service or delivery shall be deemed to be effected at the expiration of twenty four hours after the time when the cover containing the same is posted and, in proving such service or delivery, it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Any notice or document not sent by post but left at a registered address in the United Kingdom shall be deemed to have been served or delivered on the day it was so left.

**152.3 Method of giving notice to the Company**

Save as otherwise provided in these Articles, any notice or other document required to be served on or delivered to the Company or any officer of the Company may be served or delivered by delivering the same by hand or sending it through the post in a prepaid cover addressed to the Company or to such officer of the Company at the office or such other place as the Company may specify.

**152.4 Signature on notices**

The signature on any notice required to be given by the Company may be typed or printed or otherwise written or reproduced by mechanical means.

**153. Notice to joint holders**

In respect of joint holdings, all notices shall be given to that one of the joint holders whose name stands first in the register of members and notice so given shall be sufficient notice to all the joint holders in their capacity as such.

**154. Notice to persons entitled by transmission**

A person entitled to a share in consequence of a transmission event, upon such evidence being produced as may from time to time properly be required by the Directors to show his title to the share and upon supplying an address within the United Kingdom for the service of notices, shall, save as herein otherwise expressly provided, be entitled to have served upon or delivered to him at such address any notice or document to which the member but for the transmission event would be entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

Until such address has been supplied, a notice may be given in any manner in which it might have been given if the transmission event had not occurred.

#### **155. Untraced members**

If on three consecutive occasions notices have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, or if, after any one such occasion, the Directors or any committee authorised by the Directors on their behalf are of the opinion, after the making of all reasonable enquiries, that any further notices to such member would, if sent as aforesaid, likewise be returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company in respect of his shares and supplied in writing to the transfer office a new registered address or address within the United Kingdom for the service of notices.

#### **156. Notices during disruption of postal services**

If at any time, by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven clear days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

#### **157. 157.1 Deemed notice**

A member present in person or by proxy at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

#### **157.2 Successors in title bound by notice to predecessor**

Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title; but this Article 157.2 shall not apply to a notice given under section 212 of the Act.

#### **158. Record date for service**

Any notice or other document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery.

**159. Statutory requirements**

Nothing in any of Articles 152 to 157 inclusive shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

**WINDING UP****160. Distribution of assets otherwise than in cash**

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

**PROVISIONS FOR EMPLOYEES****161. Provisions for employees**

The Directors may, by resolution, exercise any power conferred by the Statutes 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 such subsidiary.

**INDEMNITY****162. Indemnity**

Subject to the provisions of and so far as may be consistent with the Statutes, but without prejudice to any indemnity to which such person may otherwise be entitled, every Director, Secretary, other officer, auditor or employee of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer, auditor or employee of the Company and in which decree or judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of

any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. The indemnity shall not apply to the extent that the officer or employee recovers from another person.