

Company Number: 5430745



**THE COMPANIES ACT 1985 - 2006**  
**A PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**NEPTUNE MINERALS LIMITED**

**(Adopted by Special Resolution passed on 21 December 2009 and as amended by Special  
Resolution on 20 April 2011)**

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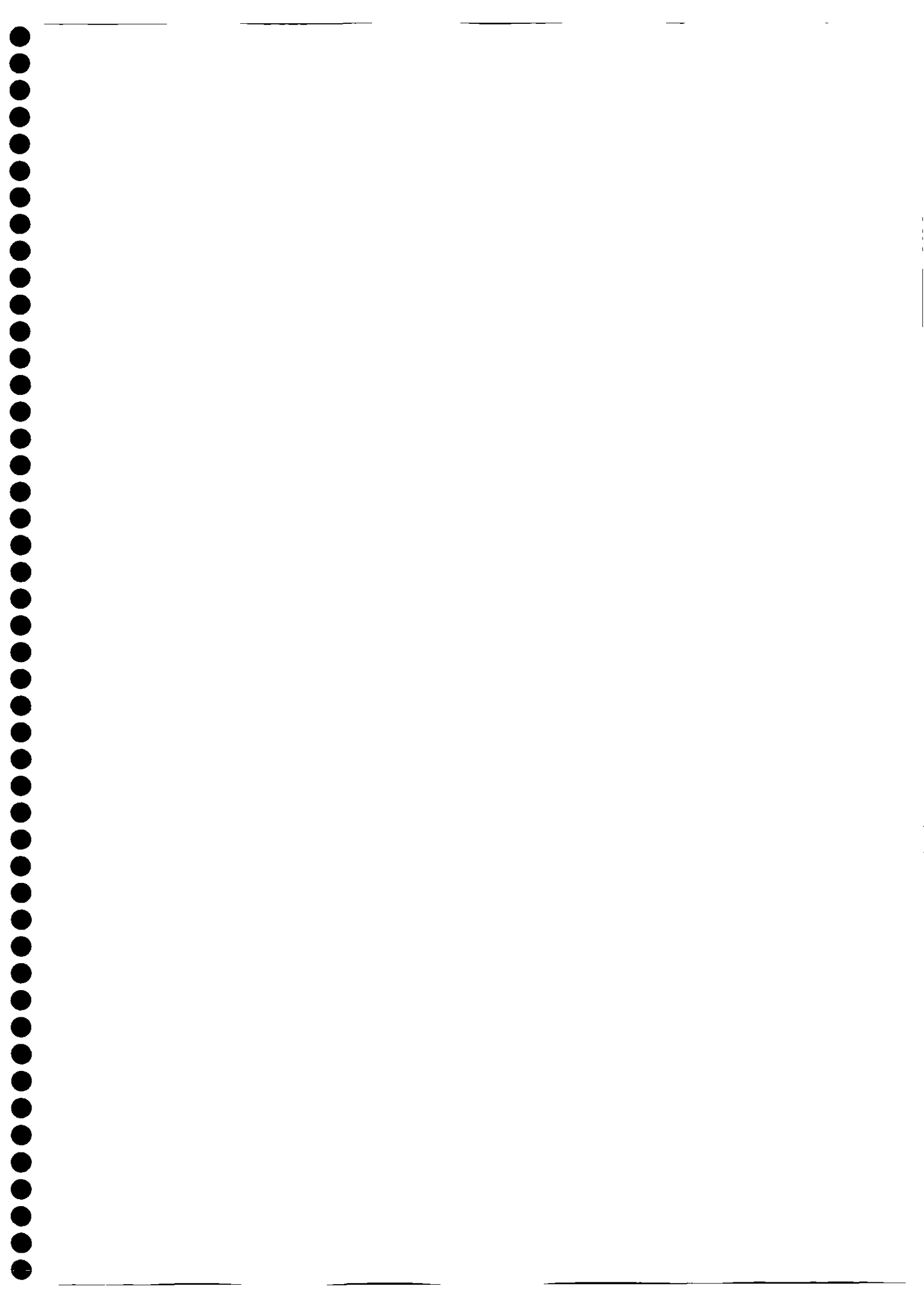
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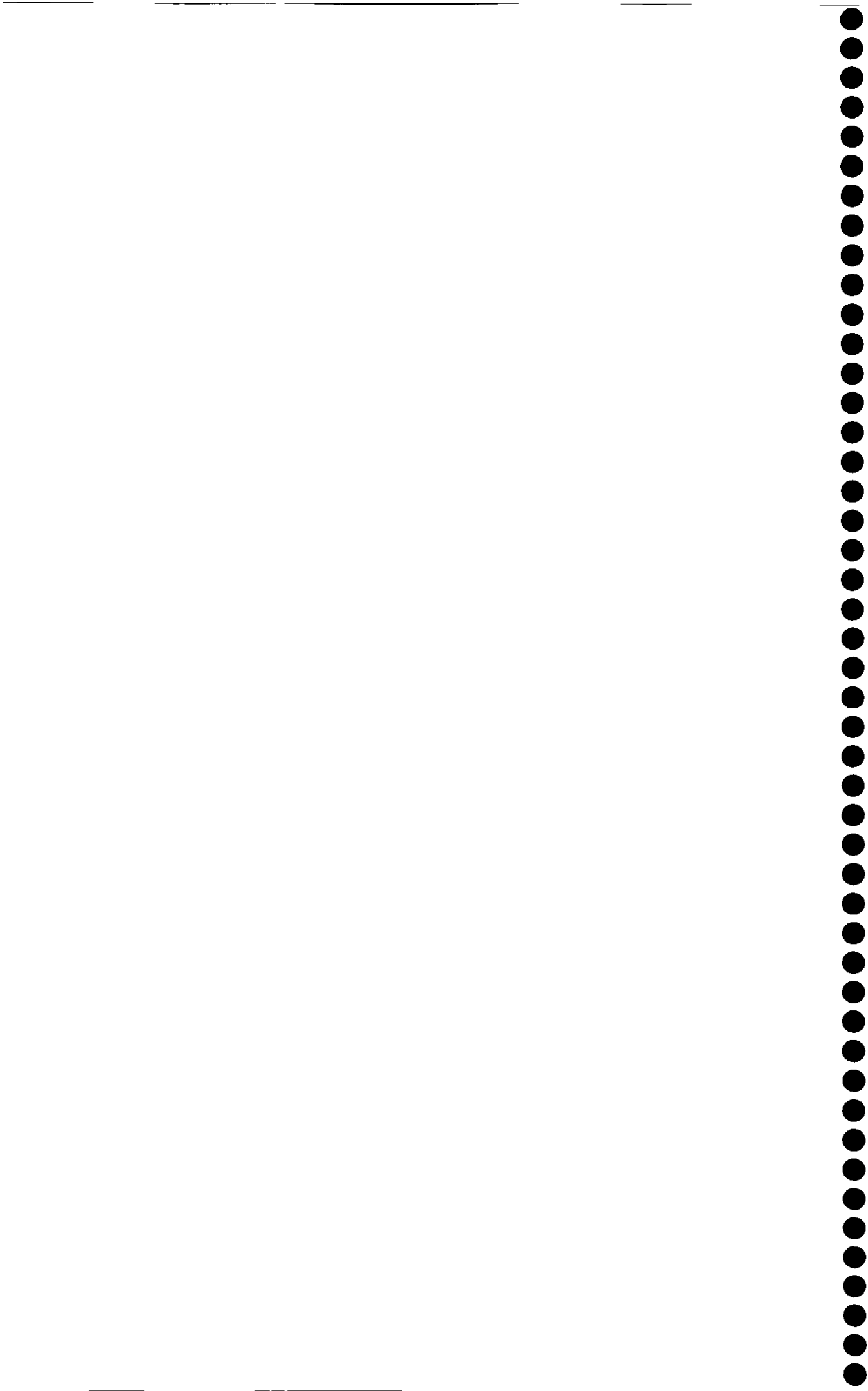
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**PART 1**  
**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. Defined terms and Interpretation**

1.1 In the articles, unless the context requires otherwise-

<b>alternate or alternate director</b>	has the meaning given in article 28,
<b>appointor</b>	has the meaning given in article 28,
<b>articles</b>	means the company's articles of association,
<b>associated company</b>	companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate,
<b>award agreement</b>	an agreement awarding benefits under the Plan,
<b>bankruptcy</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,
<b>board</b>	the board of directors of the company from time to time,

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<b>call</b>	has the meaning given in article 67,
<b>call notice</b>	has the meaning given in article 67,
<b>certificate</b>	a paper certificate (other than a share warrant) evidencing a person's title to specified shares or other securities;
<b>certificated</b>	in relation to a share, means that it is not an uncertificated share or a share in respect of which a share warrant has been issued and is current,
<b>chairman</b>	has the meaning given in article 12;
<b>chairman of the meeting</b>	has the meaning given in article 38;
<b>Companies Acts</b>	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company,
<b>company's lien</b>	has the meaning given in article 65,
<b>convertible shares</b>	the 6,000,000 convertible shares of 0 5 pence each in the capital of the company,
<b>Deferred Shares</b>	the deferred shares of 0 4 pence each in the capital of the Company,
<b>director</b>	a director of the company, and includes any person occupying the position of director, by whatever name called,
<b>distribution recipient</b>	has the meaning given in article 86,
<b>document</b>	includes, unless otherwise specified, any document sent or supplied in electronic form,
<b>DTR</b>	the Disclosure Rules and Transparency Rules of the Financial Services Authority,
<b>electronic form</b>	has the meaning given in section 1168 of the Companies Act 2006,





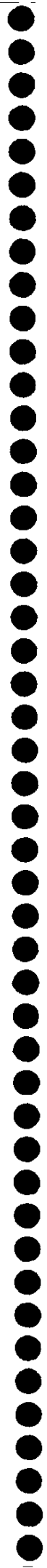
<b>fully paid</b>	in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company,
<b>hard copy form</b>	has the meaning given in section 1168 of the Companies Act 2006,
<b>holder</b>	in relation to shares means the person whose name is entered in the register of members as the holder of the shares, or, in the case of a share in respect of which a share warrant has been issued (and not cancelled), the person in possession of that warrant,
<b>instrument</b>	a document in hard copy form,
<b>lien enforcement notice</b>	has the meaning given in article 66,
<b>member</b>	has the meaning given in section 112 of the Companies Act 2006,
<b>ordinary resolution</b>	has the meaning given in section 282 of the Companies Act 2006,
<b>paid</b>	paid or credited as paid;
<b>participate</b>	in relation to a directors' meeting, has the meaning given in article 9,
<b>partly paid</b>	in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the company,
<b>plan</b>	the Neptune Minerals Plc Executive Incentive Plan 2005,
<b>proxy notice</b>	has the meaning given in article 49,
<b>record date</b>	has the meaning given in article 94,
<b>relevant officer</b>	any director or other officer or former director or other officer of the company or an associated



company but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer to the extent he acts in his capacity as auditor),

<b>relevant system</b>	any system used for holding shares in uncertificated form permitted by Article 63;
<b>securities seal</b>	has the meaning given in article 60,
<b>shares</b>	the shares in the Company other than the convertible shares and the deferred shares,
<b>special resolution</b>	has the meaning given in section 283 of the Companies Act 2006,
<b>subsidiary</b>	has the meaning given in section 1159 of the Companies Act 2006,
<b>transmittee</b>	a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law,
<b>treasury shares</b>	any shares in the company held in treasury pursuant to Companies Acts,
<b>uncertificated</b>	in relation to a share means that, by virtue of legislation (other than section 778 of the Companies Act 2006) permitting title to shares to be evidenced and transferred without a certificate, title to that share is evidenced and may be transferred without a certificate, and
<b>working days</b>	has the meaning given in section 1173 of the Companies Act 2006,
<b>writing</b>	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

Unless the context otherwise requires, other words or expressions contained in these



articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company

- 1.2 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles
- 1.3 A reference in these articles to an “**article**” is a reference to the relevant article of these articles unless expressly provided otherwise.
- 1.4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of -
  - (a) any subordinate legislation from time to time made under it, and
  - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1.5 Any phrase introduced by the terms “**including**”, “**include**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1.6 No regulations set out in any statute or statutory instrument shall apply as regulations or Articles of the Company

## **2. Liability of members**

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

## **PART 2 DIRECTORS AND SECRETARY**

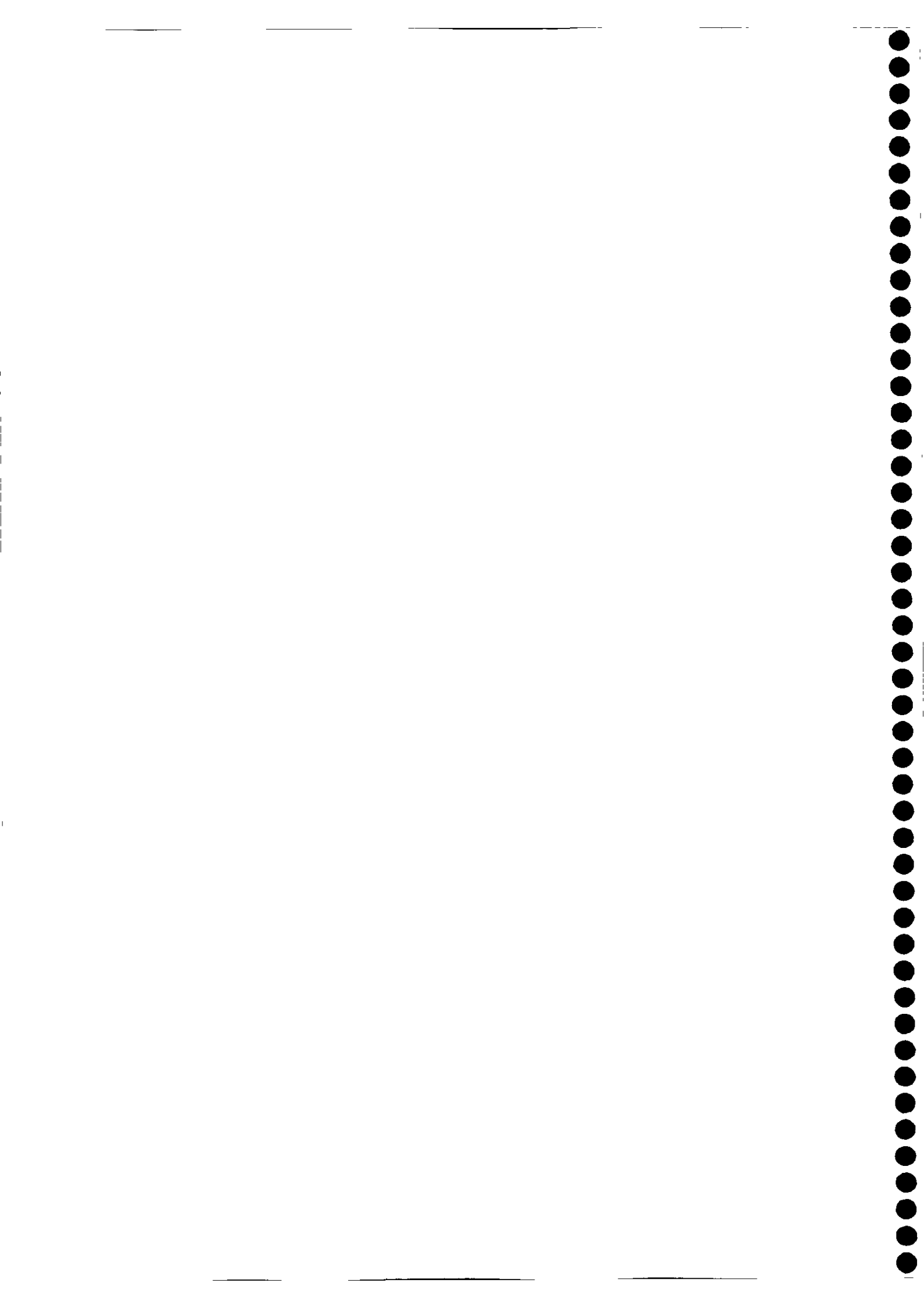
### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **3. Directors' general authority**

