

Registered No. 4316684

**The Companies Act 2006**

**Public Company Limited by Shares**

**ARTICLES OF ASSOCIATION**

**of**

**DEE VALLEY GROUP PLC**

(Adopted by a special resolution passed on 24 July 2008  
and amended by special resolution passed on 22 July 2010  
Incorporated on 5 November 2001)

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Registered No. 4316684

## **The Companies Act 2006**

### **Public Company Limited by Shares**

#### **ARTICLES OF ASSOCIATION**

**of**

#### **DEE VALLEY GROUP PLC**

(Adopted in substitution for and to the exclusion of all existing articles  
by a special resolution passed on 22 July 2010)

#### **DEFINITIONS AND INTERPRETATION**

##### **1. Definitions and interpretation**

1.1 In these Articles, the following words and expressions have the meanings indicated below:-

**"the 2006 Act"**: the Companies Act 2006 as amended and in force from time to time;

**"address"**: includes (but only in relation to electronic communications) any number or address (including in the use of any Uncertified Proxy Instruction permitted) an identification number of a participant in the relevant system) used for the purposes of such communications;

**"these Articles"**: these Articles of Association as originally adopted or as altered from time to time;

**"Auditors"**: the auditors of the Company for the time being or, in the case of joint auditors, any one of them;

**"Board"**: the board of Directors from time to time of the Company or those Directors present at a duly convened meeting of the Directors at which a quorum is present;

**"Business Day"**: a weekday on which commercial banks are generally open for business in London;

**"cash memorandum account"**: an account so designated by the Operator;

**"clear days"**: in relation to a period of notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;



**"Director"**: a director for the time being of the Company;

**"communication"**: as defined in the Electronic Communications Act 2000;

**"electronic communication"**: as defined in the Electronic Communications Act 2000;

**"electronic form"**: shall have the meaning given by the 2006 Act;

**"holder"**: in relation to shares, the member whose name is entered in the Register as the holder of the shares;

**"London Stock Exchange"**: the London Stock Exchange plc;

**"member"**: a member of the Company;

**"Office"**: the registered office of the Company from time to time;

**"paid up"**: paid up or credited as paid up;

**"person entitled by transmission"**: a person entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law and whose name is entered in the Register in respect of the share;

**"recognised clearing house"**: a recognised clearing house within the meaning of the Financial Services and Markets Act 2000 acting in relation to a recognised investment exchange;

**"recognised investment exchange"**: a recognised investment exchange within the meaning of the Financial Services and Markets Act 2000;

**"Register"**: the register of members of the Company;

**"Regulations"**: the Uncertificated Securities Regulations 2001 as amended or replaced from time to time and any subordinate legislation or rules made under them for the time being in force;

**"Relevant System"**: any computer-based system and procedures, permitted by the Regulations and the rules of the UK Listing Authority which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters;

**"Seal"**: the common seal (if any) of the Company and an official seal (if any) kept by the Company pursuant to the Statutes, or either of them as the context may require;

**"Secretary"**: the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including (subject to the provisions of the Statutes) a joint, assistant or deputy secretary and any person appointed to perform the duties of secretary temporarily or in any particular case;

**"Statutes"**: the 2006 Act and every other statute (including any statutory instrument, order, regulation or subordinate legislation made under it) for the time being in force concerning companies and affecting the Company, including the Regulations;

**"system's rules"**: the rules, regulations, procedures, facilities and requirements of the relevant system concerned;

**"transfer instruction"**: a properly authenticated dematerialised instruction on a relevant system in accordance with the Regulations in such form, in such manner and from such person as the Board may determine;

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

For the purposes of Article 90.6, **"Uncertificated Proxy Instruction"** means a communication in the form of:

- (a) an instruction which is properly authenticated as determined by the Regulations;
- (b) any other instruction or notification; or
- (c) any supplemental or amended instruction or notification,

in each case sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company (and in such form and on such terms and conditions) as the Directors may determine subject to the facilities and requirements of that system.

**"United Kingdom"**: Great Britain and Northern Ireland.

1.2 The expressions "debenture" and "debenture holder" include "debenture stock" and "debenture stockholder", and all the provisions of these Articles that apply to paid up shares shall also apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

References to writing include any method of reproducing or representing words in a legible and non-transitory form including without limitation, handwriting, printing and photocopying.

References to the execution of a document include references to its being executed under hand or under seal or by any other method.

References to the execution of an electronic communication include references to its being executed by such means as the Board may from time to time approve (including for the purpose of establishing the authenticity or integrity of the communication). Except insofar as these Articles expressly require a communication to be in writing, any electronic communication purporting to contain a copy of a document need not be in writing provided that it faithfully and intelligibly reproduces all the relevant information given in writing in the document. References to anything given, sent or received by, or contained in, an electronic communication include references to its being published on a web site and such publication being notified (by electronic communication or otherwise) to the relevant person in such manner that, where relevant, that person would be deemed to have notice of it, and access on that web site to it, for at least the duration of any relevant period of notice or availability prescribed by these Articles or by the Statutes.

Unless the context otherwise requires, any words or expressions defined in the Statutes and not expressly defined in these Articles bear the same meaning in these Articles (or any part of these Articles) as the meaning in force at the date of the adoption of these Articles (or that part), save that the word "company" shall include any body corporate.

Except where the contrary is stated, a reference to a statute, statutory provision or regulation includes any amendment or re-enactment of it for the time being in force (whether coming into force before or after the adoption of these Articles).

Words importing the singular number only include the plural and vice versa. Words importing the masculine gender include the feminine and neuter gender. Words importing persons include bodies corporate and unincorporated bodies of persons.

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

References to any security as being in certificated form or uncertificated form refer, respectively, to that security being a certificated unit of a security or an uncertificated unit of a security for the purposes of the Regulations.

References to a committee of the Board are to a committee established in accordance with these Articles, whether or not comprised wholly of Directors.

Headings are inserted for convenience only and shall not affect the construction of these Articles.

**2. Model Articles excluded**

None of the regulations contained in any Statute shall apply as regulations or articles of the Company.

**3. Form of resolutions**

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

**SHARE CAPITAL**

**4. Liability of members**

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

**5. Rights attached to shares**

Subject to the Statutes and these Articles and without prejudice to any special rights attached to any existing shares, any share may be issued with such rights (including preferred, deferred or other special rights) or restrictions as the Company may by ordinary resolution determine (or failing such determination, as the Directors may determine).

**6. Ordinary Shares and Non-Voting Ordinary Shares**

6.1 Subject to the superior rights of any other classes of shares that may be issued by the Company, the rights attaching to Ordinary Shares and Non-Voting Ordinary Shares as regards participation in the profits and assets of the Company shall be as follows:

6.1.1 the profits of the Company available for dividend and resolved to be distributed shall be distributed by way of dividend among the holders of Ordinary Shares and Non-Voting Ordinary Shares (pari passu as if they constituted one class of shares) rateably according to the amounts paid up on such shares; and

6.1.2 on a return of assets on a winding up, a reduction of capital or otherwise involving a repayment (except on redemption in accordance with the terms of issue of any share or on a capitalisation issue), the assets of the Company available for distribution among the members shall be applied in repaying to the holders of Ordinary Shares

and Non-Voting Ordinary Shares (pari passu but without any priority) rateably according to the amount paid up or credited as paid up thereon.

- 6.2 The holders of Ordinary Shares shall be entitled to receive notice of and to attend and vote at all general meetings of the Company.
- 6.3 The holders of Non-Voting Ordinary Shares shall be entitled to receive copies of all notices, circulars and other information sent by the Company to the holders of Ordinary Shares but shall not be entitled to attend or vote at any general meeting of the Company.
- 6.4 Other rights attaching to Ordinary Shares and Non-Voting Ordinary Shares are set out in the other provisions of these Articles.

## 7. B Shares

7.1 The B Shares shall not carry any rights except as set out in this **Article 7**.

7.2 In this article:

**"Business Day"** means a day on which pounds sterling deposits may be dealt with on the London inter-bank market and commercial banks are generally open for business in London;

**"Calculation Period"** means each six month period ending on a Payment Date (as defined below);

**"non-cumulative"** in relation to the preferential dividend means that the dividend payable on each Payment Date is payable out of the profits of the Company available for distribution in respect of the accounting reference period in which the Payment Date falls (including any reserves representing profits made in previous accounting reference periods) without any right in the case of deficiency to resort to profits made in subsequent accounting reference periods;

7.3 In priority to the dividend rights of all other classes of share in issue from time to time, a holder of a B Share shall be entitled to be paid out of profits of the Company available for distribution and before the profits are carried to reserves, a non-cumulative preferential dividend per B Share which shall:

7.3.1 begin to accrue on the later of 20 August 2002 or the date of issue of that B Share;

7.3.2 be at a fixed rate of 3.8% per annum on the nominal amount paid up on a B Share;

7.3.3 be paid (without having to be declared) semi-annually in arrears on 20 February 2003 and thereafter on 20 August and 20 February each year (or if any such date falls on a day which is not a Business Day it shall be paid on the next following Business Day, without any interest in respect of such delay (each a **"Payment Date"**); and

7.3.4 be rounded down to the nearest penny.

A holder of a B share shall not be entitled to any other right of participation in the profits of the Company.

7.4 Payments of preferential dividends shall be made to holders of B Shares shown on the Register at such date as is selected by the Board provided that such date is not less than 15 days or more than 42 days prior to the relevant Payment Date (or, in the event of no

selection by the Board, on the date falling 15 days prior to the relevant Payment Date).

- 7.5 A dividend paid on a B Share which is unclaimed for a period of 12 years from its date of payment shall be forfeited and shall revert to the Company.
- 7.6 Subject to the provisions of the 2006 Act, B Shares held by a member shall be redeemed at the election of the holder of the B Shares in whole or in part on 20 August 2002 and if not fully redeemed on that date then subject to Articles 7.7 and 7.8 such B Shares may be redeemed in whole or in part at the option of the holder of the B Shares on each Payment Date PROVIDED THAT the relevant member shall have notified the Company in writing not less than 10 Business Days prior to the relevant Payment Date specifying the number of B Shares which it wishes to redeem (unless and to the extent that such requirement is waived by the Company in its absolute discretion).
- 7.7 The Company shall have the right to redeem all, but not some only, of the B Shares then in issue upon giving notice in writing to the holders of the B Shares specifying a redemption date, which shall not be less than 5 days nor more than 42 days from the date of such notice (the "Redemption Call Date"), upon the occurrence of any of the following events:
- 7.7.1 an order being made or a resolution being passed by the holders of the Ordinary Shares for the winding up of the Company;
- 7.7.2 the Board resolving to undertake a Reorganisation of the Company which (i) if so required by these Articles, the Statutes or the rules of any recognised investment exchange, is approved by the holders Ordinary Shares in general meeting and (ii) if subsequently implemented would constitute, or the Board is advised would constitute, a breach or variation of the rights attaching to the B Shares, For the purposes of this Article 7.7.2, "Reorganisation" means any reconstruction or amalgamation of the Company (including without limitation, the introduction of a new holding, a court approved scheme of arrangement, a debt for equity swap, re-financing, re-designation of share capital or variation of rights attaching to shares, any purchase of shares by the Company or its nominee(s), any reduction of capital);
- 7.7.3 an offer to acquire shares (or the right to exercise the votes attaching to shares) ("Offer") being accepted by members holding shares carrying, in aggregate, more than 50 per cent of the voting rights then exercisable at a general meeting of the Company, including for this purpose, to the extent required by the Offer, any voting rights attaching to shares unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances whether pursuant to the exercise of conversion or subscription rights or otherwise;
- 7.7.4 the sale or other disposal of the whole or substantially the whole of the undertaking of the Company or its subsidiaries being unconditionally agreed (save for any condition relating to the redemption of the B Shares).
- 7.8 If not redeemed earlier in accordance with **Article 7.6 or Article 7.7**, the B Shares shall be redeemed on the one-hundredth anniversary of the date of their issue.
- 7.9 On redemption the Company shall pay to the holder of each B Share subject to redemption the nominal value of such B Share together with the amount calculated in accordance with **Article 7.10**.
- 7.10 For the purpose of this paragraph:

7.10.1 **"Redemption Call Date"** means the date on which a redemption occurs pursuant to **Articles 7.6, 7.7 or 7.8**; and

7.10.2 **"Relevant Proportion"** means the number of days from and including the last Payment Date to, but excluding, the Redemption Call Date, divided by 183.

On a Redemption Call Date, the holder of each B Share being redeemed shall be entitled to the Relevant Proportion of the preferential dividend that would have been paid in respect of the B Share if the Redemption Call Date fell on the last day of the then current Calculation Period. The Relevant Proportion of the preferential dividend payable to a holder of B Shares pursuant to this paragraph shall be rounded down to the nearest whole penny.

7.11 B Shares redeemed as aforesaid shall be cancelled and the Company shall not be entitled to re-issue the same.

7.12 If the rights of redemption in **Articles 7.6, 7.7 or 7.8** have not previously been exercised, then on a winding-up or a reduction of capital after 20 August 2002 involving a repayment (except on a redemption in accordance with the terms of issue of any share or on a capitalisation issue and subject to the rights of any other class of shares that may be issued), each B Share shall confer on the holder thereof the right to repayment of the nominal value paid up on the B Share together with a sum equal to the Relevant Proportion of the preferential dividend which would have been paid in respect of the B Share if the winding-up or reduction of capital had taken effect on the last day of the then current Calculation Period. For the purpose of this paragraph, the **"Relevant Proportion"** shall be the fraction calculated by dividing, the number of days from and including the preceding Payment Date (or, if the date of winding-up or reduction in capital is prior to 20 February 2003, 20 August 2002) to, but excluding, the date of the winding-up or reduction in capital by 183.

The aggregate entitlement of each holder of B Shares on a winding-up or reduction in capital in respect of its B Shares shall be rounded up to the nearest whole penny.

7.13 If on a winding-up or reduction in capital under **Article 7.12** the amount available for payment to shareholders is insufficient to satisfy in full the amounts payable in respect of B Shares, the holders of such B Shares shall share such payment on a pro rata basis. The B Shares shall confer their holders the right to payment of the amounts specified in **Article 7.12** on a winding-up or reduction of capital before repayment of capital to the Ordinary Shares and the Non-Voting Ordinary Shares.

7.14 B Shares shall carry no votes and a holder of a B Share shall not, by virtue of its holding of a B Share, have any right to receive notice of, attend, speak or vote at any general meeting of the Company.

7.15 The B Shares shall not be renounceable and shall be freely transferable by an instrument of transfer in any usual form which the Board may approve and subject to compliance with the remaining provisions of these Articles relating to transfers of shares.

7.16 The B Shares may be held in certificated form only.

7.17 The Company may from time to time:

7.17.1 create, allot and issue further shares whether ranking pari passu with or in priority to B Shares and consolidate, sub-divide, re-designate any such Shares;

7.17.2 reduce its capital by repaying any or all of the nominal amount paid up on B Shares or any other class of share (subject to the confirmation of the Court and in accordance with the Companies Act and without obtaining the consent of the holders of the B Shares); or

7.17.3 enter into proceedings for and carry out a winding-up of the Company

and none of the foregoing shall be a breach or variation of the rights attaching to B Shares.

## **8. Redeemable Preference Shares**

8.1 The Redeemable Preference Shares shall not carry any rights except as set out in this **Article 8**.

8.2 The Redeemable Preference Shares shall carry no votes and a holder of a Redeemable Preference Share shall not, by virtue of its holding of that Redeemable Preference Share, have any right to receive notice of, attend, speak or vote at any general meeting of the Company.

8.3 On a winding-up or a reduction of capital involving a repayment (except on a redemption in accordance with the terms of issue of any share or on a capitalisation issue), each Redeemable Preference Share shall confer on the holder of that Redeemable Preference Share the right to repayment of the nominal amount paid upon the Redeemable Preference Share before repayment of the capital paid up on other classes of share capital.

8.4 Subject to the provisions of the 2006 Act, a Redeemable Preference Share shall be redeemed 100 years from its date of issue or at any time prior thereto at the option of the Company. The holder of a Redeemable Preference Share which is subject to redemption shall surrender to the Company on or before the date for redemption the certificate for such Redeemable Preference Share in order that it may be cancelled and upon cancellation the Company shall pay to the holder the nominal value of such Redeemable Preference Share.

8.5 Redeemable Preference Shares redeemed pursuant to **Article 8.4** shall be cancelled and the Company shall not be entitled to re-issue the same,

## **9. Deferred Shares**

9.1 The Deferred Shares shall not carry any rights except as set out in this **Article 9**.

9.2 The Deferred Shares shall not entitle the holder thereof to receive notice of or attend or vote at any general meeting of the Company.

9.3 The Deferred Shares will not entitle the holders thereof to any distribution of available profits.

9.4 On return of capital on liquidation or otherwise and following the distribution to the holders of Ordinary Shares and Non Voting Ordinary Shares of the sum of £10 million per Ordinary Share and Non Voting Ordinary Share the holders of the Deferred Shares shall be entitled (in that capacity) to the payment of £1 per Deferred Share whereafter the balance of any remaining assets shall be distributed amongst the holders of the Ordinary Shares and the Non-Voting Ordinary Shares.

- 9.5 The creation of the Deferred Share shall be deemed to confer irrevocable authority on the Company at any time thereafter to appoint any person to execute on behalf of the holder of the Deferred Share a transfer thereof (and/or an agreement to transfer the same) to such person as the Company may determine as custodian thereof and/or to purchase the same (in accordance with the provisions of the Statutes) in any such case for not more than an aggregate sum of £1.00 for all the Deferred Shares without obtaining the sanction of the holder or holders thereof and pending such transfer and/or purchase to retain the certificate for such Deferred Shares.
- 9.6 The Company may at its option at any time after the creation of any Deferred Share redeem all of the Deferred Shares then in issue, at an aggregate price not exceeding £1.00 for all Deferred Shares redeemed, upon giving the registered holders of such shares not less than 28 days previous notice in writing of its intention so to do, fixing a time and place for the redemption.

**10. Re-classification of converted Redeemable Preference Shares, B Shares and Deferred Shares**

Upon the redemption of any B Shares, Redeemable Preference Shares or Deferred Shares, the Directors may pursuant to an authority deemed to be given by the passing in general meeting of the resolution creating the B Shares, Redeemable Preference Shares and the Deferred Shares convert and subdivide the authorised B Share, preference and deferred capital existing as a consequence of such redemption into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount (as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the B Shares, Redeemable Preference Shares or Deferred Shares, as applicable.

**11. Redeemable shares**

Subject to the Statutes and without prejudice to any rights attached to any existing shares, shares may be issued which are to be redeemed or which are liable to be redeemed at the option of the Company or of the holder on such terms and in such manner as the Directors may determine.