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

#### **4. Members' reserve power**

- 4.1 The members may, by special resolution, direct the directors to take, or refrain from



taking, specified action

- 4 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

**5. Directors may delegate**

- 5 1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:-

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

as they think fit

- 5 2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated

- 5 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

**6. Committees**

- 6 1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors

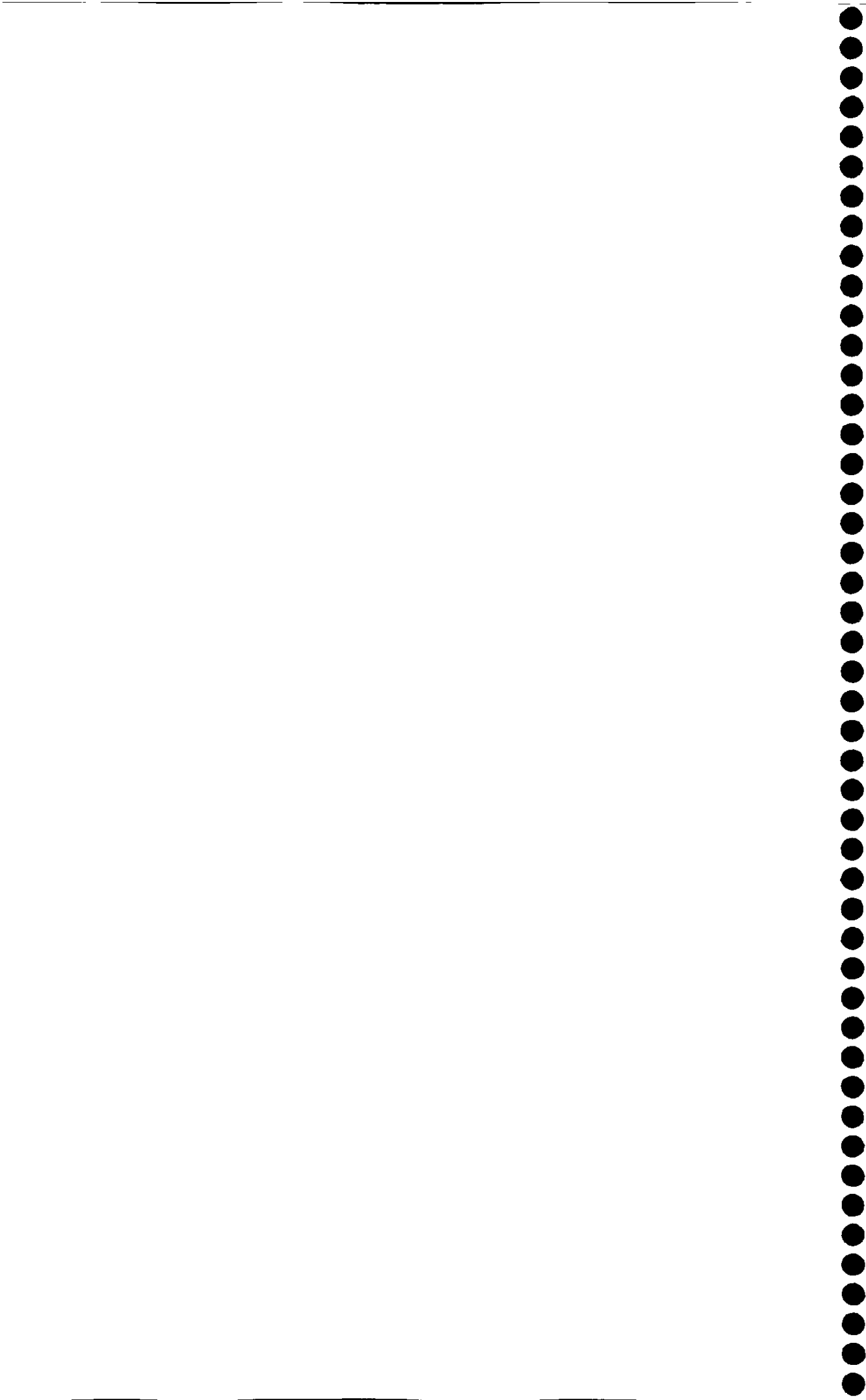
- 6 2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them

**DECISION-MAKING BY DIRECTORS**

**7. Directors to take decisions collectively**

Decisions of the directors may be taken—

- (a) at a directors' meeting, or





(b) in the form of a directors' written resolution

**8. Calling a directors' meeting**

8 1 Any director may call a directors' meeting by giving not less than 5 working days notice at the meeting or such shorter notice as all the directors shall agree or may authorise the company secretary to give such notice

8 2 A directors' meeting is called by giving notice of the meeting to the directors

8 3 Notice of any directors' meeting must indicate -

(a) its proposed date and time,

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

8 4 Notice of a directors' meeting must be given to each director, but need not be in writing

8 5 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

**9. Participation in directors' meetings**

9 1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when -

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

9 2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other

9 3 If all the directors participating in a meeting are not in the same place, they may



decide that the meeting is to be treated as taking place wherever any of them is

**10. Quorum for directors' meetings**

- 10 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 10 2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is two An alternate director who is not himself a director shall be counted in a quorum

**11. Meetings where total number of directors less than quorum**

- 11 1 This article applies where the total number of directors for the time being is less than the quorum for directors' meetings
- 11 2 If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so
- 11 3 If there is more than one director -
- (a) a directors' meeting may take place, if it is called in accordance with the articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
  - (b) if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so

**12. Chairing directors' meetings**

- 12 1 The directors may appoint a director to chair their meetings
- 12 2 The person so appointed for the time being is known as the chairman
- 12 3 The directors may appoint other directors as deputy or assistant chairmen to chair directors' meetings in the chairman's absence
- 12 4 The directors may terminate the appointment of the chairman, deputy or assistant chairman at any time
- 12 5 If neither the chairman nor any director appointed generally to chair directors' meetings in the chairman's absence is participating in a meeting within ten minutes of

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the time at which it was to start, the participating directors must appoint one of themselves to chair it

**13. Voting at directors' meetings: general rules**

13 1 Subject to the articles, a decision is taken at a directors' meeting by a majority of the votes of the participating directors

13 2 Subject to the articles, each director participating in a directors' meeting has one vote

13 3 Subject to the articles, if a director has an interest in an actual or proposed transaction or arrangement with the company -

(a) that director and that director's alternate may not vote on any proposal relating to it, but

(b) this does not preclude the alternate from voting in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest

**14. Chairman's casting vote at directors' meetings**

14 1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote

14 2 But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

**15. Alternates voting at directors' meetings**

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

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

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

**16. Conflicts of interest**

16 1 Subject to the provisions of article 16 2, if a directors' meeting, or part of a directors' meeting, is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes



16 2 A director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in a decision at a directors' meeting, or part of a directors' meeting, relating to it for quorum and voting purposes, when -

- (a) the company by ordinary resolution disappplies the provision of the articles which would otherwise prevent a director from being counted as participating in, or voting at, a directors' meeting,
- (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (c) the director's conflict of interest arises from a permitted cause

16 3 For the purposes of this article, the following are permitted causes -

- (a) any security, guarantee or indemnity given to a director in respect of money lent by him or obligations undertaken by him at the request of or for the benefit of the company or any of its subsidiary undertakings,
- (b) any security given by the company to a third party in respect of a debt or obligation of the company or any of its subsidiary undertakings which the director has himself guaranteed or secured in whole or in part,
- (c) any contract or arrangement by a director to subscribe for shares, debentures or other securities of the company issued or to be issued pursuant to any offer or invitation to members or debenture holders of the company or any class thereof or to the public or any section thereof, or to underwrite any shares, debentures or other securities of the company,
- (d) any contract or arrangement in which he is interested by virtue of his interest in shares or debentures or other securities of the company or by reason of any other interest in or through the company,
- (e) any contract or arrangement concerning any other company in which he is interested directly or indirectly as a shareholder holding less than 1% of any class of the equity share capital of, or the voting rights in such company as an officer, shareholder, creditor or otherwise howsoever,
- (f) any proposal concerning the adoption, modification or operation of a pension fund or retirement death or disability benefits scheme which relates both to directors and employees of the company or of any of its subsidiaries and does not provide in respect of any director as such any privilege or advantage not





accorded to the employees to which such scheme or fund relates,

- (g) any arrangement for the benefit of employees of the company or of any of its subsidiaries under which the director benefits in a similar manner as the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom such arrangement relates,
- (h) any proposal, contract, transaction or arrangement concerning (a) the purchase or maintenance of insurance for the benefit of the directors or for the benefit of persons who include directors, or (b) indemnities in favour of directors, or (c) the funding of expenditure by one of more directors in defending proceedings against him or them or (d) doing anything to enable such director or directors to avoid incurring such expenditure

16 4 Subject to article 16 5, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive, unless the nature and extent of the interest of the director concerned has not been fairly disclosed to the directors

16 5 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

#### **17. Authorisation of Conflicts**

17 1 The directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under Section 175 of the Companies Act 2006 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company Save that such authorisation of the directors shall be effective only if the required quorum at the meeting at which the matter is considered is met without counting the interested director and the matter was agreed to without such director voting or would have been agreed to if their vote had not been counted

17 2 Subject to Article 17 3, a director shall be under no duty to the company with respect to any information which he obtains or has obtained otherwise than as a director of the company and in respect of which he has a duty of confidentiality to another person

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In particular, the director shall not be in breach of the general duties he owes to the company under the Companies Act 2006 because he fails

- (a) to disclose any such information to the directors or to any director or other officer or employee of the company, and/or
- (b) to use or apply any such information in performing his duties as a director of the company

17.3 To the extent that the relationship between a director and a person to whom he owes a duty of confidentiality gives rise to a conflict of interest or possible conflict of interest, Article 17.2 applies only if the existence of that relationship has been authorised by the directors pursuant to Article 17.1

17.4 Where the existence of a Director's relationship with another person is authorised by the directors pursuant to Article 17.1 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the company under the Companies Act 2006 because he

- (a) absents himself from meetings of the directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the company and/or makes arrangements for such documents and information to be received and read by a professional adviser, for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists

17.5 The provisions of Articles 17.1 and 17.4 are without prejudice to any equitable principle or rule of law which may excuse the director from

- (a) disclosing information in circumstances where disclosure would otherwise be required under these Articles, or
- (b) attending meetings or discussions or receiving documents and information as referred to in Article 17.4, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles



17 6 For the purpose of Articles 17 1 to 17 5

- (a) a “**conflict of interest**” includes a conflict of interest and duty and a conflict of duties,
- (b) an “**interest**” means a direct or an indirect interest, and
- (c) an “**interest, transaction or arrangement of which a director is aware**” includes an interest, transaction or arrangement of which that director ought reasonably to be aware.

**18. Proposing directors’ written resolutions**

18 1 Any director may propose a directors’ written resolution.

18 2 The company secretary must propose a directors’ written resolution if a director so requests

18 3 A directors’ written resolution is proposed by giving notice of the proposed resolution to the directors

18 4 Notice of a proposed directors’ written resolution must indicate -

- (a) the proposed resolution, and
- (b) the time by which it is proposed that the directors should adopt it

18 5 Notice of a proposed directors’ written resolution must be given in writing to each director

18 6 Any decision which a person giving notice of a proposed directors’ written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith

**19. Adoption of directors’ written resolutions**

19 1 A proposed directors’ written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors’ meeting have signed one or more copies of it, provided that those directors would have formed a quorum at such a meeting

19 2 It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted

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- 19 3 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles

**20. Records of decisions to be kept**

- 20 1 The company secretary must ensure that the company keeps a record, in writing for at least ten years from the date of the decision recorded, of every unanimous or majority decision taken by the directors

**21. Directors' discretion to make further rules**

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

## **APPOINTMENT OF DIRECTORS**

**22. Methods of appointing directors**

Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director -

- (a) by ordinary resolution, or
- (b) by a decision of the directors

**23. Retirement of directors by rotation**

- 23 1 At the first annual general meeting all the directors must retire from office

- 23 2 At every subsequent annual general meeting any directors -

- (a) who have been appointed by the directors since the last annual general meeting, or
- (b) who were not appointed or reappointed at one of the preceding two annual general meetings,

must retire from office and may offer themselves for reappointment by the members

**24. Termination of director's appointment**

A person ceases to be a director as soon as -

- (a) that person ceases to be a director by virtue of any provision of the Companies





Act 2006 or is prohibited from being a director by law,

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

**25. Directors' remuneration**

25 1 Directors may undertake any services for the company that the directors decide

25 2 Directors are entitled to such remuneration as the directors determine -

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company

25 3 Subject to the articles, a director's remuneration may -

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

25 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day

25 5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is

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**26. Directors' expenses**

The company must pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at -

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

**27. Other Positions**

A director, including an alternate director, may hold any other office or place of profit under the company (other than the office of auditor of the company or any subsidiary of the company) in conjunction with his office of director for such period and upon such terms as the directors may determine, and may act in a professional capacity to the company, on such terms as to tenure of office, remuneration and otherwise as the directors may determine

**ALTERNATE DIRECTORS**

**28. Appointment and removal of alternates**

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

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities, in relation to the taking of decisions by the directors in the absence of the alternate's appointor