**12. Unissued shares**

- 12.1 Subject to the Statutes and these Articles, the Board may offer, allot (with or without conferring a right of renunciation), grant options over offer, or otherwise dispose of unissued shares or rights to subscribe for, or to convert any security into, such shares to such persons and on such terms as they think fit.
- 12.2 The Board may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board may think fit.

**13. Payment of commissions**

The Company may exercise the powers of paying commissions and brokerage conferred or permitted by the Statutes. Subject to the Statutes, any such commission may be satisfied by the payment of cash or (with the sanction of an ordinary resolution of the Company) by the allotment (or an option to call for the allotment) of fully or partly paid shares or partly in one way and partly the other.



**14. Trusts not recognised**

Except as required by law, no person will be recognised by the Company as holding any share upon any trust and the Company is not bound by or compelled to recognise (except as otherwise provided by these Articles or by law or under an order of a court of competent jurisdiction) any equitable, contingent, future or partial interest in any share except an absolute right to the whole of the share in the holder, even if the Company has express notice of it.

**15. Variation of rights**

Subject to the Statutes, all or any of the rights attached to any class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated either (a) in such manner (if any) provided by such rights, or (b) in the absence of any such provision either with the written consent (including by electronic communication) of the holders of three-fourths in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The provisions of the Statutes and of these Articles relating to general meetings shall mutatis mutandis apply to any such separate meeting and to any meeting of the holders of shares of a class held otherwise than in connection with the variation or abrogation of the rights attached to shares of that class, except that: (a) the necessary quorum shall be two persons between them holding or representing by proxy not less than one-third in nominal amount of the issued shares of that class or, at any adjourned meeting of holders of shares of that class at which such a quorum is not present, are holders of shares of that class who is present in person or by proxy whatever the number of shares held by him; (b) any holder of shares of that class present in person or by proxy may demand a poll; and (c) every holder of shares of that class shall on a poll have one vote in respect of every share of that class held by him.

**16. Matters not constituting a variation of rights**

The special rights attached to any share or class of shares having preferential rights shall not, unless otherwise expressly provided by its terms of issue, be deemed to be varied, abrogated or breached by (i) the creation or issue of further shares ranking *pari passu* with it; or (ii) the purchase or redemption by the Company of any of its own shares (whether of that or any other class).

**CERTIFICATES**

**17. Right to certificates**

17.1 Except as otherwise provided in these Articles and subject always to the Statutes, every person whose name is entered in the Register as a holder of shares in the Company shall be entitled, within the time specified by the Statutes and without payment, to one certificate for all the shares registered in his name or in the case of shares of more than one class registered in his name, to a separate certificate for each class of shares so registered. Shares of different classes may not be included in the same certificate. Upon a transfer of part of the shares of any class registered in his name, every holder shall be entitled without payment to one certificate for the balance in certificated form of his holding. Upon request and upon payment, for every certificate after the first, of such reasonable sum (if any) as the Board may determine, every holder shall be entitled to receive several certificates for certificated shares of one class registered in his name (subject to surrender for cancellation of any existing certificate representing such shares). Every holder shall be entitled to receive one certificate in substitution for several certificates for certificated shares of one class registered in his name upon surrender to the Company of all the share certificates representing such shares.

17.2 Subject as provided in the preceding part of this Article, the Company shall not be bound to issue more than one certificate in respect of certificated shares registered in the names of two or more persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

17.3 The Company shall not be bound to register more than four persons as joint holders (except in the case of executors or trustees of a deceased member).

#### **18. Execution of certificates**

Every certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates or similar documents) shall be issued under the Seal or a reproduction of the image of the Seal imprinted by any mechanical or electronic means approved by the Board (or in such other manner as the Board, having regard to the terms of issue, the Statutes and the regulations of the UK Listing Authority, may authorise) and each share certificate shall specify the shares to which it relates, the distinguishing number (if any) of the shares and the amount paid up on the shares. The Board may determine, either generally or in relation to any particular case, that any signature on any certificate need not be autographic but may be applied by some mechanical or other means, or printed on the certificate, or that certificates need not be signed.

#### **19. Replacement certificates**

If a share certificate for certificated shares is worn out, defaced or damaged then, upon its surrender to the Company, it shall be replaced free of charge. If a share certificate for certificated shares is or is alleged to have been lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board thinks fit. The Company shall be entitled to treat an application for a replacement certificate made by one of joint holders as being made on behalf of all the holders concerned.

#### **20. Uncertificated securities**

20.1 Unless otherwise determined by the Board and permitted by the Regulations, the Company shall not issue and no person shall be entitled to receive a certificate in respect of any share or other security issued by the Company for so long as it is in uncertificated form.

20.2 Conversion of securities in certificated form into uncertificated form, and vice versa, may be made and if so, in such manner as the Board may, in its absolute discretion, think fit (subject always to the Statutes, the Regulations and the facilities and requirements of the relevant system).

20.3 All registers of holders relating to securities issued by the Company will be maintained as required by the Regulations and by the rules of the relevant system and will distinguish between securities held in uncertificated form and securities held in certificated form. Unless the Board shall otherwise determine, holdings of the same holder or joint holders in certificated form shall be treated as separate from the same person or persons' holdings in uncertificated form, but a class of securities shall not be treated as two classes by virtue only of the fact that it comprises securities in certificated form and securities in uncertificated form (even if, as a result of any provision of these Articles or the Regulations, securities are treated differently according to whether they are in certificated or uncertificated form).

20.4 No certificate will normally be issued in respect of securities held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised

investment exchange.

20.5 The provisions of these Articles shall not apply to shares of any class which are in uncertificated form to the extent that such Articles are inconsistent with:

20.5.1 the holding of shares of that class in uncertificated form;

20.5.2 the transfer of title to shares of that class by means of a relevant system; or

20.5.3 any provision of the Regulations.

## **LIEN**

### **21. Company's lien**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and such lien shall apply to all dividends from time to time declared or other monies payable in respect of such shares. The Board may at any time resolve that any share shall be wholly or in part exempt from this Article. The registration of a transfer of a share shall, unless otherwise agreed, operate as a waiver of the Company's lien, if any, on such share.

### **22. Enforcing lien by sale after notice**

The Company may sell, in such manner as the Board determines, any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after a notice has been given to the holder of the share or the person entitled by transmission to his share, demanding payment and indicating that if the notice is not complied with the shares will be sold.

### **23. Manner of sale**

To give effect to a sale, the Board may authorise and instruct some person (which may include the holder of shares concerned):

23.1 in the case of shares held in certificated form to execute an instrument of transfer of the shares sold; and

23.2 in the case of shares held in uncertificated form, subject to the relevant system's rules, to send a transfer instruction, and/or to take other steps as may be necessary, to give effect to such a sale in accordance with the Regulations;

in each case to, or in accordance with the directions of, the purchaser and a transfer of certificated shares in this way will be valid even if in respect of any of the shares no certificate accompanies the instrument of transfer. The transferee shall not be bound to see to the application of the purchase money and his title to the shares shall not be affected by any irregularity or invalidity of the proceedings in reference to the sale. The validity of the sale or forfeiture shall not be impeached by any person and the remedy of any person aggrieved by the sale or forfeiture shall be in damages only and against the Company exclusively.

### **24. Application of sale proceeds**

The net proceeds of the sale, after payment of the costs, shall be applied in or towards payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (in the case of shares held in certificated form, upon surrender to the Company for cancellation of the certificate for the shares sold and in the case of shares held in uncertificated form, within a reasonable time following receipt by the Company of the net proceeds of sale and subject in each such case to a like lien for any monies not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares immediately before the sale.

## **CALLS ON SHARES**

### **25. Calls**

Subject to the terms of issue, the Board may from time to time make calls upon the members in respect of any money unpaid on their shares (whether in respect of the nominal amount or by way of premium). Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares at the time and place specified by the Board in the said notice. A call may be made payable by instalments. Every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share. A call may, at any time before receipt by the Company of any sum due under the call, be revoked in whole or in part and payment of a call may be postponed in whole or in part, as the Board may determine. A person upon whom a call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

### **26. Time of call**

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

### **27. Liability of joint holders**

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

### **28. Interest**

If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment, together with interest on the amount unpaid from the day it became due and payable until the day it is paid at the rate fixed by the terms of issue of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the 2006 Act) but the Board may waive payment of the interest wholly or in part, and the holder shall not receive any dividend in respect of the amount unpaid.

### **29. Sums due on allotment or by way of instalment treated as calls**

An amount payable in respect of a share on allotment or at any fixed date, whether in respect of the nominal amount of the share or by way of premium or as an instalment of a call, shall be deemed to be a call and, if it is not paid these Articles shall apply as if that amount had become due and payable by virtue of a call.

**30. Power to differentiate**

Subject to the terms of issue, the Board may, on the issue of shares, differentiate between the allottees or holders in the amount of calls to be paid and the times of payment of such calls, except as between holders of the same class.

**31. Advance payment of calls**

The Board may, if it thinks fit, receive from any member willing to advance them all or any part of the monies unpaid and uncalled upon the shares held by him and may pay interest upon the monies so advanced (to the extent such monies exceed the amount of the calls due and payable upon the shares in respect of which they have been advanced) at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, the appropriate rate aforesaid) as the member paying such sum in advance and the Board agree upon and sums paid in advance shall not be treated as paid up on the shares in respect of which they have been paid for the purpose of dividends or otherwise until the same would, but for such advance, have become payable.

**32. Notice if call not paid**

If a call or instalment of a call remains unpaid after it has become due and payable, the Board may at any time serve a notice on the holder requiring payment of so much of the call or instalment as remains unpaid together with any interest which may have accrued thereon and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall specify a further day (not being less than 14 clear days from the date of the notice) on or before which, and the place where the payment required by the notice is to be made and shall indicate that if the notice is not complied with the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited and, in such case, references in these Articles to forfeiture shall include surrender.

**33. Forfeiture if notice not complied with**

If any notice served under the immediately preceding Article (Notice if call not paid) is not complied with, any share in respect of which the notice was given may, before payment of all calls or instalments and interest due in respect of it is made, be forfeited by (and with effect from the time of the passing of) a resolution of the Board that such share be forfeited. The forfeiture shall include all dividends declared and other monies payable in respect of the forfeited shares and not paid before the forfeiture.

**34. Notice of forfeiture**

When any share has been forfeited, notice of the forfeiture shall be served upon the person who was, before the forfeiture, the holder of the share, but a forfeiture shall not be invalidated by any failure to give such notice. An entry of such notice and an entry of the forfeiture with the date thereof shall forthwith be made in the Register in respect of such share. However, no forfeiture shall be invalidated by any omission to make such entries as aforesaid.

**35. Sale of forfeited share**

Until cancelled in accordance with the Statutes, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the

person who was the holder before the forfeiture or to any other person upon such terms and in such manner as the Board thinks fit. To give effect to a sale or other disposal, the Board may:

- 35.1 in the case of shares held in certificated form, authorise a person to execute an instrument of transfer; and
- 35.2 in the case of shares held in uncertificated form, authorise and instruct a person (which may include the holder prior to the forfeiture of the shares concerned), subject to the relevant system's rules, to send a transfer instruction, and/or take other such steps as may be necessary, to give effect to such a sale or other disposal in accordance with the Regulations,

to the designated transferee (and a transfer of certificated shares in this way will be valid even if in respect of any of the shares no certificate accompanies the instrument of transfer). The Company may receive any consideration given for the share on its disposal and may register the transferee as holder of the share. At any time before a sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board thinks fit.

### **36. Arrears to be paid notwithstanding forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and, in the case of shares held in certificated form, shall surrender to the Company for cancellation the certificate for the forfeited shares but in all cases shall remain liable to the Company for all monies which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest thereon from the date of forfeiture until payment at such rate (not exceeding 15 per cent. per annum) as the Board may determine. The Board may waive payment wholly or in part and the Board may enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

### **37. Statutory declaration and validity of sale**

A statutory declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject to the completion of any formalities necessary to effect a transfer) constitute a good title to the share and the person to whom the share is disposed of shall be registered as the holder of the share and shall be discharged from all calls made prior to such disposition and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings with reference to the forfeiture, sale, re-allotment or other disposal of the share.

## **UNTRACED SHAREHOLDERS**

### **38. Power to sell shares of untraced shareholders**

- 38.1 Subject to the Regulations, the Company shall be entitled to sell at the best price reasonably obtainable any shares of a holder or any shares to which a person is entitled by transmission if in respect of those shares:
  - 38.1.1 for a period of at least 12 years (the 'qualifying period'), no cheque, warrant or other financial instrument or payment sent by the Company in the manner authorised by these Articles has been cashed; the Company has paid at least three dividends; and no dividend has been claimed;

- 38.1.2 the Company has at the expiration of the qualifying period given notice of its intention to sell such shares by two advertisements, one in a national newspaper published in the United Kingdom and the other in a newspaper circulating in the area in which the last known address of the holder or the address at which service of notices may be effected in the manner authorised by these Articles is located;
  - 38.1.3 so far as the Board is aware, the Company has not during the qualifying period or the period of three months after the date of such advertisements (or the later of the two dates if they are published on different dates) and prior to the exercise of the power of sale received any communication from the holder or person entitled by transmission; and
  - 38.1.4 if any part of the share capital of the Company is admitted to the Official List of the UK Listing Authority, the Company has given notice in writing to the UK Listing Authority of its intention to sell such share.
- 38.2 If during any qualifying period or three month period referred to in sub-article 38.1(c) further shares have been issued in respect of those held at the beginning of such qualifying period or of any previously issued during such periods and all other requirements of Article 38 have been satisfied in respect of the further shares, the Company may also sell the further shares.

### **39. Manner of sale and creation of debt in respect of net proceeds**

- 39.1 To give effect to any sale pursuant to Article 38, the Board may authorise and instruct a person:
- 39.1.1 in the case of shares held in certificated form, to execute an instrument of transfer of the shares; and
  - 39.1.2 in the case of shares held in uncertificated form, subject to the relevant system's rules, to send a transfer instruction, and take such other steps as may be necessary, to give effect to such a transfer in accordance with the Regulations,

and such instrument of transfer or transfer instruction and the taking of other steps as may be necessary in accordance with the Regulations as aforesaid shall be as effective as if they had been executed by the holder of, or person entitled by transmission to, the shares. The transfer of certificated shares in this way will be valid even if in respect of any of the shares no certificate accompanies the instrument of transfer. The transferee shall not be bound to see to the application of the purchase money and his title shall not be affected by any irregularity in, or invalidity of, the proceedings relating to the sale. The net proceeds of sale shall belong to the Company which shall be indebted to the former holder or person entitled by transmission for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of it and the Company shall not be required to account for any monies earned on the net proceeds, which may be employed in the business of the Company or otherwise invested as the Board thinks fit.

- 39.2 If on two consecutive occasions cheques, warrants or orders in payment of dividends or other monies payable in respect of any shares have been sent through the post or otherwise in accordance with the provisions of these Articles but have been returned undelivered or left uncashed during the periods for which the same are valid or any transfer by bank or other funds transfer system has not been satisfied, the Company need not thereafter despatch further cheques, warrants or orders and need not thereafter transfer any sum (as the case may be) in payment of dividends or other monies payable

in respect of the share in question until the member or other person entitled thereto shall have communicated with the Company and supplied in writing to the Office an address for the purpose.

## **TRANSFER OF SHARES**

### **40. Form and execution of transfer**

- 40.1 Subject to such of the restrictions of these Articles as may be applicable, a member may transfer all or any of his shares, in the case of shares held in certificated form, by an instrument of transfer in any usual form or in any other form which the Board may approve or, in the case of shares held in uncertificated form, in accordance with the Regulations and the system's rules and otherwise in such manner as the Board in its absolute discretion shall determine. An instrument of transfer shall be executed by or on behalf of the transferor and (unless the share is fully paid) by or on behalf of the transferee. Subject to the Statutes, the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of it.
- 40.2 Subject to the Statutes and notwithstanding any other provisions of these Articles, the Board shall have power to implement any arrangements it may think fit to enable:
- 40.2.1 title to any securities of the Company to be evidenced and transferred without a written instrument in accordance with the Regulations and the facilities and requirements of the relevant system concerned; and
- 40.2.2 rights attaching to such securities to be exercised notwithstanding that such securities are held in uncertificated form where, in the Board's opinion, these Articles do not otherwise allow or provide for such exercise.

### **41. Right to refuse registration of partly paid share**

Subject to the Statutes, the Board may refuse to register the transfer of a share which is not fully paid without giving any reason for so doing provided that, where any such shares are admitted to the Official List of the UK Listing Authority, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

### **42. Other rights to refuse registration**

Subject to the Statutes, the Board may also refuse to register the transfer of a share:

- 42.1 in the case of shares held in certificated form, if it is not lodged, duly stamped (if necessary), at the Office or at such other place as the Board may appoint and accompanied by the certificate for the shares to which it relates (where a certificate has been issued in respect of the shares and these Articles do not provide for such a transfer to be valid without production of the certificate) and/or such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- 42.2 if it is not in respect of one class of share only;



- 42.3 if it is not in favour of four or fewer transferees;
- 42.4 if it is in favour of a minor, bankrupt or person of mental ill health;
- 42.5 without prejudice to the foregoing, in the case of shares held in uncertificated form, in any other circumstances permitted by the Regulations and/or the relevant system's rules; or
- 42.6 where the Board is obliged or entitled to refuse to do so as a result of any failure to comply with a notice under section 793 of the 2006 Act.

**43. Notice of refusal**

If the Board refuses to register a transfer it shall, in the case of shares held in certificated form, within two months after the date on which the transfer was lodged and in the case of shares held in uncertificated form, within two months after the date on which the relevant operator instruction was received by or on behalf of the Company, send to the transferee notice of the refusal.

**44. Intentionally blank**

**45. No fee for registration**

No fee shall be charged for the registration of any instrument of transfer or document relating to or affecting the title to any share.

**46. Retention of documents**

Any instrument of transfer which is registered may be retained by the Company, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is given.

**47. Other Registers**

Subject to the Statutes, the Company may keep an overseas, local or other register in any place, and the Board may make and vary such regulations as it may think fit concerning the keeping of that register.

## **TRANSMISSION OF SHARES**

**48. Transmission on death**

If a member dies, the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders shall be the only persons recognised by the Company as having any title to his shares but nothing contained in this Article shall release the estate of a deceased member from any liability in respect of any share solely or jointly held by him.