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

28.3 The notice must -

- (a) identify the proposed alternate, and



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

**29. Rights and responsibilities of alternate directors**

29 1 An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor

29 2 Except as the articles specify otherwise, alternate directors -

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

29 3 A person who is an alternate director but not a director -

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

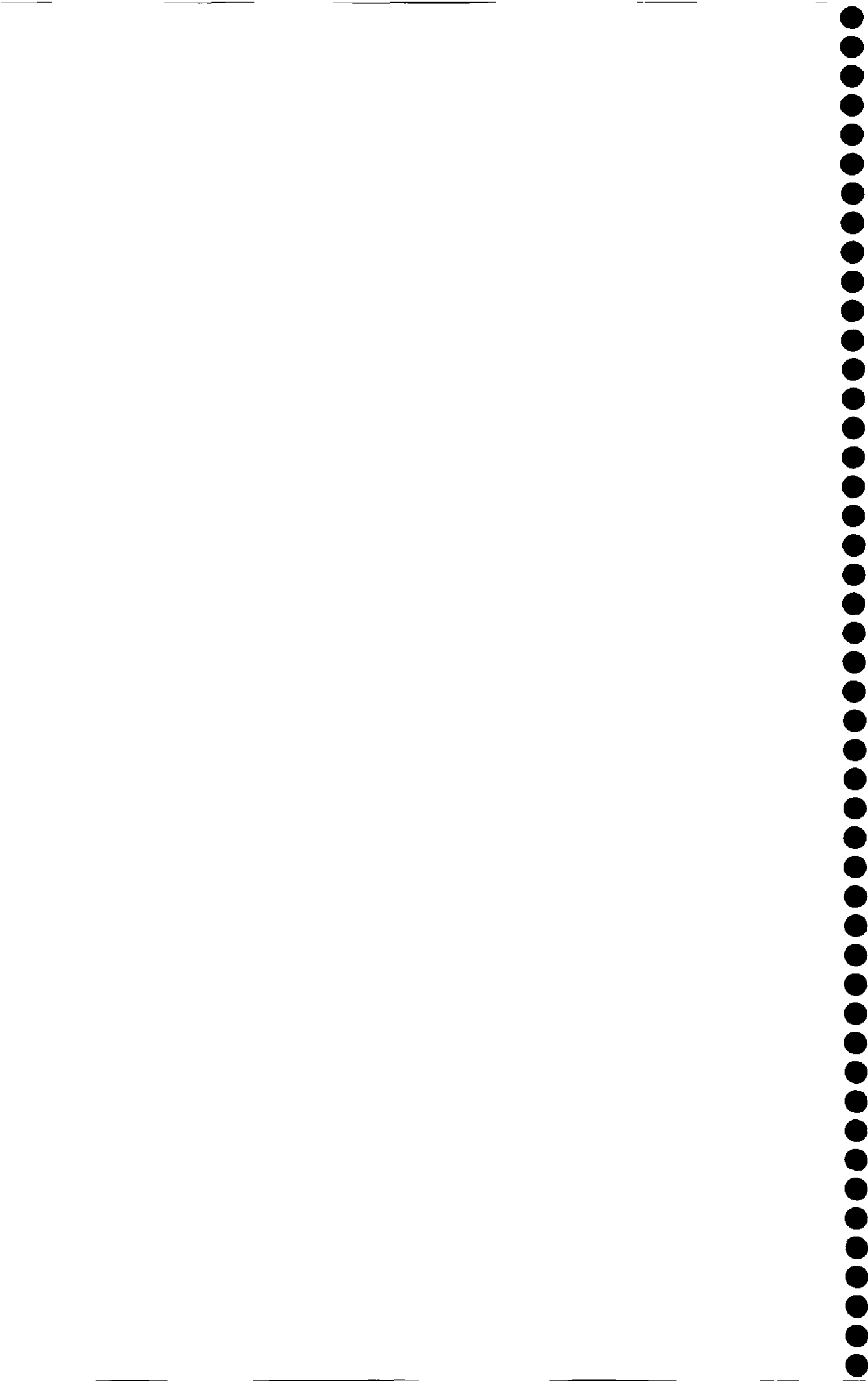
No alternate may be counted as more than one director for such purposes

29 4 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

**30. Termination of alternate directorship**

An alternate director's appointment as an alternate terminates -

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,



- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates, except that an alternate's appointment as an alternate does not terminate when the appointor retires by rotation at a general meeting and is then re-appointed as a director at the same general meeting

## **SECRETARY**

### **31. Secretary to be Appointed by Board**

The secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they think fit and any secretary so appointed may be removed by the directors

### **32. Delegation of Secretary's Function**

Anything by the Companies Acts 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 assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by or to any officer of the company authorised generally or specially in that behalf by the directors provided that any provision of the Companies Acts or of these articles requiring or authorising a thing to be done by or to a director and secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary

## **PART 3**

### **DECISION-MAKING BY MEMBERS**

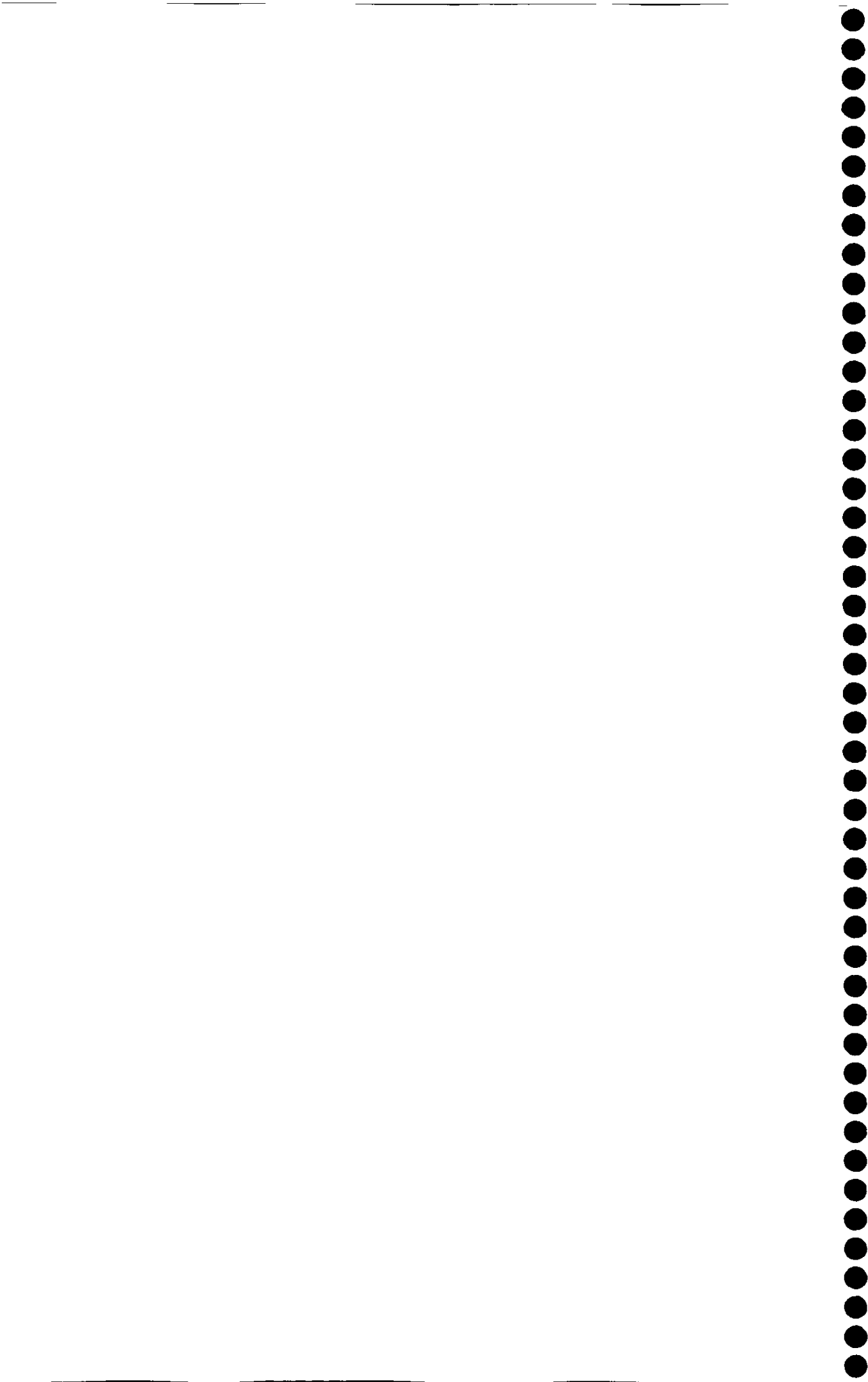
#### **ORGANISATION OF GENERAL MEETINGS**

### **33. Members can call general meeting if not enough directors**

33 1 If -

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

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





**34. Notice of General Meeting**

Subject to the provisions of the Companies Acts, an annual general meeting shall be called by twenty-one days' notice at the least, and all general meetings shall be called by fourteen days' notice at the least. The notice shall be exclusive of the day on which it is served, or deemed to be served, and of the day for which it is given and the day of the meeting.

**35. Rights to receive notice of General Meeting**

The directors may determine that persons entitled to receive notices of meetings are those persons entered on the register of members at the close of business on a day determined by the directors being not more than 21 days before the day that the notices are sent and may specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting. Changes to entries on the register of members after the time so specified shall be disregarded in determining the rights of any person to attend or vote at the meeting.

**36. Attendance and speaking at general meetings**

36 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

36 2 A person is able to exercise the right to vote at a general meeting when -

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

36 3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

36 4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

36 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

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**37. Quorum for general meetings**

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

**38. Chairing general meetings**

38 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

38 2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start -

(a) the directors present, or

(b) (if no directors are present), the meeting,

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

38 3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

**39. Attendance and speaking by directors and non-members**

39 1 Directors may attend and speak at general meetings, whether or not they are members

39 2 The chairman of the meeting may permit other persons who are not -

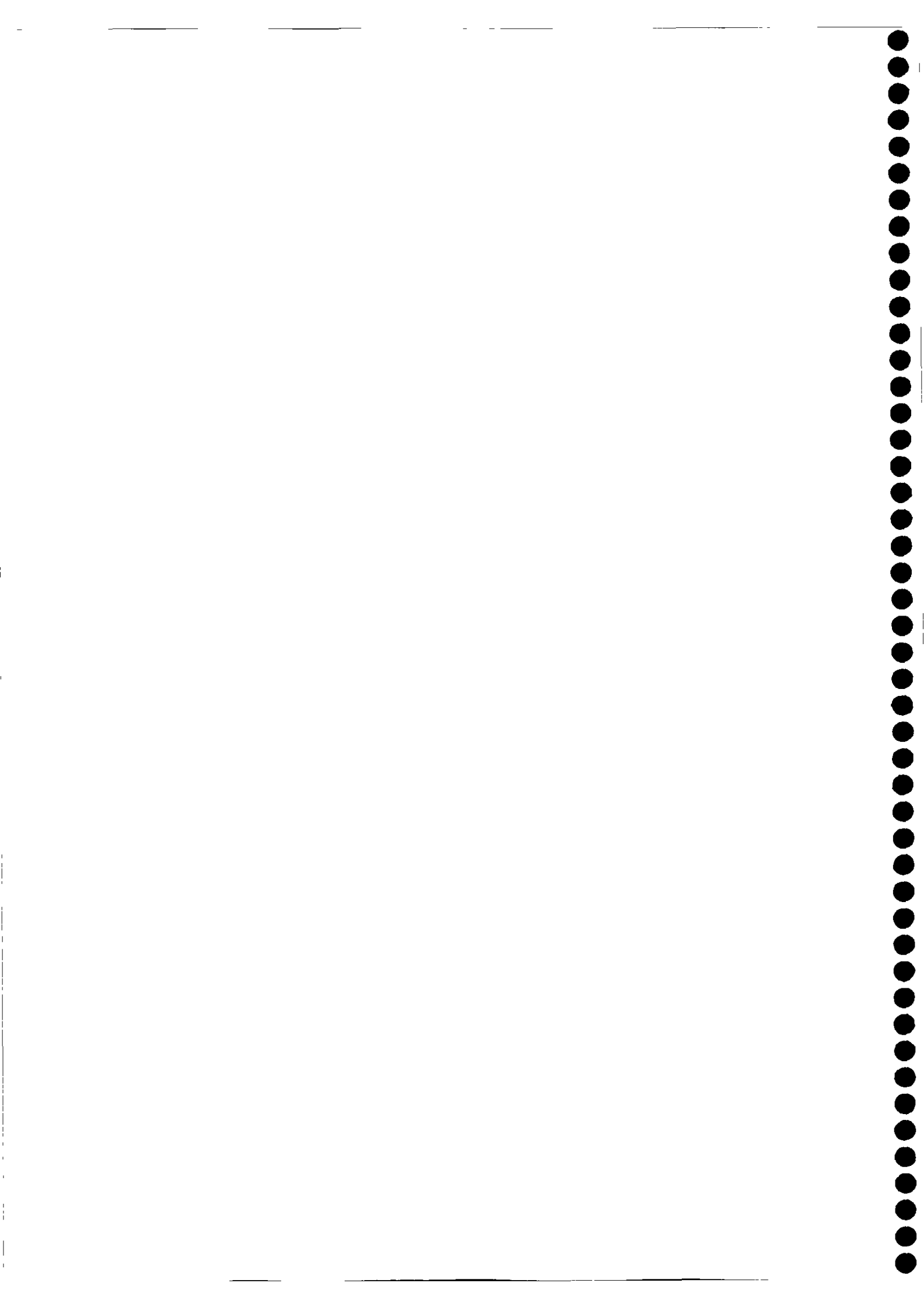
(a) members of the company, or

(b) otherwise entitled to exercise the rights of members in relation to general meetings, or

(c) to attend and speak at a general meeting

**40. Orderly conduct of meetings**

Each director shall take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is



of such a nature

**41. Security arrangements**

The board may direct that members or proxies wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to, or eject from, such general meeting any member or proxy who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions

**42. Postponement of general meetings**

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

**43. Adjournment**

43 1 If the persons attending a general meeting within five minutes of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it, unless the meeting was convened on the requisition of, or by members, in which case it shall be dissolved

43 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if -

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

43 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

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- 43 4 When adjourning a general meeting, the chairman of the meeting must.-
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 43 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) -
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain
- 43 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

## **VOTING AT GENERAL MEETINGS**

### **44. Voting: general**

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

### **45. Errors and disputes**

- 45 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid
- 45 2 Any such objection must be referred to the chairman of the meeting whose decision is final

### **46. Incapacity of a Member**

- 46 1 A member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by his receiver or other person authorised in that behalf and such person may vote on a poll by proxy Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the





office or at such other place or address as is specified in accordance with the articles for the deposit or receipt of forms of appointments of a proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable

**47. Demanding a poll**

47 1 A poll on a resolution may be demanded -

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

47 2 A poll may be demanded by -

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

47 3 A demand for a poll may be withdrawn if -

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

**48. Procedure on a poll**

48 1 Subject to the articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs

48 2 The chairman of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared

48 3 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded

48 4 A poll on -

- (a) the election of the chairman of the meeting, or

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(b) a question of adjournment,  
must be taken immediately

48 5 Other polls must be taken within 30 days of their being demanded

48 6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded

48 7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded

48 8 In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken

**49. Content of proxy notices**

49 1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which -

- (a) states the name and address of the member appointing the proxy,
- (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,
- (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine, and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate

49 2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

49 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

49 4 Unless a proxy notice indicates otherwise, it must be treated as -

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general



meeting to which it relates as well as the meeting itself.