**49. Election by person entitled by transmission**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law may, upon such evidence being produced as the Board may require and subject (where relevant) to the system's rules, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder, he shall give notice to the

Company to that effect. If he elects to have another person registered, he shall, subject (where relevant) to the system's rules, effect or procure a transfer of the share in favour of that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer executed by the member

**50. Rights in respect of the share**

A person becoming entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law shall have the same rights to which he would be entitled if he were the holder of that share, except that he shall not be entitled in respect of it to attend or vote at any general meeting of the Company or at any separate meeting of the holders of any class of shares in the Company until he is registered as the holder of the share. The Board may at any time give notice to such person requiring him to elect either to become the holder of the share or to transfer the share and if the notice is not complied with within 60 clear days from the date of the notice, the Board may withhold payment of all dividends and other monies payable in respect of the share until he complies with the notice.

### **ALTERATION OF CAPITAL**

**51. Intentionally blank**

**52. Fractions**

Whenever as a result of a consolidation, division or sub-division of shares any member would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit and, in particular, may sell the shares representing the fractions to any person (including, subject to the Statutes, the Company) and may distribute the net proceeds of sale in due proportion among those members save for amounts otherwise due to an individual member of £3.00 or less, which shall be retained for the benefit of the Company. To give effect to any such sale, the Board may authorise and instruct a person to take such steps as may be necessary (subject, in the case of shares held in uncertificated form, to the system's rules) to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. Subject to the Statutes, where a shareholder holds shares in both certificated and uncertificated form, the Board may for these purposes treat them as separate holdings, and may at its discretion arrange for any shares representing fractions to be entered in the Register as held in certificated or uncertificated form in order to facilitate their sale under this Article. The transferee shall not be bound to see to the application of the purchase money and his title shall not be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

**53. Intentionally blank**

### **STOCK**

**54. Conversion of shares into stock**

54.1 The Company may by ordinary resolution convert any fully paid up shares into stock and re-convert any stock into fully paid up shares of any denomination.

54.2 Any such resolution to convert shares of a particular class into stock which does not expressly disapply this paragraph of this Article shall (notwithstanding any other terms of the resolution) operate automatically to convert shares of that class which subsequently

become fully-paid into stock on the same basis, but not if the stock initially created by the resolution has been re-converted into shares of any denomination.

**55. Transfer of stock**

Stock may be transferred in accordance with these Articles which, prior to conversion, applied to the shares from which the stock arose or as near thereto as circumstances allow, but the Board may from time to time fix the minimum amount of stock which is transferable (which minimum amount shall not exceed the nominal amount of the shares from which the stock arose), in which case stock may be transferred in the sum of the minimum amount or a multiple of it.

**56. Rights attaching to stock**

A holder of stock shall, according to the amount of the stock held by him, have the same rights (including voting rights) as if he held the shares from which the stock arose, but no such rights (except participation in dividends and in assets on a winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred those rights.

**57. Articles applicable to stock**

The provisions of these Articles applicable to paid up shares shall apply to stock, and the word "share" shall include "stock" and "member" and "holder" shall include "stockholder".

**58. Intentionally blank**

**GENERAL MEETINGS**

**59. Annual general meetings**

Subject to the requirements of the Statutes, annual general meetings shall be held at such time and place as the Board may determine. The ordinary business of an annual general meeting shall be to (i) receive and consider the accounts of the Company, the reports of the Directors and of the Auditors and the documents required by law to be annexed to the accounts; (ii) to appoint or reappoint directors and officers including in place of those retiring by rotation or otherwise ceasing to hold office and consider and approve any report on their remuneration if required; (iii) to declare dividends and (iv) to appoint Auditors (when special notice of the resolution for such appointment is not required by the 2006 Act) and fix, or determine the manner of fixing of their remuneration. All other business transacted at an annual general meeting and all business transacted as an extraordinary general meeting shall be deemed special.

**60. Extraordinary general meetings**

Any general meeting of the Company other than an annual general meeting shall be called an extraordinary general meeting.

**61. Convening an extraordinary general meeting**

Subject to the Statutes the Board may convene an extraordinary general meeting whenever and at such place as it thinks fit and shall do so on requisition in accordance with the Statutes.

**NOTICE OF GENERAL MEETINGS**

## **62. Length of notice period**

Subject to the provisions of the 2006 Act an annual general meeting and all extraordinary general meetings shall be convened by at least such minimum period of notice as is prescribed under the 2006 Act. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day on which it is given. Notwithstanding that a meeting of the Company is convened by shorter notice than that specified in this Article, it shall be deemed to have been properly convened if it is so agreed:

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

Subject to these Articles and to any restrictions imposed on any shares, the notice shall be given to all the members and to those persons who have been nominated by a member to enjoy information rights pursuant to the 2006 Act, to all persons entitled by transmission and to the Directors and Auditors. The Board may determine that members entitled to receive such notices are those members entered on the Register at the close of business on a day determined by the Board (provided that it is not more than 21 days before the day that the notices are sent).

If:

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

that member ceases to be entitled to receive documents including notices from the Company.

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) either, a new address to be recorded in the register of members, or
- (b) if the member has agreed with the Company that it should use a means of communication other than delivery to such an address by post, the information which the Company needs to use that means of communication effectively.

## **63. Contents of notices**

Every notice calling a general meeting shall specify the place, the day and the time of the meeting and the general nature of the business to be transacted. In the case of an annual general meeting, the notice shall also specify the meeting as such. A notice convening a meeting to pass a special resolution shall contain a statement to that effect. Every notice calling a meeting of the Company shall specify with reasonable prominence that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote in his stead and that a proxy need not be a member. Every such notice shall also specify the address or addresses where appointments of proxy are to be deposited, delivered or received insofar as any such address is other than the postal address of the Office.

**64. Omission or non-receipt of notice**

No proceedings at any meeting shall be invalidated by any accidental omission to give notice of the meeting, or to send an instrument of proxy, to any person entitled to receive it or, in the case of notice by electronic communication, to invite any such person to appoint a proxy in that communication, or by reason of any such person not receiving any such notice, instrument or invitation.

**65. Change of date, time or place of meeting**

If for any reason the Board considers it impractical or undesirable to hold a meeting on the day, at the time or in the place specified in the notice calling the meeting it can change the date, time and place of the meeting (or whichever it requires), and may do so more than once in relation to the same meeting. References in these Articles to the time of the holding of the meeting shall be construed accordingly. The Board will, insofar as it is practicable, announce by advertisement in at least one newspaper with a national circulation the date, time and place of the meeting as changed, but it shall not be necessary to restate the business of the meeting in that announcement.

**PROCEEDINGS AT GENERAL MEETINGS**

**66. Quorum**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business and throughout the duration of the meeting, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member (including for this purpose proxies or corporate representatives who are appointed by the same member) shall be a quorum for all purposes.

**67. Procedure if quorum not present**

If within 30 minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the commencement of the meeting a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting shall (if convened on the requisition of members) be dissolved or (in any other case) stand adjourned to such other day (not being less than 14 nor more than 28 days later) and at such time and place as the chairman of the meeting may decide and at such adjourned meeting one member present person or by proxy (whatever the number of shares held by him) shall be a quorum and have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. The Company shall give not less than seven clear days' notice of any meeting adjourned through want of a quorum and the notice shall specify that one member present in person or by proxy or by corporate representative (whatever the number of shares held by him) shall be a quorum.

**68. Chairman of general meeting**

68.1 The chairman (if any) of the Board or, in his absence, the deputy chairman (if any) shall preside as chairman at every general meeting. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within 15 minutes after the time appointed for the commencement of the meeting, or if

neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman, if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote shall elect one of their number to be chairman.

68.2 The chairman of the meeting may invite any person to attend and speak at any general meeting of the Company whom he considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

68.3 The decision of the chairman of the meeting as to points of order, matters of procedure or arising incidentally out of the business of a general meeting shall be conclusive, as shall be his decision, acting in good faith, on whether a point or matter is of this nature.

#### **69. Directors' right to attend and speak**

Each Director shall be entitled to attend and to speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares or debentures in the Company.

#### **70. Meeting at more than one place and/or in a series of rooms**

70.1 A general meeting or adjourned meeting may be held at more than one place. The notice of meeting will specify the place at which the chairman will be present (the "Principal Place") and a letter accompanying the notice will specify any other place(s) at which the meeting will be held simultaneously (but any failure to do this will not invalidate the notice of meeting).

70.2 A general meeting or adjourned meeting will be held in one room or a series of rooms at the place specified in the notice of meeting or any other place at which the meeting is to be held simultaneously.

70.3 If the meeting is held in more than one place and/or in a series of rooms, it will not be validly held unless all persons entitled to attend and speak at the meeting are able:

70.3.1 if excluded from the Principal Place or the room in which the chairman is present, to attend at one of the other places or rooms; and

70.3.2 to hear and see and be heard and seen by them at the Principal Place by audio visual links throughout the meeting.

The Board may make such arrangements as it thinks fit for simultaneous attendance and participation at the meeting and may vary any such arrangements or make new arrangements. Arrangements may be notified in advance or at the meeting by whatever means the Board thinks appropriate to the circumstances. Each person entitled to attend the meeting will be bound by the arrangements made by the Board.

70.4 Where a meeting is held in more than one place and/or a series of rooms, then for the purpose of these Articles the meeting shall consist of all those persons entitled to attend and participate in the meeting who attend at any of the places or rooms.

70.5 The entitlement of any Member or proxy to attend a general meeting at the Principal

Place shall be subject to the arrangements as may be for the time being in force whether stated in the notice of the meeting to apply to that meeting or notified to the Members concerned after despatch of the notice of the meeting.

## **71. 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 including without limitation requiring evidence of identity to be produced before entering the meeting and placing restrictions on the items of personal property which may be brought into the meeting as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to such general meeting to any member or proxy who fails to submit to such searches or to otherwise comply with such security arrangements or restrictions. If a member or proxy or corporate representative has gained entry to a general meeting and refuses to comply with any such security arrangements or restrictions or disrupts the proper and orderly conduct of the general meeting, the chairman of the meeting may at any time without the consent of the general meeting require such member or proxy or corporate representative to leave or be removed from the meeting.

## **72. Adjournments**

The chairman of the meeting may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) either indefinitely or to such time and place as he may decide if it appears to him that:-

- 72.1 the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting;
- 72.2 the conduct of persons present prevents, or is likely to prevent, the orderly continuation of business;
- 72.3 its continuing would prejudice the safety of anyone attending the meeting; or
- 72.4 an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

In addition, the chairman of the meeting may at any time with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting either indefinitely or to such time and place as he may decide. When a meeting is adjourned indefinitely the time and place for the adjourned meeting shall (subject to the Statutes) be fixed by the Board.

No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place.

## **73. Notice of adjourned meeting**

If a meeting is adjourned indefinitely or for 28 days or more or for lack of a quorum, at least seven clear days' notice specifying the place, the day and the time of the adjourned meeting shall be given to the members, the Directors and the Auditors, but it shall not be necessary to specify in the notice the nature of the business to be transacted at the adjourned meeting. Otherwise, it shall not be necessary to give notice of an adjourned meeting.

## **VOTES OF MEMBERS**

#### **74. Method of voting**

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll a poll is duly demanded. Subject to the Statutes, a poll may be demanded by:-

- 74.1 the chairman of the meeting;
- 74.2 at least two members present in person or by proxy and entitled to vote at the meeting;
- 74.3 any member or members present in person or by proxy and representing in aggregate at least one-tenth of the total voting rights of all the members having the right to attend and vote at the meeting (excluding any voting rights attached to any shares held as treasury shares); or
- 74.4 any member or members present in person or by proxy or by corporate representative and holding shares conferring a right to attend and vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any shares conferring a right to vote at the meeting which are held as treasury shares).

Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

#### **75. Votes of members**

- 75.1 Subject to any rights or restrictions attached to any shares and to any other provisions of these Articles,
  - 75.1.1 on a show of hands, every member who is present in person or by proxy or proxies or (being a corporation) by duly appointed corporate representative shall upon a show of hands have, in total, one vote; and
  - 75.1.2 on a poll every member present in person or by proxy or by proxies or (being a corporation) by duly appointed corporate representative shall have one vote for every share of which he is the holder.
- 75.2 If the notice of the meeting has specified a time (which is not more than 48 hours before the time fixed for the meeting) by which a person must be entered on the Register in order to have the right to attend and vote at the meeting, no person registered after that time shall be eligible to attend and vote at the meeting by right of that registration, even if present at the meeting. References in these Articles to members present in person shall be construed accordingly.

#### **76. Votes of joint holders**

In the case of joint holders of a share any one of such joint holders may vote at any meeting, either personally or by proxy in respect thereof as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting, either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the



exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the Register.

**77. Corporations acting by representatives**

A corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers (other than the power to appoint a proxy) on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and, subject to the provisions of this Article, such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person or persons so authorised is present at that meeting. Where a corporation authorises only one person that person is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it was an individual member as aforesaid. Where a corporation authorises more than one person, any one of them is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it was an individual member as aforesaid and all of them may speak at the meeting, save that if more than one of them purports to exercise a power (other than a power to speak at the meeting) on behalf of the corporation then, subject to the 2006 Act (including if and to the extent applicable s. 152 thereof):

- 77.1 if they purport to exercise the power in the same way, the power is treated as exercised in that way, and
- 77.2 if they do not purport to exercise the power in the same way, the power is treated as not exercised by all and any of them.

**78. Votes of member suffering incapacity**

A member in respect of whom an order has been made by any competent court or official (whether in the United Kingdom or elsewhere) 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 any person authorised in such circumstances to do so on his behalf and that person may vote by proxy. The vote of such member shall not be valid unless evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote is deposited at the Office, or at such other place as is specified in accordance with these Articles for the deposit of appointments of proxy otherwise than by electronic communication, not later than the last time at which an appointment of proxy should have been delivered in order to be valid for use at that meeting or adjourned meeting or on the holding of that poll as the case may be.

**79. No right to vote where sums overdue on shares**

No member shall, unless the Board otherwise decides, vote at any general meeting or at any separate meeting of holders of any class of shares in the Company, either in person or by proxy, or exercise any other right or privilege as a member in respect of any share in the Company held by him unless all monies presently payable by him in respect of that share have been paid.

**80. Votes on a poll**

On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion. A member entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

**81. Right to withdraw demand for a poll**

The demand for a poll may, before the earlier of the close of the meeting and the taking of the poll, be withdrawn but only with the consent of the chairman of the meeting and, if a demand is withdrawn, any other person entitled to demand a poll may do so. If a demand is withdrawn, it shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the chairman of the meeting may give whatever directions he considers necessary to ensure that the business of the meeting proceeds as it would have if the demand had not been made.

**82. Procedure if poll demanded**

If a poll is duly demanded, then, subject to Article 84, it shall be taken in such manner as the chairman of the meeting directs and either at once, or after an interval or adjournment (but not more than 30 days after the date of the meeting or adjourned meeting at which the poll was demanded). The chairman of the meeting may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

**83. When poll to be taken**

A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith at the meeting and without adjournment but otherwise it shall be taken in accordance with Article 83. 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. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded

**84. Continuance of other business after poll demanded**

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

**85. Suspension of rights for non-disclosure of interest**

85.1 If a member, or any other person appearing to be interested in shares held by that member, has been given a notice under section 793 of the Act 2006 (a "Disclosure Notice") and has failed in relation to any shares (the "default shares") to give the Company the information required by such notice within 14 days of the date of such notice, then (unless the Board shall determine otherwise) from the expiry of that period:

85.1.1 the member shall not be entitled in respect of the default shares to be present or 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 on any poll; and

85.1.2 where the default shares represent at least 0.25 per cent. of the issued shares of the Company or the class in question:

85.1.2.1 any dividend (including shares issued in lieu of dividends) or other monies payable in respect of the default shares shall be withheld by the Company, which shall not have any obligation to pay interest on it; and

85.1.2.2 no transfer, other than an excepted transfer, of any shares held by the member shall be registered unless the member is not himself in default

as regards supplying the information required and the transfer is of part only of the member's holding and when lodged for registration is accompanied by a certificate from the member in a form satisfactory to the Board that after due and careful enquiry the member is satisfied that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

- 85.2 Where, on the basis of information obtained from a member in respect of any share held by him or from any other person appearing to be interested in such share, the Company gives a Disclosure Notice to any other person, it shall also send a copy of the notice to that member, but any failure to do so, or the non-receipt of the copy by the member, shall not invalidate or otherwise affect the operation of this Article.
- 85.3 Any new shares in the Company issued in right of any default share shall also be subject to the restrictions in this Article, and the Board may make any right to an allotment of the new shares subject to such restrictions when those shares are issued.
- 85.4 Where any restrictions imposed under this Article apply in relation to any shares, they shall cease to have effect if and when, and to the extent that, the Board so determines, except that particular shares shall in any event automatically cease to be subject to any such restrictions seven days after the earlier of (a) receipt by the Board of notice that such shares are the subject of an excepted transfer and (b) due compliance, to the satisfaction of the Board, with the relevant Disclosure Notice. If any or all of the restrictions in this Article shall cease to apply to particular shares, any dividends and other monies withheld by reason of a restriction which then ceases to apply shall be paid without interest to the person who would have been entitled to them if that restriction had not applied, or as he may direct.
- 85.5 This Article is in addition to, and shall not in any way prejudice or affect, the statutory rights of the Company arising from any failure by any person to give any information required by a Disclosure Notice within the time specified in it. For the purpose of this Article, a Disclosure Notice may require any information to be given before the expiry of 14 days from the date of the notice.
- 85.6 In this Article:
- 85.6.1 an "excepted transfer" means
- 85.6.1.1 a transfer pursuant to acceptance of a takeover offer for the Company;
- 85.6.1.2 a transfer in consequence of a sale of the entire interest in the shares the subject of the transfer on a recognised investment exchange or on any other stock exchange outside the United Kingdom on which shares in the Company of that description are normally traded; or
- 85.6.1.3 a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of such an entire interest otherwise than on any such stock exchange to a person who is not connected (within the meaning of section 252 of the 2006 Act) with the relevant member or with a person appearing to be interested in the shares the subject of the transfer;
- 85.6.2 a "person appearing to be interested" in any shares means any person named in a response to a Disclosure Notice as being so interested or shown in any register kept by the Company under the 2006 Act as so interested or, taking into account any

response or failure to respond to such notice or to any other statutory notice or any other relevant information, any person whom the Company has reasonable cause to believe is so interested; and

85.6.3 references to a person having failed to give the Company the information required by a Disclosure Notice, or being in default as regards supplying such information, include (without limitation) (i) references to his having failed or refused to give all or any part of it and (ii) references to his having given information which he knows to be false in a material particular or his having recklessly given information which is false in a material particular.