**50. Delivery of proxy notices**

- 50 1 Any notice of a general meeting must specify the address or addresses ("**proxy notification address**") at which the company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form
- 50 2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person
- 50 3 Subject to articles 50 4 and 50 5, a proxy notice must be delivered to a proxy notification address not less than 48 hours (disregarding any part of a day that is not a working day) before the general meeting or adjourned meeting to which it relates and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time prior to the meeting
- 50 4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours (disregarding any part of a day that is not a working day) before the time appointed for the taking of the poll and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time prior to the meeting
- 50 5 In the case of a poll not taken during the meeting but taken not more than 48 hours (disregarding any part of a day that is not a working day) after it was demanded, the proxy notice must be delivered -
- (a) in accordance with paragraph (3), or
  - (b) at the meeting at which the poll was demanded to the chairman, secretary or any director
- 50 6 An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address
- 50 7 A notice revoking a proxy appointment only takes effect if it is delivered before -
- (a) the start of the meeting or adjourned meeting to which it relates, or

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

50 8 If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

## **51. Amendments to resolutions**

51 1 In the case of an ordinary resolution to be proposed at a general meeting no amendment (other than an amendment to correct a grammatical or other substantive error in the resolution) may be considered unless -

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

51 2 A special resolution to be proposed at a general meeting may only be amended by ordinary resolution, if -

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

51 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

## **RESTRICTIONS ON MEMBERS' RIGHTS**

### **52. No voting of shares on which money owed to company**

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





## APPLICATION OF RULES TO CLASS MEETINGS

### 53. Class meetings

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

## PART 4

### SHARES AND DISTRIBUTIONS

#### CONVERTIBLE SHARES

### 54A. Rights of the Convertible Shares

54A 1 The convertible shares shall rank par<sup>i</sup> passu in all respects and each convertible share has the rights and is subject to the restrictions set out below

54A 2 A holder of convertible shares shall not by virtue of or in respect of his or her holding of convertible shares have the right to receive notice of any general meeting of the company nor the right to attend, speak or vote at any such general meeting

54A 3 The convertible shares shall not entitle their holders to receive any dividends or other distribution

54A 4 The convertible shares shall on a return of assets on a winding up entitle their holders only to the repayment of the amount paid up on such shares after payment of the capital paid up on the shares plus the payment of £10,000,000 per share

54A 5 As to conversion

- (a) subject as hereinafter provided, the company may at any time at its election and in the manner set out in this paragraph 0 convert all or any of the convertible shares held by any holder of convertible shares into fully paid shares on the basis of one share for every one convertible share held,
- (b) the company's right to convert convertible shares shall be exercisable at any time by the company providing written notice to the relevant holder or holders of convertible shares (a "Conversion Notice") The conversion notice shall set out the number of convertible shares to be converted and the date (being not later than 28 days from the date of the conversion notice) on which the conversion will take place, and shall require the shareholder to surrender his share certificate(s) in respect of the convertible shares being converted,
- (c) the conversion of convertible shares shall be effected in such manner as the



directors shall from time to time determine in accordance with the following provisions of this article 0 or otherwise as may be authorised by law,

- (d) a conversion of convertible shares shall not take effect unless the holder of such convertible shares has either surrendered to the directors the share certificate(s) in respect of such convertible shares or has provided to the directors an indemnity in respect of such share certificate(s) in a form acceptable to the directors,
- (e) the shares arising on conversion shall rank *pari passu* in all respects with the shares then in issue and shall rank in full for all dividends and other distributions declared by the company in respect of shares on or after the date of conversion, save that the shares so allotted shall not entitle the holder to any dividend or other distribution declared, paid or made on the shares if the record date for such dividend or distribution shall be prior to the date of conversion or otherwise notified to the holders of shares prior to the relevant date of conversion,
- (f) provided that the relevant shareholder has complied with the requirements of sub-paragraph (d) above, allotments of shares arising from conversion shall be effected as soon as reasonably practicable after service of a conversion notice and within 28 days of the date of such conversion notice. The company shall procure that the relevant shareholder's certificate(s) in respect of the relevant convertible shares is cancelled, and within 28 days after the date of the allotment of shares arising as a result of the exercise of conversion rights the company shall send to the relevant shareholder, by ordinary post at his own risk, free of charge, a definitive certificate for the appropriate number of fully paid shares comprised in the certificates surrendered by him (or, at the shareholder's election, the company shall procure that his CREST account is credited with such number of shares) together, where relevant, with a share certificate in respect of any balance of convertible shares held by that shareholder. If the ordinary share capital of the company is admitted to trading on AIM or any other securities exchange the directors shall procure that application is made for the shares arising from conversion to be admitted to trading on AIM (or other securities exchange, as appropriate), and
- (g) the company shall procure that at all times whilst any convertible shares remain capable of being converted into shares there shall be available for issue, free from pre-emptive rights, sufficient authorised but unissued ordinary share capital capable of issue and allotment to satisfy in full all rights for the

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time being outstanding of conversion attaching to the convertible shares

54A 6 As to transferability -

- (a) Save with the prior written consent of the Board or in accordance with an award agreement or the plan, no convertible shares or any interest therein shall be transferred and the directors of the company shall not register any transfer of convertible shares save for the circumstances set out in Article 00 and any transfer or purported transfer of any convertible shares or of any interest therein made otherwise than in accordance with these Articles, the plan or an award agreement shall be void and of no effect whatsoever
- (b) If a holder of convertible shares dies, the provisions of Articles 79 to 82 shall apply to the convertible shares held by such deceased holder. If a holder of convertible shares becomes bankrupt, the convertible shares held by such holder shall be transferable in accordance with the terms of the plan

54B **Rights of the Deferred Shares**

The Deferred Shares shall rank *pari passu* in all respects and shall have the following rights and restrictions

- 54B 1 a holder of Deferred Shares shall not by virtue of or in respect of his or her holding of Deferred Shares, have the right to receive notice of any general meeting of the Company nor the right to attend, speak or vote at any such general meeting,
- 54B 2 the Deferred Shares shall not entitle their holders to receive any dividends or other distribution,
- 54B.3 the Deferred Shares shall on a return of assets on a winding up entitle their holders only to the repayment of the amount paid up on such shares after payment of the capital paid up on the Ordinary Shares plus the payment of £10,000,000 per Ordinary Share, and
- 54B 4 the Company shall have irrevocable authority at any time after the passing of the Resolution adopting this Article 54B to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holders thereof, to such person as the Company may determine as custodian thereof and/or to cancel the same, without making any payment to the holders thereof and/or acquire the same (in accordance with the provisions of the Companies Act 2006) without making any payment to or obtaining the sanction of the holders thereof and pending such transfer and/or



cancellation and/or purchase to retain the certificate of such shares ”

## **ISSUE OF SHARES**

### **55. Powers to issue different classes of share**

55 1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution

55 2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares

### **56. Payment of commissions on subscription for shares**

56 1 The company may pay any person a commission in consideration for that person -

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

56 2 Any such commission may be paid -

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

## **INTERESTS IN SHARES**

### **57. Company not bound by less than absolute interests**

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

### **58. Disclosure of Interest**

58 1 The provisions of chapter 5 of the DTR, which relates to the requirement of members to disclose their total proportion of voting rights (as defined in the DTR), shall be deemed to be incorporated into these articles and shall bind the company and its shareholder, and references to an “issuer” in such chapter, shall be deemed to be





references to the company

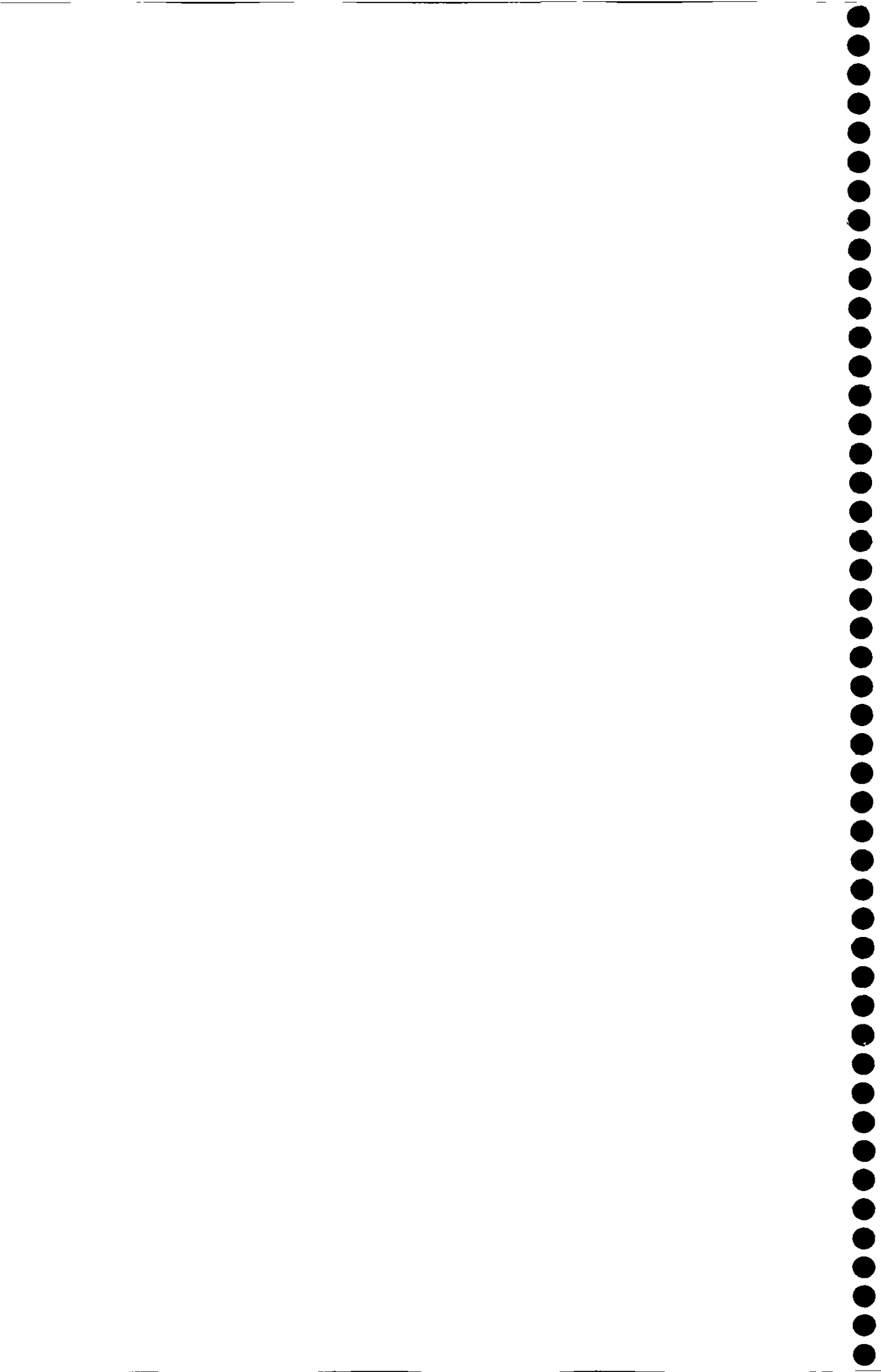
58 2 No member holding shares representing 0.25 per cent or more in nominal value of the issued shares of any class of capital in the company, excluding treasury shares, shall, unless the directors otherwise determine, be entitled:-

- (a) in respect of any such shares, to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares, or to exercise any other right conferred by membership in relation to any such meeting; or
- (b) to receive payment of any dividend (including shares in lieu of dividend) or other distribution payable in respect of any such shares, or
- (c) to transfer any such shares otherwise than -
  - (i) pursuant to acceptance of a take-over offer,
  - (ii) through a recognised investment exchange or other recognised market, or
  - (iii) in any other manner which the directors are satisfied is bona fide and at arm's length (in each case hereinafter referred to as an "arm's length sale")

if he or any person appearing to be interested in such shares has been given a Section 793 notice and has failed to give the company the information thereby required within 14 days from the date of the notice provided that upon receipt by the company of notice that the shares have been transferred pursuant to any arm's length sale or upon all information required by the Section 793 notice being given, such restrictions shall cease to apply in respect of such shares and any dividend withheld shall be paid

58 3 For the purposes of this Article:-

- (a) 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 793 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested,
- (b) "interested" shall be construed as it is for the purpose of section 793 of the Companies Act 2006,



- (c) **“take-over offer”** shall have the meaning ascribed to it in Section 974 of the Companies Act 2006,
- (d) **“recognised investment exchange”** shall have the meaning ascribed to it in Section 285 of the Financial Services and Markets Act 2000,
- (e) **“at arm's length”** means a transfer to a person who is unconnected with the members and with any other person appearing to be interested in the shares,
- (f) **“section 793 notice”** means a notice served pursuant to section 793A of the Companies Act 2006,
- (g) reference to a person having failed to give the company the information required by a section 793 notice includes (i) reference to his having failed or refused to give all or any part of it and (ii) 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

58 4 Where on the basis of information obtained from a member in respect of any share held by him, the company gives a section 793 notice to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of sub-clauses 58 2 and 58 3 of this Article

58 5 Any sanctions imposed upon a shareholding in respect of a person having failed to give the company the information required by a section 793 notice will cease to apply 7 days after the earlier of -

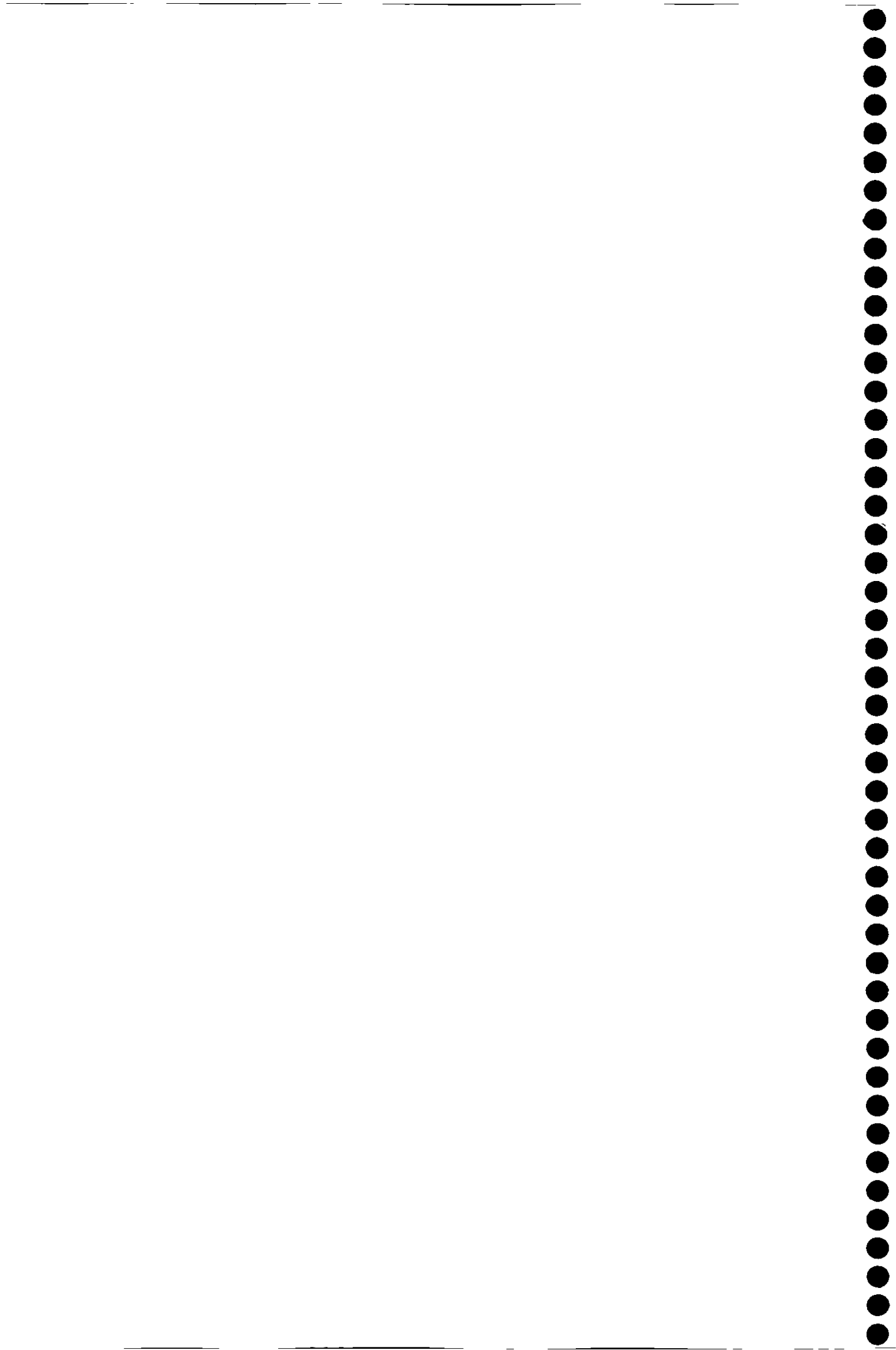
- (a) receipt by the company of notice that the shareholding has been sold to a third party in the manner described above, and
- (b) due compliance to the satisfaction of the company, with the notice under Section 793

58 6 Nothing in these articles shall limit the powers of the company under Section 794 of the Companies Act 2006 or any other powers whatsoever