85.7 Notwithstanding anything to the contrary in this Article, no restriction shall apply by virtue of this Article to the extent that applying the restriction would contravene the Regulations.

**86. Chairman's casting vote**

In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

**87. Proposal or amendment of resolution**

A resolution proposed by the chairman of the meeting does not need to be seconded. In the case of a resolution duly proposed as a special resolution, that resolution may be amended by ordinary resolution if the chairman of the meeting proposes the amendment at the general meeting (or, as the case may be, adjourned general meeting) of which the special resolution is to be proposed and the amendment merely corrects an obvious error in the special resolution. In the case of a resolution duly proposed as an ordinary resolution, no amendment to that resolution (other than an amendment to correct an obvious error) may be considered or voted upon unless at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed, notice of the terms of the amendment and of the intention to move the amendment has been (i) lodged in writing at the Office or (ii) received by electronic communication at the address specified for the purpose of receiving electronic communications in an electronic communication containing the notice of meeting, or the chairman of the meeting in his absolute discretion decides in good faith that it may be considered and voted upon.

**88. Amendment of resolution ruled out of order**

If an amendment is proposed to any resolution under consideration which the chairman of the meeting in good faith rules out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. With the consent of the chairman of the meeting an amendment may be withdrawn by its proposer before it is voted on.

**89. Objections or errors in voting**

If: -

89.1 any objection shall be raised to the qualification of any voter;

89.2 any votes have been counted which ought not to have been counted or which might have been rejected; or

89.3 any votes are not counted which ought to have been counted

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman of the meeting decides that the same may have affected the decision of the meeting. The decision of the chairman of the meeting on such matters shall be conclusive.

89.4 Unless a poll is taken a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against that resolution.

## PROXIES

### 90. Execution of an appointment of proxy

90.1 A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, speak and vote at a meeting of the Company. A member may appoint more than one proxy in relation to a meeting provided that he shall specify a whole number of shares held by him in respect of which each proxy is entitled to exercise rights. An appointment to a proxy which fails to do this shall be treated as invalid, as shall appointments purport to appoint more than one person to exercise rights attached to the same share and appointments which in aggregate purport to relate to more shares than the number which the relevant records of the Company state the member purporting to appoint such proxies to hold. References in these Articles to an appointment of a proxy shall include reference to an appointment of multiple proxies.

90.2 If the appointment of a proxy is:

90.2.1 an instrument not contained in an electronic communication, it shall be in writing in any form or in any other form as the Board may approve and shall be executed under the hand of the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal (or otherwise duly executed as a deed) or under the hand of an officer, attorney or other person authorised to sign it

90.2.2 contained in an electronic communication, it shall be executed by or on behalf of the appointor.

Subject as provided in this Article, in the case of an appointment of proxy purporting to be executed on behalf of a corporation by an officer of that corporation it shall be assumed, unless the contrary is shown, that such officer was duly authorised to do so on behalf of that corporation without further evidence of that authorisation.

90.3 The Board shall allow proxies to be appointed by means of electronic communication, and it may make such appointments subject to such stipulations, conditions or restrictions (whether as to appointment, revocation or otherwise), and require such evidence of valid execution, as the Board thinks fit. Where the Company gives an electronic address in any proxy form or invitation to appoint a proxy, any document or information relating to proxies for the meeting (including any document necessary to demonstrate the validity of, or otherwise relating to, an appointment of proxy, or notice of termination of the authority of a proxy) may be sent by electronic means to that address, subject to any conditions or limitations in the relevant notice of meeting.

- 90.4 A proxy need not be a member of the Company.
- 90.5 Delivery of an appointment of a proxy does not prevent a member from attending, speaking and voting at a general meeting or at any adjournment thereof.
- 90.6 Without limiting any other provision of these Articles, in relation to an uncertificated share the Directors may from time to time:
- 90.6.1 permit appointments of a proxy to be made by means of an Uncertificated Proxy Instruction;
  - 90.6.2 where a proxy has been appointed by means of an Uncertificated Proxy Instruction, permit the revocation of the appointment by means of an Uncertificated Proxy Instruction;
  - 90.6.3 prescribe the method for determining the time at which any such Uncertificated Proxy Instruction is to be treated as received by the Company (or a participant in the relevant system concerned on its behalf); and
  - 90.6.4 treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

**91. Times for deposit of an appointment of proxy**

- 91.1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the Board, may:
- 91.1.1 in the case of an instrument not contained in an electronic communication, be deposited at the Office (or at such other place within the United Kingdom as is specified for the purpose in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document) not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
  - 91.1.2 in the case of an appointment contained in an electronic communication, where an electronic address has been specified for the purpose of receiving electronic communications:
    - (a) in the notice convening the meeting or adjourned meeting, or
    - (b) in any instrument of proxy sent out by the Company in relation to the meeting or adjourned meeting, or
    - (c) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting or adjourned meeting,

be received at such address (or, where the thing in question is not contained in an electronic communication, at the Office or at such other place as may be specified for the purpose) not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

91.1.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours (or such shorter time as the Board may determine) before the time appointed for the taking of the poll;

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

91.2 In calculating the periods mentioned in this Article no account shall be taken of any part of a day which is not a Business Day.

91.3 The proceedings at a general meeting shall not be invalidated where an appointment of a proxy in respect of that meeting is sent in electronic form as provided in these Articles but because of a technical problem it cannot be read by the recipient.

91.4 When two or more valid but differing appointments of proxy are deposited, delivered or received in respect of the same share for use at the same meeting, the one which is last deposited, delivered or received (regardless of its date or of the date of execution) shall be treated as replacing the others as regards that share. If the Company is unable to determine which was last deposited, delivered or received, none of them shall be treated as valid in respect of that share. The deposit, delivery or receipt of an appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.

## **92. Form of appointment of proxy**

92.1 The appointment of a proxy shall be in any usual form or any other form which the Board may approve and may relate to more than one meeting. The Board may, if it thinks fit but subject to the Statutes, include with the notice of any meeting forms of appointment of proxy for use at the meeting.

92.2 The appointment of a proxy shall be deemed to include the right:

92.2.1 to demand or join in demanding a poll (but otherwise the proxy may not speak at any meeting except with the permission of the chairman of the meeting); and

92.2.2 (except to the extent that the appointment comprises instructions to vote in a particular way) to vote or abstain as the proxy thinks fit on any business properly dealt with at the meeting, including a vote on any amendment of a resolution put to the meeting or on any motion to adjourn.

92.3 The appointment shall, unless the contrary is stated in it, be as valid for any adjournment of the meeting as for the meeting to which it relates (regardless of any change of date, time or place effected in accordance with these Articles).

## **93. Validity of proxy**

93.1 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid, notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of such determination was received by the Company at the Office (or at such other place at which the appointment of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic

communication, at the address at which such appointment was duly received) not later than the last time at which an appointment of proxy should have been deposited, delivered or received in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll demanded.

93.2 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the instrument of proxy or the authority under which it was executed or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, or incapacity, revocation or transfer shall have been received at the Office or such other place as is specified for depositing the instrument of proxy before the time for holding the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given.

**94. Maximum validity of proxy**

An appointment of proxy shall cease to be valid after the expiration of 12 months from the date of its execution except that it will remain valid after that for the purposes of a poll or an adjourned meeting if the meeting at which the poll was demanded or the adjournment moved was held within the 12 month period.

**95. Number of Directors**

Unless otherwise determined by ordinary resolution of the Company, the number of Directors (disregarding alternate directors) shall not be less than two but shall not be subject to any maximum number.

**96. No shareholding qualification for Directors**

No shareholding qualification for Directors shall be required. A Director who is not a member of the Company shall be entitled to receive notice of and attend and speak at all general meetings of the Company and at all separate general meetings of any class of shares in the capital of the Company.

## **REMUNERATION OF DIRECTORS**

**97. Ordinary remuneration**

The Directors shall receive by way of fees such sum (if any) as the Company in general meeting may from time to time determine. Such fees shall be divided among them in such proportions and in such manner as the Directors may determine and in default of determination equally, except that any Directors who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of the remuneration relating to the period during which he has held office. The provisions of this Article shall not apply to the remuneration of any Managing Director or Executive Director which shall be determined pursuant to the provisions of Article 102.

**98. Expenses**

The Directors may be paid all reasonable travelling, hotel and other expenses properly incurred by them in the conduct of the Company's business performing their duties as Directors including all such expenses incurred in connection with attending and returning from meetings of the Board



or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the business of the Company.

**99. Extra remuneration**

Any Director who is appointed to any executive office or who serves on any committee or who devotes special attention to the business of the Company or goes or resides abroad for any purposes of the Company shall receive such reasonable remuneration or extra remuneration by way of salary, commission, participation in profits or otherwise as the Board or any committee authorised by the Board may determine in addition to or in lieu of any remuneration paid to, or provided for, such Director by or pursuant to any other of these Articles.