### **SHARE CERTIFICATES**

#### **59. Certificates to be issued except in certain cases**

59 1 The company must issue each member with one or more certificates in respect of the shares which that member holds



59 2 This article does not apply to:-

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

59 3 Except as otherwise specified in the articles, all certificates must be issued free of charge

59 4 No certificate may be issued in respect of shares of more than one class

59 5 If more than one person holds a share, only one certificate may be issued in respect of it

**60. Contents and execution of share certificates**

60 1 Every certificate must specify -

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

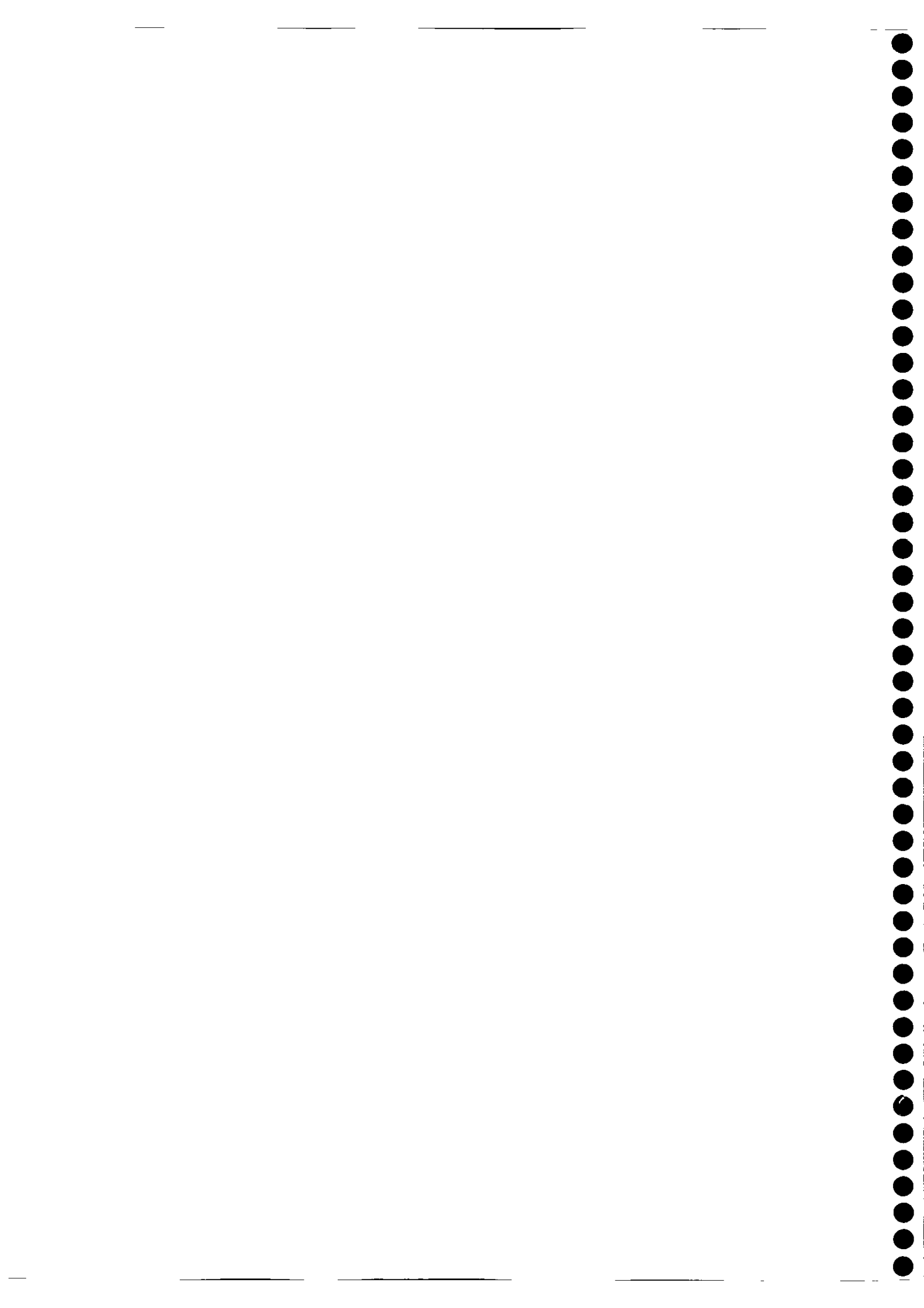
60 2 Certificates must -

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

**61. Consolidated share certificates**

61 1 When a member's holding of shares of a particular class increases, the company may issue that member with -

- (a) a single, consolidated certificate in respect of all the shares of a particular class which that member holds, or



- (b) a separate certificate in respect of only those shares by which that member's holding has increased

61 2 When a member's holding of shares of a particular class is reduced, the company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after that reduction. But the company need not (in the absence of a request from the member) issue any new certificate if -

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

61 3 A member may request the company, in writing, to replace -

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

61 4 When the company complies with such a request it may charge such reasonable fee as the directors may decide for doing so

61 5 A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the company for cancellation

## **62. Replacement share certificates**

62 1 If a certificate issued in respect of a member's shares is -

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

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

62 2 A member exercising the right to be issued with such a replacement certificate -

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
- (b) must return the certificate which is to be replaced to the company if it is

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damaged or defaced, and

- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

#### **SHARES NOT HELD IN CERTIFICATED FORM**

##### **63. Uncertificated shares**

63 1 In this article, “**the relevant rules**” means -

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

63 2 The provisions of this article have effect subject to the relevant rules

63 3 Any provision of the articles which is inconsistent with the relevant rules must be disregarded, to the extent that it is inconsistent, whenever the relevant rules apply

63 4 Any share or class of shares of the company may be issued or held on such terms, or in such a way, that -

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

63 5 The directors have power to take such steps as they think fit in relation to -

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

63 6 The company may by notice to the holder of a share require that share -

- (a) if it is uncertificated, to be converted into certificated form, and
- (b) if it is certificated, to be converted into uncertificated form,



to enable it to be dealt with in accordance with the articles

63.7 If -

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

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

63 8 In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it

63 9 Unless the directors otherwise determine, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form

63 10 A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form

#### **64. Share warrants**

64 1 The directors may issue a share warrant in respect of any fully paid share

64 2 Share warrants must be -

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

as the directors decide

64 3 A share represented by a share warrant may be transferred by delivery of the warrant representing it

64 4 The directors may make provision for the payment of dividends in respect of any share represented by a share warrant

64 5 Subject to the articles, the directors may decide the conditions on which any share warrant is issued In particular, they may -



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

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

64 6 Subject to the conditions on which the warrants are issued from time to time, bearers of share warrants have the same rights and privileges as they would if their names had been included in the register as holders of the shares represented by their warrants

64 7 The company must not in any way be bound by or recognise any interest in a share represented by a share warrant other than the absolute right of the bearer of that warrant to that warrant

## **PARTLY PAID SHARES**

### **65. Company's lien over partly paid shares**

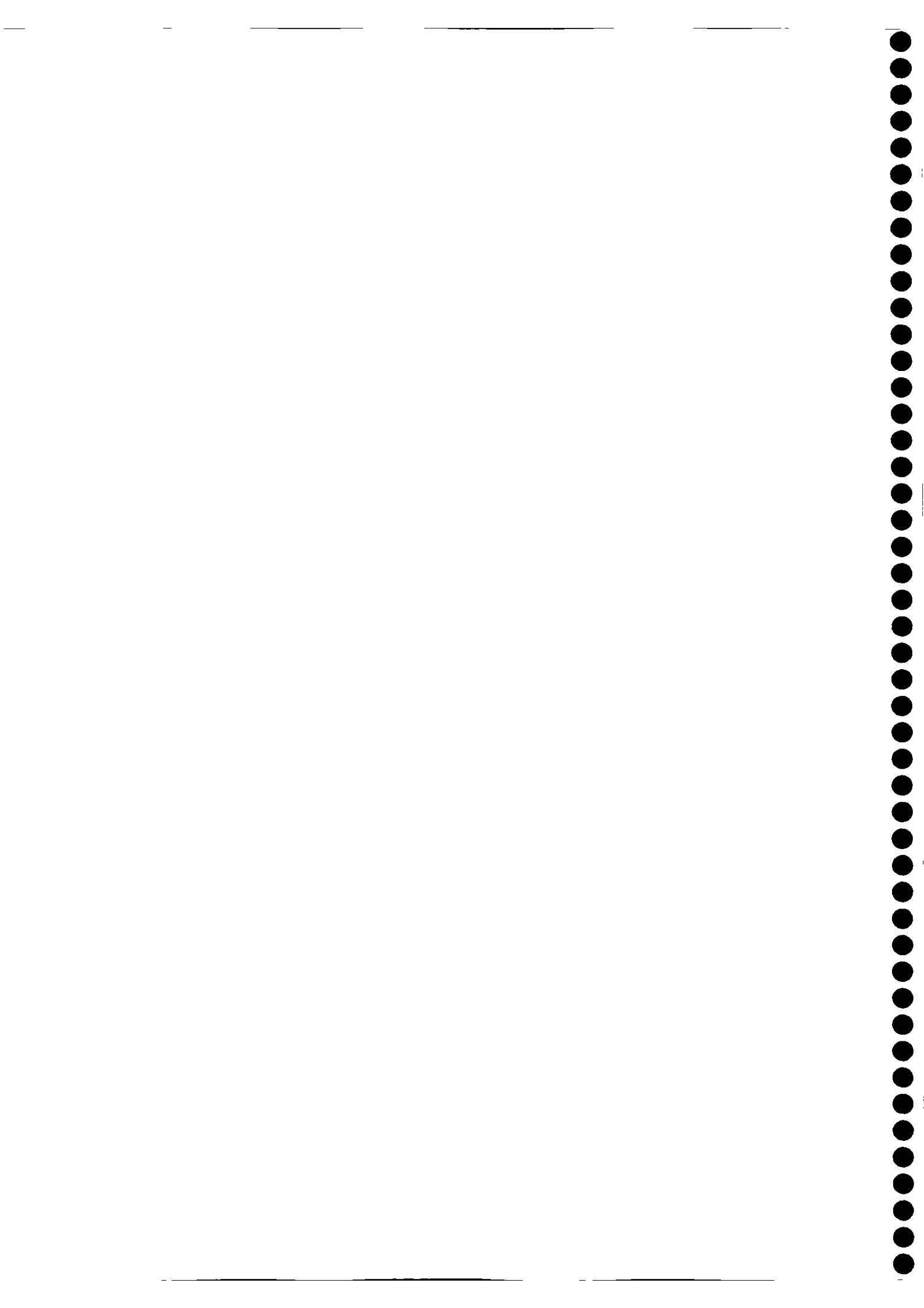
65 1 The company has a lien ("the company's lien") over every share which is partly paid for any part of -

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

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

65 2 The company's lien over a share -

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



that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share

65 3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part.

**66. Enforcement of the company's lien**

66 1 Subject to the provisions of this article, if -

- (a) a lien enforcement notice has been given in respect of a share, and
- (b) the person to whom the notice was given has failed to comply with it,

the company may sell that share in such manner as the directors decide

66 2 A lien enforcement notice -

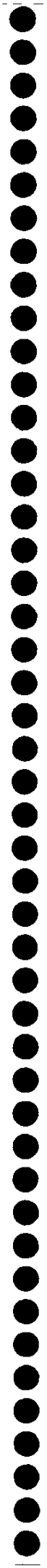
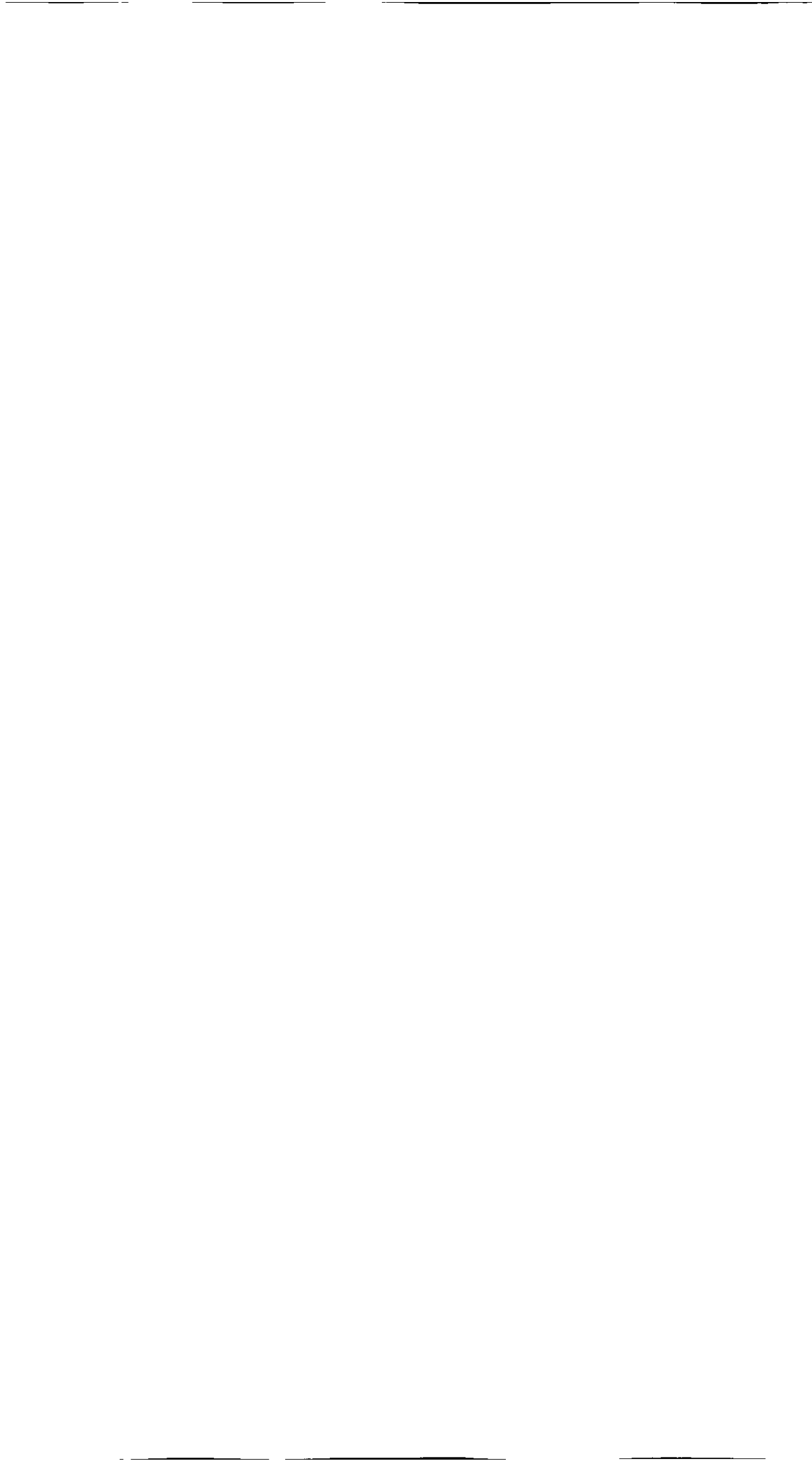
- (a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the share concerned,
- (c) must require payment of the sum payable within 14 days of the notice,
- (d) must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

66 3 Where shares are sold under this article -

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

66 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied -

- (a) first, in payment of so much of the sum for which the lien exists as was





payable at the date of the lien enforcement notice,

- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice

66 5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date -

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share

#### 67. Call notices

67 1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a member requiring the member to pay the company a specified sum of money (a "**call**") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice

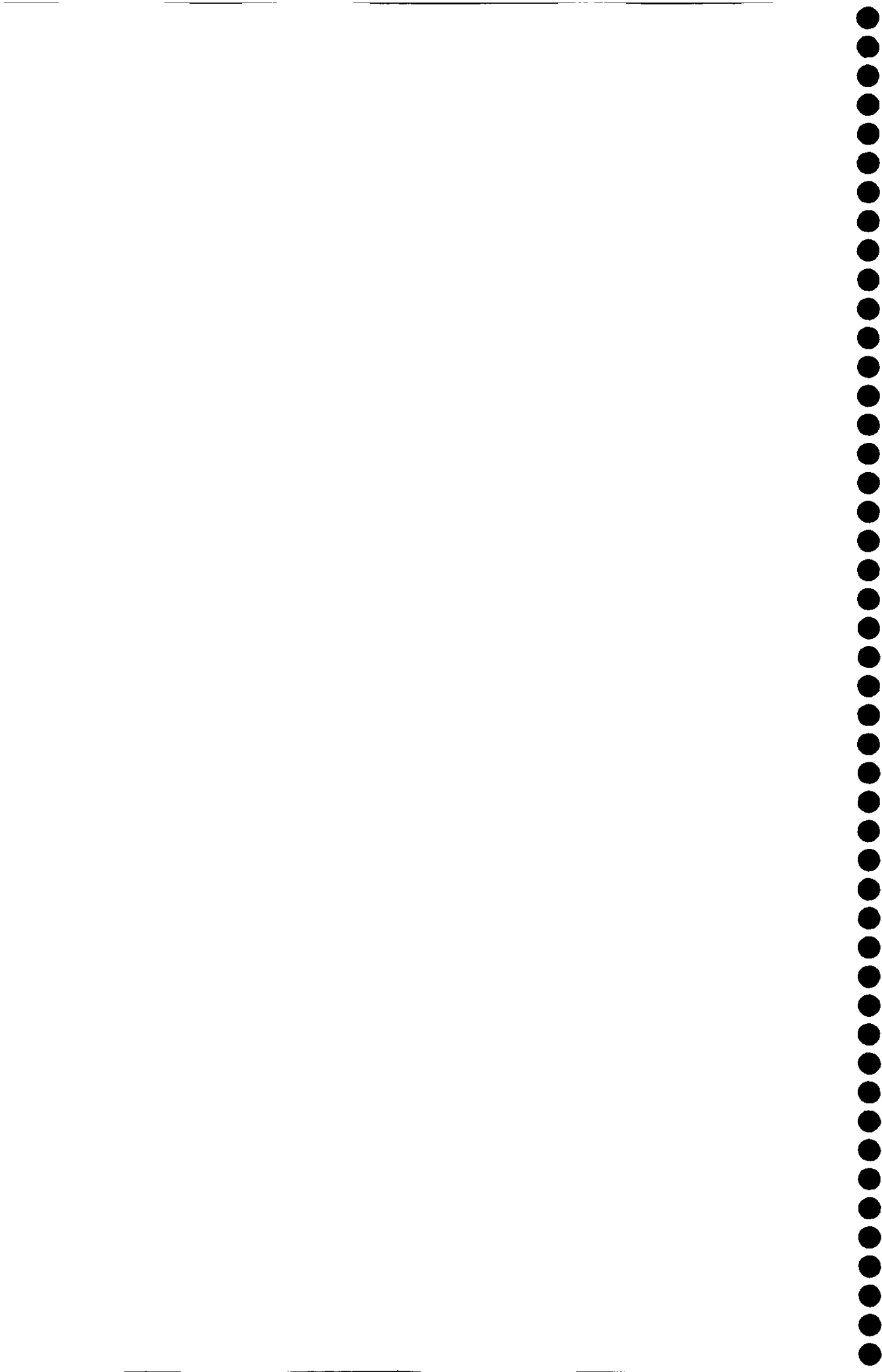
67 2 A call notice -

- (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the company by way of premium),
- (b) must state when and how any call to which it relates it is to be paid, and
- (c) may permit or require the call to be paid by instalments

67 3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent

67 4 Before the company has received any call due under a call notice the directors may -

- (a) revoke it wholly or in part, or
- (b) specify a later time for payment than is specified in the notice,



by a further notice in writing to the member in respect of whose shares the call is made.

**68. Liability to pay calls**

68 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid

68 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

68 3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them -

(a) to pay calls which are not the same, or

(b) to pay calls at different times

**69. When call notice need not be issued**

69 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium) -

(a) on allotment;

(b) on the occurrence of a particular event, or

(c) on a date fixed by or in accordance with the terms of issue

69 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

**70. Failure to comply with call notice: automatic consequences**

70 1 If a person is liable to pay a call and fails to do so by the call payment date -

(a) the directors may issue a notice of intended forfeiture to that person,

(b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate; and

(c) the company may also recover any costs, charges and expenses secured by



reason of the non-payment of any call

70 2 For the purposes of this article -

- (a) the “**call payment date**” is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the “**call payment date**” is that later date,
- (b) the “**relevant rate**” is:-
  - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted,
  - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or
  - (iii) if no rate is fixed in either of these ways, 10 per cent per annum

70 3 The relevant rate must not exceed by more than 10 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a)

70 4 The directors may waive any obligation to pay interest on a call wholly or in part

**71. Notice of intended forfeiture**

A notice of intended forfeiture -

- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
- (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

**72. Directors' power to forfeit shares**

If a notice of intended forfeiture is not complied with before the date by which

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

**73. Effect of forfeiture**

73 1 Subject to the articles, the forfeiture of a share extinguishes -

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

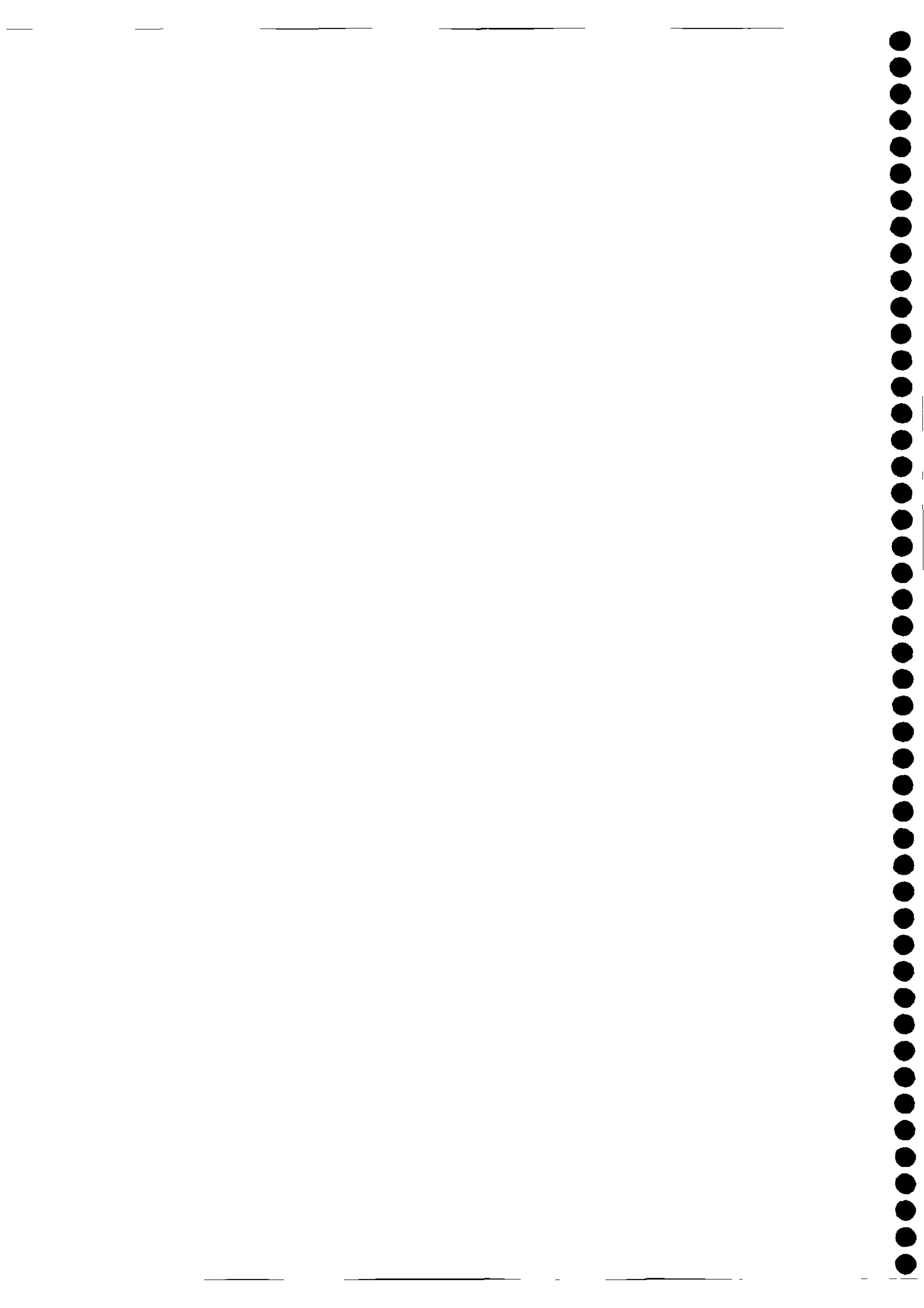
73 2 Any share which is forfeited in accordance with the articles -

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

73 3 If a person's shares have been forfeited -

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

73 4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit





**74. Procedure following forfeiture**

- 74.1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer
- 74.2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date -
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
  - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share
- 74.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share
- 74.4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which.-
- (a) was, or would have become, payable, and
  - (b) had not, when that share was forfeited, been paid by that person in respect of that share,
- but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them

**75. Surrender of shares**

- 75.1 A member may surrender any share -
- (a) in respect of which the directors may issue a notice of intended forfeiture,
  - (b) which the directors may forfeit, or
  - (c) which has been forfeited
- 75.2 The directors may accept the surrender of any such share



- 75 3 The effect of surrender on a share is the same as the effect of forfeiture on that share
- 75 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

## **TRANSFER AND TRANSMISSION OF SHARES**

### **76. Transfer of shares**

Subject to the provisions of these articles and the Companies Acts, any member may transfer all or any of his shares

### **77. Transfers of certificated shares**

- 77 1 Certificated shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of -
- (a) the transferor, and
  - (b) (if any of the shares is partly paid) the transferee
- 77.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- 77 3 The company may retain any instrument of transfer which is registered
- 77 4 The transferor remains the holder of a certificated share until the transferee's name is entered in the register of members as holder of it
- 77 5 The directors may refuse to register the transfer of a certificated share if -
- (a) the share is not fully paid,
  - (b) the transfer is not lodged at the company's registered office or such other place as the directors have appointed,
  - (c) the transfer is not duly stamped,
  - (d) the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf,



- (e) the transfer is in respect of more than one class of share, or
- (f) the transfer is in favour of more than four transferees

77 6 If the directors refuse to register the transfer of a share, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

**78. Transfer of uncertificated shares**

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

**79. Transmission of shares**

79 1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share

79 2 Nothing in these articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

**80. Transmittees' rights**

80 1 A transmittee who produces such evidence of entitlement to shares as the directors may properly require -

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

80 2 But transmittees do not have the right to attend or vote at a general meeting in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares

**81. Exercise of transmittees' rights**

81 1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish

81 2 If the share is a certificated share and a transmittee wishes to have it transferred to another person, the transmittee must execute an instrument of transfer in respect of it



81 3 If the share is an uncertificated share and the transmittee wishes to have it transferred to another person, the transmittee must—

- (a) procure that all appropriate instructions are given to effect the transfer, or
- (b) procure that the uncertificated share is changed into certificated form and then execute an instrument of transfer in respect of it

81 4 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

**82. Transmittees bound by prior notices**

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name (or the name of any person(s) named as the trustee(s) in an instrument of transfer executed under article 81 2 or 81 3) has been entered in the register of members

## **CONSOLIDATION OF SHARES**

**83. Procedure for disposing of fractions of shares**

83 1 This article applies where -

- (a) there has been a consolidation or division of shares, and
- (b) as a result, members are entitled to fractions of shares

83 2 The directors may -

- (a) sell the shares representing the fractions to any person including the company for the best price reasonably obtainable,
- (b) in the case of a certificated share, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (c) distribute the net proceeds of sale in due proportion among the holders of the shares

83 3 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be

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distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

83 4 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions

83 5 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

## **DISTRIBUTIONS**

### **84. Procedure for declaring dividends**

84 1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends

84 2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors

84 3 No dividend may be declared or paid unless it is in accordance with members' respective rights

84 4 Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it

84 5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear

84 6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment

84 7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights

### **85. Calculation of dividends**

85 1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be -

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- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
- (b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid

85 2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly

85 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount

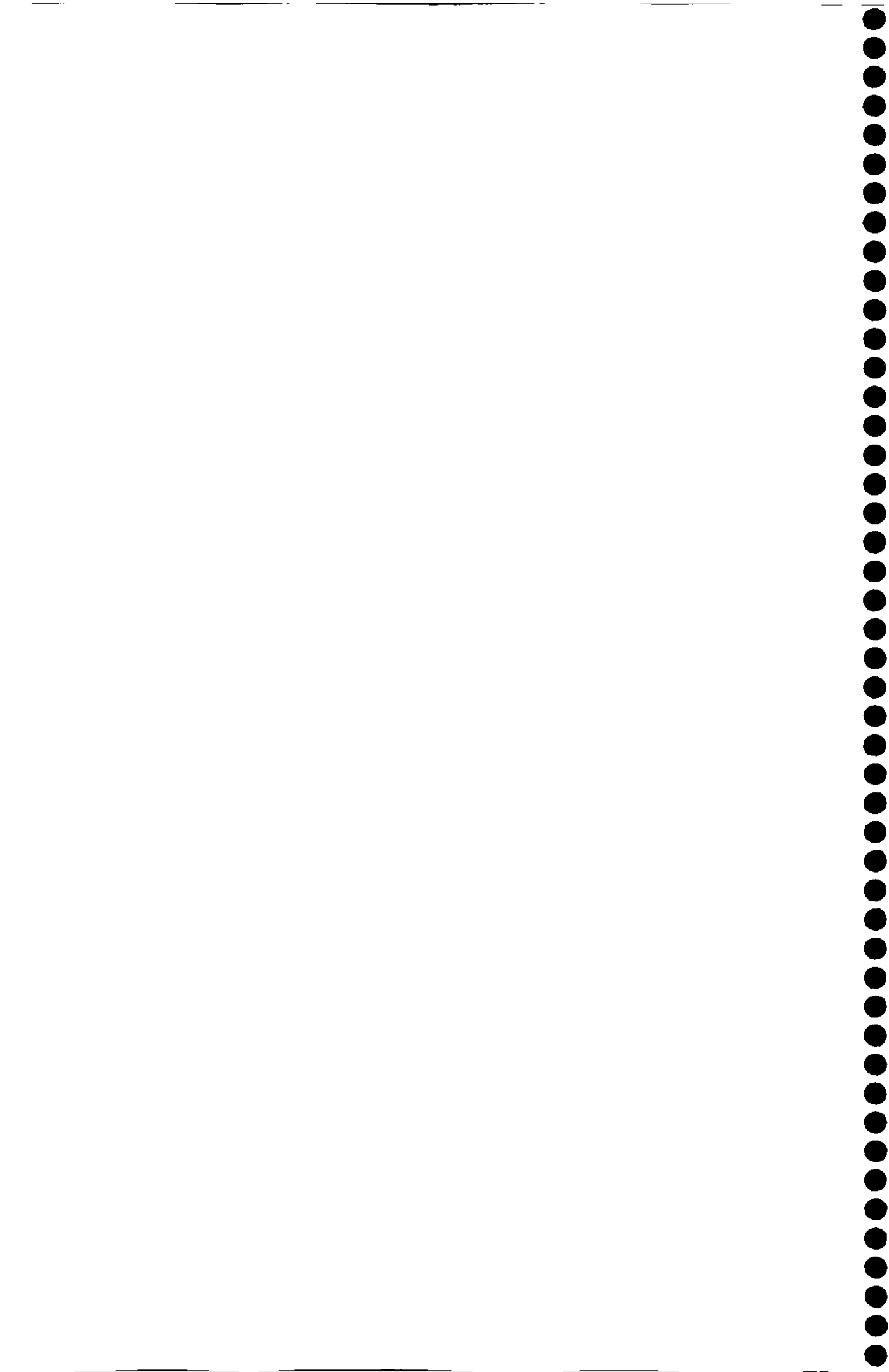
**86. Payment of dividends and other distributions**

86 1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means -

- (a) transfer to a bank or building society account specified by the distribution recipient in writing,
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing,
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing, or
- (d) any other means of payment as the directors agree with the distribution recipient in writing

86 2 In the articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable -

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



**87. Deductions from distributions in respect of sums owed to the company**

87 1 If -

- (a) a share is subject to the company's lien, and
  - (b) the directors are entitled to issue a lien enforcement notice in respect of it,
- they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

87 2 Money so deducted must be used to pay any of the sums payable in respect of that share

87 3 The company must notify the distribution recipient in writing of -

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

**88. No interest on distributions**

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

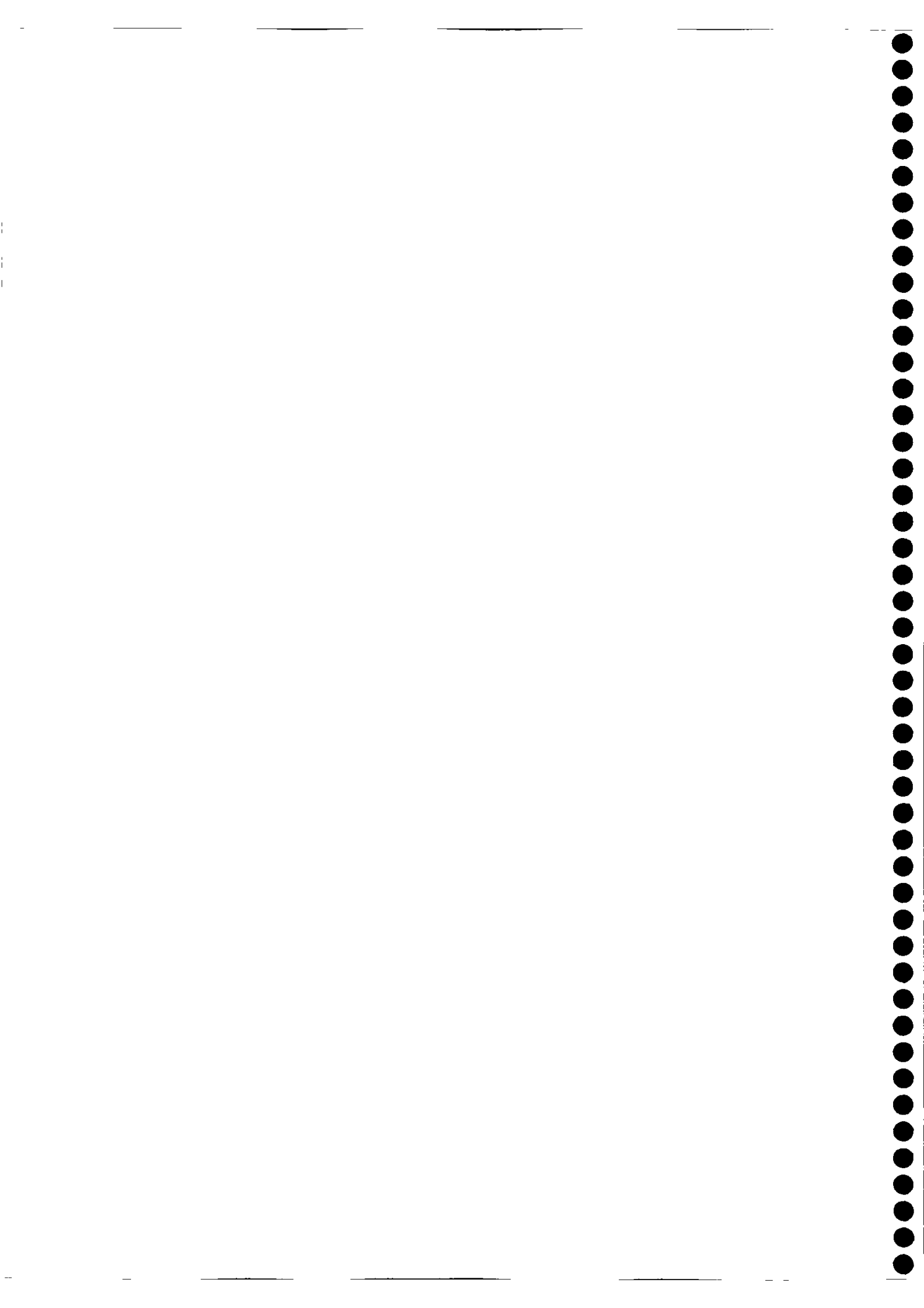
- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company

**89. Unclaimed distributions**

89 1 All dividends or other sums which are -

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,

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



89 2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

89 3 If -

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

(b) the distribution recipient has not claimed it,

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

90. Non-cash distributions

90 1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)

90 2 If the shares in respect of which such a non-cash distribution is paid are uncertificated, any shares in the company which are issued as a non-cash distribution in respect of them must be uncertificated

90 3 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution (including, where fractional entitlements cease) -

(a) fixing the value of any assets,

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

(c) vesting any assets in trustees

90 4 In the event that any member is entitled to a fractional entitlement of any non-cash assets, the directors may -

(a) sell the shares representing the fractions to any person including the company for the best price reasonably obtainable,

(b) in the case of a certificated share, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by





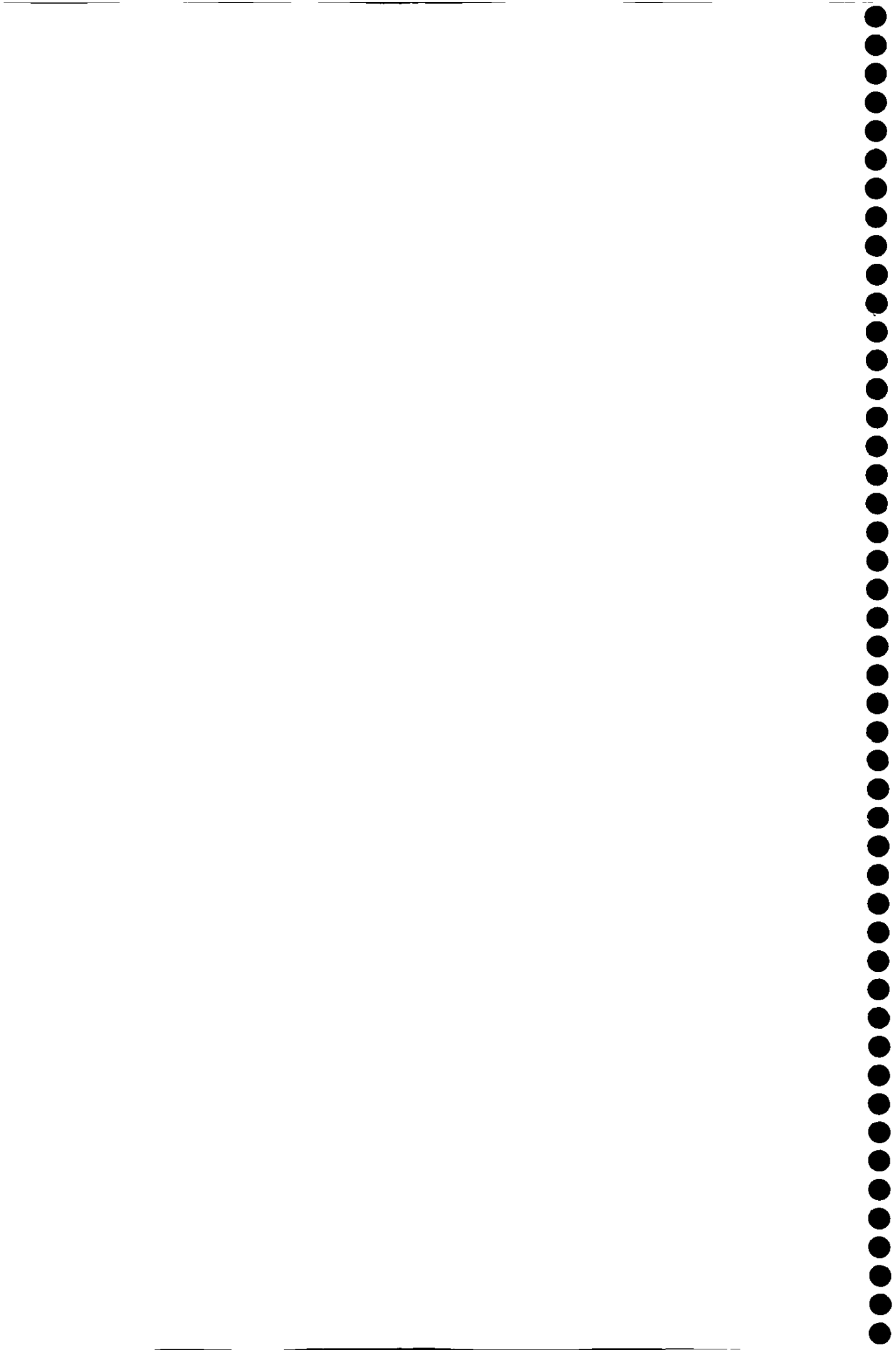
the purchaser, and

- (c) distribute the net proceeds of sale in due proportion among the holders of the shares

Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland

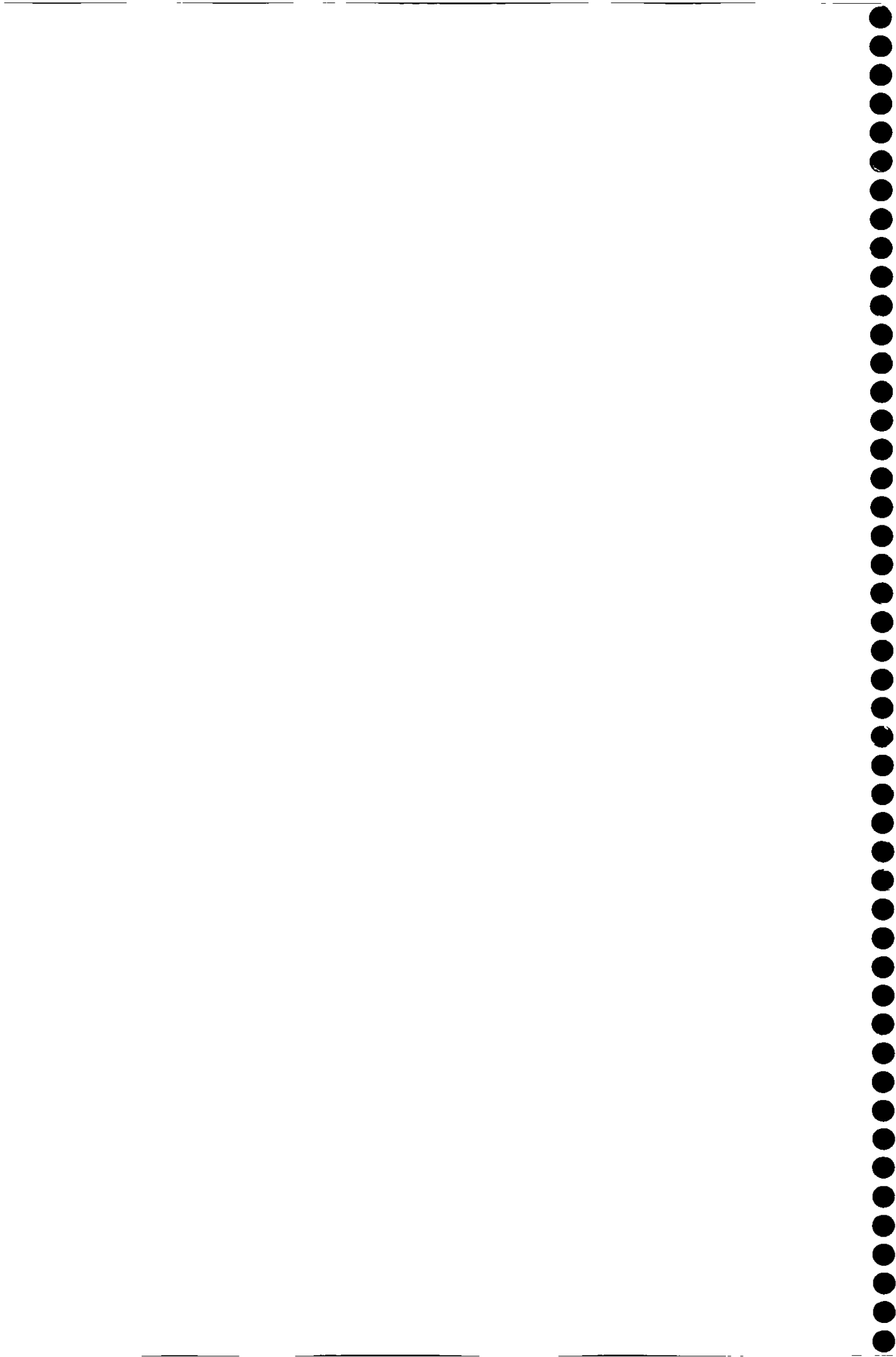
**91. Dividends may be Satisfied in Shares**

- 91 1 The directors may, with the sanction of an ordinary resolution of the company, offer members the right to elect to receive in respect of all or part of their holdings of shares additional shares in the company, credited as fully paid, instead of cash in respect of all or part of such dividend or dividends whether interim or final and (subject to the following provisions of this article) upon such terms and conditions and in such manner as may be specified in such ordinary resolution and otherwise as the directors may determine. Any such resolution may specify a particular dividend and/or all of any dividends (or part of such dividends) declared or paid within a specified period, but no such period may end later than the beginning of the annual general meeting in the calendar year next following the date on which such ordinary resolution is passed
- 91 2 When any such right of election is offered to members pursuant to this article, the directors shall make such offer to such holders in writing (conditionally if the necessary ordinary resolution has yet to be passed, upon such resolution being passed) and shall make available to or provide such holders with forms of election (in such form as the directors may approve) whereby such holders may exercise such right and shall notify such holders of the procedure to be followed and of 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
- 91 3 Each member who elects to receive additional shares under a right offered to him pursuant to this Article shall be entitled to receive such whole number of additional shares as is as nearly as possible equal in value (calculated on the basis of the market value of an additional share) to (but not in excess of) the cash amount that such holder would otherwise have received by way of dividend For the purposes of this article, the "Market Value" of an additional share shall be the average of the prices at which business is done in the shares (derived from the Daily Official List of the London Stock Exchange) on such five consecutive dealing days as the directors shall determine



(save that the first of such dealing days shall be on or after the day when the issued Ordinary Shares in the company are first quoted "ex" the relevant dividend, unless no business is done during such dealing days, when in that case the first of such dealing days should be the latest practicable date at least five days prior to the date when the issued shares are first quoted "ex" the relevant dividend when business is done in the shares) or the nominal value of a share (whichever is the higher)

- 91 4 Following an election by members in accordance with this Article, the relevant dividend (or that part of a dividend in respect of which a right of election has been offered) shall not be payable on the shares issued pursuant to the election but in lieu thereof, the directors shall capitalise out of any undistributed profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or out of any sum standing to the credit of the company's share premium account or capital reserves (including any capital redemption reserve), as the directors may determine a sum equal to the aggregate nominal value of the number of additional shares required to be allotted to the holders of shares who have made such election and shall apply such sum in paying up in full such number of additional shares and shall allot and distribute the same to and amongst such holders on the basis set out in Article 91.3 of this article save that the foregoing provisions of this paragraph shall be subject to any right of the directors under these articles to retain any dividend or other monies payable on or in respect of the shares of a particular member
- 91 5 The additional shares so allotted shall rank *pari passu* with the fully paid shares in the company then in issue save that they shall not be entitled to participate in the dividend in relation to which the relevant election was made
- 91 6 A resolution of the directors capitalising any part of the reserves or profits hereinbefore mentioned shall have the same effect as if such capitalisation had been declared by ordinary resolution of the company in accordance with these articles and in relation to any such capitalisation the directors may exercise all the powers, other than the powers to allot fractional shares, conferred on them by Article 91 4 without the need for any such ordinary resolution
- 91 7 The directors may at their discretion make any rights of election offered pursuant to this article subject to such exclusions or arrangements as they may consider necessary or expedient to deal with any legal or other difficulties which would or may otherwise arise under laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory
- 91 8 Every duly effected election shall be binding on every successor in title to the shares



or any of the members who have effected the same

**92. Waiver of distributions**

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

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

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

**CAPITALISATION OF PROFITS**

**93. Authority to capitalise and appropriation of capitalised sums**

93.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution -

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

93 2 Capitalised sums must be applied -

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

93 3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct

93 4 A capitalised sum which was appropriated from profits available for distribution may be applied -



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

93 5 Subject to the articles the directors may -

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

## **PART 5**

### **MISCELLANEOUS PROVISIONS**

#### **COMMUNICATIONS**

#### **94. Means of communication to be used**

94 1 Any notice, document or other information, including a share certificate may be delivered or served on the intended recipient -

- (a) by delivering it by hand,
- (b) by sending it by post or other delivery service in an envelope (with postage or delivery paid),
- (c) by fax (except for share certificates) to a fax number notified to the company;
- (d) by electronic mail (except a share certificate) to an address notified to the company in writing;
- (e) by a website (except a share certificate) the address of which shall be notified to the recipient in writing,
- (f) by a relevant system, or





- (g) by advertisement in at least two national newspapers

This article does not affect any provision in any relevant legislation or the articles requiring notices or documents to be delivered in a particular way.

94 2 Notices or documents shall be deemed to be delivered in accordance with the following provisions -

- (a) if delivered by hand, it is treated as being delivered at the time it is handed to or left for the intended recipient,
- (b) if sent by post or other delivery service not referred to below, it is treated as being delivered -
  - (i) 24 hours after it was posted, if first class post was used; or
  - (ii) 72 hours after it was posted or given to delivery agents, if first class post was not used

provided it can be proved conclusively that a notice or document was delivered by post or other delivery service by showing that the envelope containing the notice or document was properly addressed and put into the post system or given to delivery agents with postage or delivery paid,

- (c) if sent by fax, it is treated as being delivered at the time it was sent,
- (d) if sent by electronic mail, it is treated as being delivered at the time it was sent,
- (e) if sent by a website, it is treated as being delivered when the material was first made available on the website, or if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website,
- (f) if sent by a relevant system, it is treated as being delivered when the company (or a sponsoring system participant acting on its behalf) sends the issuer instructions relating to the notice or document,
- (g) if a notice is given by advertisement, it is treated as being delivered at midday on the day when the last advertisement appears in the newspapers

94 3 Any notice, document or other information to be sent to a member pursuant to article 94 1(a) or 94 1(b) shall be sent to the address recorded for the member on the register

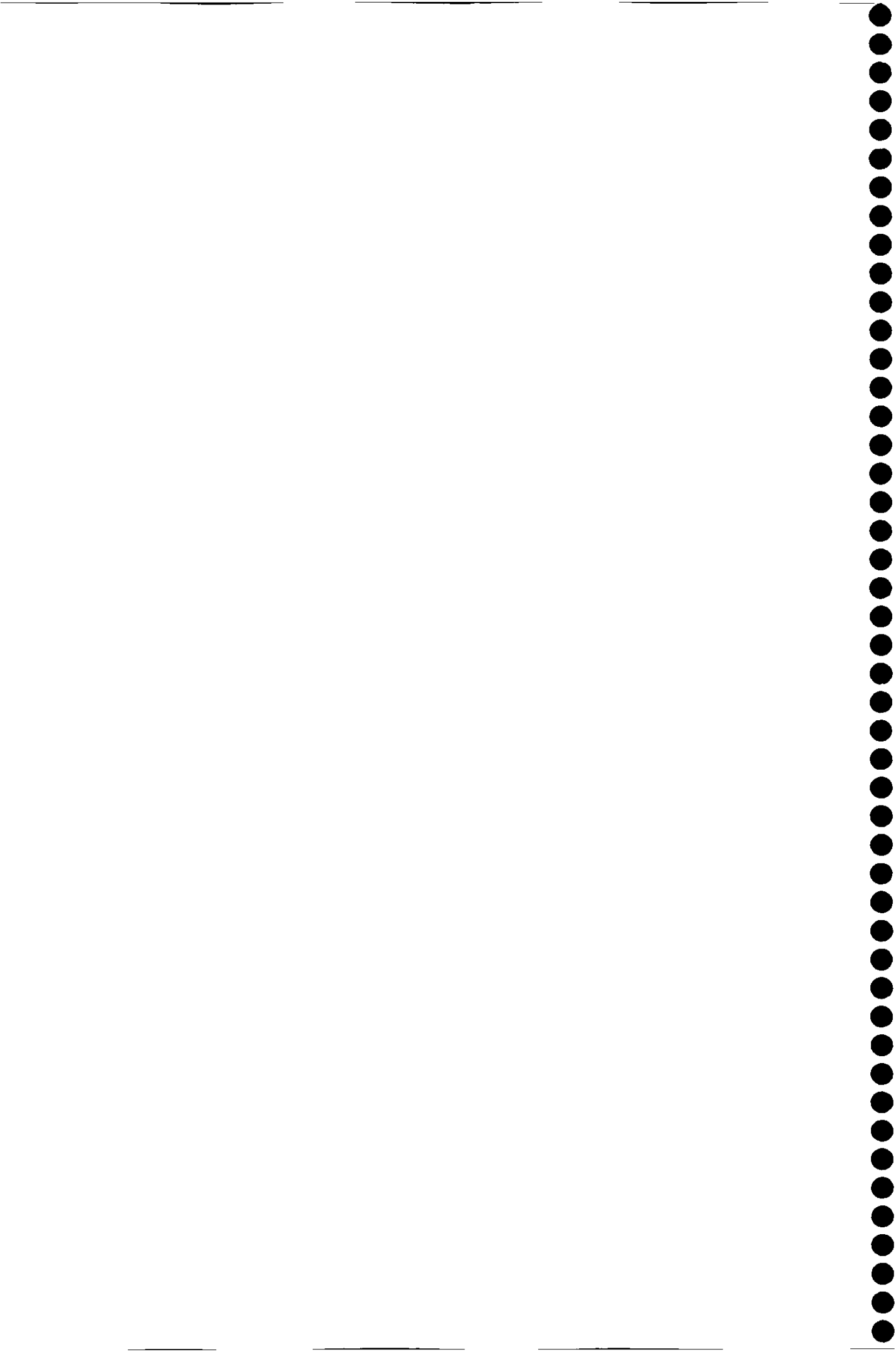


of members.

- 94 4 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being
- 94 5 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than the time set out in 94.2
- 94 6 A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company
- 94 7 In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders,
- 94 8 If at any time by reason of the suspension or curtailment of postal services or an electronic communication system within the United Kingdom or any part thereof the company is unable effectively to convene a general meeting by notices sent through the post or by Electronic Communication, a general meeting may be convened by a notice advertised on the same date in at least one leading national daily newspaper with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto and persons entitled by transmission who are entitled to have notice of the meeting served upon them 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 days prior to the meeting the posting of notices to addresses throughout the United Kingdom or such part thereof again becomes practicable
- 94 9 A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting

**95. Directors may Specify Record Date**

Subject always to the Companies Acts, the company or the directors may by resolution specify any date ("the record date") as the date at the close of business (or such other time as the directors may determine) on which persons registered as the



holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue notice, information, document or circular and such record date may be on or at any time before the date on which the same is paid or made or (in the case of any dividend, distribution, interest, allotment or issue) at any time after the same is recommended, resolved, declared or announced, but without prejudice to the rights inter se in respect of the same of transferors and transferees of any such shares or other securities

**96. Failure to notify contact details**

96 1 If -

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

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

96 2 A member who has ceased to be entitled to receive notices from the company becomes entitled to receive such notices again by sending the company -

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

**ADMINISTRATIVE ARRANGEMENTS**

**97. Company seals**

97 1 Any common seal may only be used by the authority of the directors

97 2 The directors may decide by what means and in what form any common seal or securities seal is to be used

97 3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature

97 4 For the purposes of this article, an authorised person is -

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

97 5 If the company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors

97 6 If the company has a securities seal, it may only be affixed to securities by the company secretary or a person authorised to apply it to securities by the company secretary

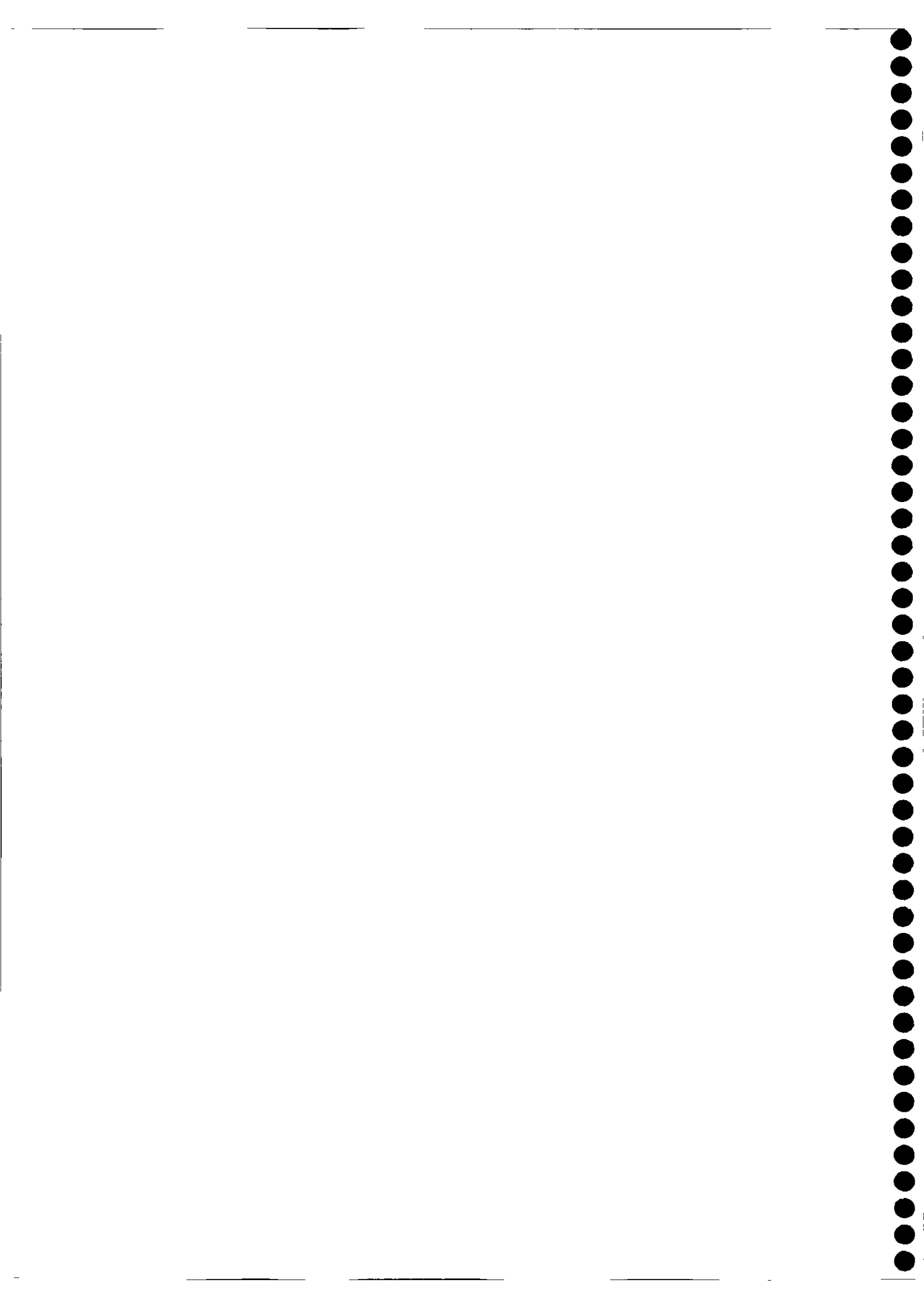
97 7 For the purposes of the articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs

#### **98. Destruction of documents**

98 1 The company is entitled to destroy -

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

98 2 If the company destroys a document in good faith, in accordance with the articles, and without notice of any claim to which that document may be relevant, it is conclusively





presumed in favour of the company that -

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

98 3 This article does not impose on the company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so

98 4 In this article, references to the destruction of any document include a reference to its being disposed of in any manner

**99. No right to inspect accounts and other records**

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

**100. Provision for employees on cessation of business**

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

**DIRECTORS' INDEMNITY AND INSURANCE**

**101. Indemnity**

101 1 Subject to 101 3, each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer, including, without limitation -



- (i) in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (ii) in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (iii) including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs

101 2 The company shall provide a director or former director of the company with funds to meet expenditure incurred or to be incurred by him -

- (a) in defending any criminal or civil proceedings which relate to anything done or omitted or alleged to have been done or omitted by him as such a director of the company in the actual or purported execution and/or discharge of his duties, or
- (b) in connection with any application under the provisions mentioned in Section 205(5) of the Companies Act 2006,

or do anything to enable a director to incurring any expenditure in relation to 101 2(a) and 101 2(b) provided that the terms on which it is made or done will result in the loan falling to be repaid, or any liability of the company under any transaction connected with the thing done falls to be discharged, not later than -

- (c) in the event of a director being convicted in proceedings, on the date when the conviction becomes final, or
- (d) in the event of judgment being given against him in the proceedings, the date when the judgment becomes final, or
- (e) in the event of the court refusing to grant him relief on the application, the day when the refusal of relief becomes final

101 3 A relevant officer shall not be indemnified pursuant to articles 101 1 and 101 2 against any liability -

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- (a) to the company or any associate company of the company;
- (b) to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising),
- (c) in defending any criminal proceedings in which he is convicted or any civil proceedings brought by the company or an associated company in which judgment is given against the director; or
- (d) in connection with any application under section 661(3), 661(4) or section 1157 of the Companies Act 2006 in which the court refuses to grant him relief, or
- (e) which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

**102. Insurance**

The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company