**ALTERNATE DIRECTORS**

**100. Appointment, removal and resignation**

Any Director (other than an alternate Director) may, by notice in writing which is delivered to the Secretary at the Office or is delivered in any other manner (including by electronic communication) approved by the Board, appoint any person to be his alternate and may revoke any such appointment and subject to such approval as may be required, appoint another person in his place. If the alternate Director is not already a Director, the appointment, unless previously approved by the Board, shall have effect only upon and subject to its being so approved by a majority of the Board. Any appointment of an alternate will only have effect once the person who is to be appointed has consented to act. Unless his Appointer directs otherwise an alternate Director shall (subject to his giving to the Company an address for service within the United Kingdom) be entitled to receive notice of all meetings of the Board or of committees of the Board of which his appointor is a member, to attend and vote and be counted in the quorum as a Director at any such meeting at which his appointor is not personally present, and generally, in the absence of his appointor, at the meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at the meeting, these Articles shall apply as if he were a Director provided always that no appointment of a person other than a Director shall be operative unless and until such appointment shall have been approved by a majority of the Directors. A Director present at a meeting of the Board or committee of the Board and appointed alternate for another Director shall have an additional vote for each of his appointors absent from such meeting (but shall count as one only for the purpose of determining whether a quorum is present). Execution by an alternate Director of any document (including, without limitation, any deed) on behalf of the Company or any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointor. An alternate Director shall cease to be an alternate Director if he resigns or if for any reason his appointment is revoked or if his appointor ceases to be a Director; but, if a Director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment as if he had not retired. The appointment of an alternate Director shall be revoked on the happening of any event which, if he were a Director, would cause him to vacate such office under these Articles. All appointments and revocations of appointments and resignations of alternate Directors shall be in writing and left at the Office or delivered at a meeting of the Board, or in any other manner approved by the Board.

**101. Alternate to be responsible for his own acts and remuneration of alternate**

An alternate Director shall be deemed an officer of the Company and shall be subject to these Articles relating to Directors (except as regards power to appoint an alternate and remuneration)

and an alternate Director shall not be deemed the agent of his appointor and shall alone be responsible to the Company for his acts and defaults. An alternate Director save to the extent that his appointor directs the payment to him of part or all of the remuneration which would otherwise be payable to his appointor, shall not be entitled to any remuneration from the Company for acting in that capacity.

## **EXECUTIVE DIRECTORS**

### **102. Executive Directors**

- 102.1 The Board or any committee authorised by the Board may from time to time appoint one or more of its body to be Managing Director or Joint Managing Directors of the Company or as Executive Director(s) or to hold such other executive office with the Company for such period (subject to the Statutes) and on such other terms as the Board or any committee authorised by the Board may decide and may revoke or terminate any appointment so made. Any revocation or termination of the appointment shall be without prejudice to any claim for damages that the Director may have against the Company or that the Company may have against the Director for any breach of any contract of service between him and the Company. A Director so appointed may be paid such remuneration (whether by way of salary, commission, participation in profits or otherwise) in such manner as the Board or any committee authorised by the Board may decide and either in addition to or in place of his ordinary remuneration as a Director.
- 102.2 A Managing Director shall, while he continues to hold that office, be subject to retirement by rotation and he shall be taken into account in determining which Directors shall retire by rotation and he shall (without prejudice to any claim for damages any such Managing Director may have for breach of any service agreement between him and the Company) be subject to the same provisions as to removal and as to vacation of office as the other Directors of the Company, and if he ceases to hold the office of Director from any cause he shall automatically cease to be a Managing Director immediately.
- 102.3 The salary or remuneration of any Managing Director or Executive Director of the Company shall, subject as provided in any service agreement, be such as the Directors may from time to time determine and may either be a fixed sum of money, or may be determined in whole or in part by reference to the business done or profits made, or may include the making of provisions for the payment to him, his widow or other dependants, of a pension or retirement from the office or employment to which he is appointed and for the participation in pension and life assurance benefits, or may be upon such other terms as the Directors determine.
- 102.4 The Directors may from time to time entrust to and confer upon a Managing Director or Executive Director for the time being such of the powers exercisable under these Articles by the Directors (other than power to make calls or forfeit shares) as they may think fit and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they may think expedient; and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that connection and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 102.5 The Board may from time to time appoint any person to any office or employment having a descriptive designation or title including the word "director" or attach to any existing office or employment with the Company such a designation or title and may at any time determine any such appointment or the use of any such designation or title. The inclusion

of the word "director" in the designation or title of any such office or employment with the Company (other than the office of Managing or Joint Managing or Deputy or Assistant Managing Director) shall not imply that the holder of the office is a director of the Company nor shall such holder thereby be empowered in any respect to act as a director of the Company or be deemed to be a director for any of the purposes of the Statutes or these Articles.

## **POWERS AND DUTIES OF DIRECTORS**

### **103. General powers of the Company vested in the Board**

- 103.1 Subject to the Statutes, the Memorandum of Association of the Company and these Articles and to any directions given by the Company in general meeting by special resolution, the business of the Company shall be managed by the Board which may exercise all the powers of the Company. No alteration of the Memorandum of Association or the Company's articles (including these Articles) and no such special resolution shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that resolution had not been passed. The powers given by this Article shall not be limited by any special power given to the Board by any other Article.
- 103.2 The Directors may exercise all the powers of the Company to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds for the benefit of such persons or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise) and to the extent permitted under Article 122 may vote as a Director in respect of the exercise of any of the powers by this Article conferred upon the Directors, notwithstanding that he is or may be or become interested therein.

## **DELEGATION OF DIRECTORS' POWERS**

### **104. Agents and Attorneys**

The Board may, by power of attorney or otherwise, appoint any person to be the agent or attorney of the Company on such terms (including terms as to remuneration) and subject to such conditions as it may decide and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate). The Board may remove any person so appointed and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally (other than the power to borrow and make calls) and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by committee authorised by the Board.

### **105. Delegation to individual Directors**

The Board may entrust to and confer upon a Director any of its powers, authorities and discretions (with power to sub-delegate) upon such terms (subject to the Statutes) and subject to

such conditions and with such restrictions as it may decide and either collaterally with or to the exclusion of its own powers, authorities and discretions. The Board may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

#### **106. Delegation to committees**

106.1 The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee consisting of such person or persons as it thinks fit (whether a member or members of its body or not) provided that the majority of the members of the committee are Directors. Subject to any restriction on sub-delegation imposed by the Board, any committee so formed may exercise its power to sub-delegate by sub-delegating to any person or persons (whether or not a member or members of the Board or of the committee). Subject to any regulations imposed on it by the Board, the proceedings of any committee consisting of two or more members shall be governed by the provisions in these Articles for regulating proceedings of the Board so far as applicable except that no meeting of that committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of the committee present at the meeting are Directors. A member of a committee shall be paid such remuneration (if any) in such manner as the Board may decide, and, in the case of a Director, either in addition to or in place of his ordinary remuneration as a Director.

106.2 The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

#### **107. Power to establish local boards etc**

The Board may:

107.1 establish any divisional, departmental, regional, local or area boards, divisions or managing agencies for introducing, conducting or managing all or any of the business or affairs of the Company, either in the United Kingdom or elsewhere;

107.2 make regulations for the proceedings and activities of any such establishment (but so that otherwise its proceedings shall be governed by those of these Articles which regulate proceedings of the Board to the extent that they are capable of applying to it);

107.3 appoint any persons (whether Directors or not) as regional directors, local directors, divisional directors, area directors, advisory directors, managers or agents or to serve in any other capacity in connection with any such establishment, and may fix their remuneration;

107.4 delegate to any such establishment and to any such appointee (including anyone appointed before this Article was adopted) any of the powers, authorities and discretions vested in the Board, with power to sub-delegate;

107.5 authorise any such appointees to fill any vacancies in any such establishment and to act notwithstanding vacancies, provided that any such appointment or delegation shall be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any persons so appointed, and may revoke, suspend or vary any such delegation but this shall not affect the position of any person dealing in good faith who has not had notice that the Board has done so. No such appointee shall be a Director as such or be entitled to be present at any meeting of the Board (except at the request of the Board and, if present at such request, he shall not be entitled to vote at that meeting) or have power under the terms of this Article to enter into any contract or transact any business on behalf of the Company except to the extent (if any) specifically authorised by the Board.

## **SPECIFIC POWERS**

### **108. Provision for employees**

The Board may exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

### **109. Borrowing Powers**

109.1 Subject as provided below the Directors may exercise all the powers of the Company to borrow money and subject (in the case of any security convertible into shares) to Section 80 of the Act to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as collateral security for any debt liability or obligation of the Company or of any third party.

109.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (as regards subsidiary undertakings only so far as by such exercise they can secure) that the aggregate amount at any one time remaining and undischarged of all money borrowed by the Group (which expression where used in this Article means and includes the Company and its subsidiary undertakings for the time being), exclusive of monies borrowed by any member of the Group from any other member of the Group shall not at any time, 'without the previous sanction of an ordinary resolution of the Company exceed a sum equal to 300 per cent of the Adjusted Capital and Reserves which for the purposes of this Article shall mean a sum equal to the aggregate of:

109.2.1 the nominal capital of the Company for the time being issued and paid up; and

109.2.2 the amounts standing to the credit of the consolidated capital and revenue reserves (including any share premium account, capital redemption reserve fund and credit balance on the combined profit and loss account) of the Group

all as shown in the latest audited consolidated balance sheet of the Group (Provided that if when any such consolidated balance sheet of the Group is despatched to the shareholders of the Company it reveals that the above limit is exceeded an amount borrowed equal to the excess may be disregarded until the expiration of 90 days after the date on which such publication takes place) but after making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital or share premium account or the capital redemption reserve fund of the Company since the date of such latest audited consolidated balance sheet; and

deducting (to the extent included) (i) any amounts distributed or proposed to be distributed (but not provided in such latest audited consolidated balance sheet) and the profits included therein (other than distributions attributable to the Company), (ii) any sums set aside for taxation, (iii) any amount attributable to outside shareholders in subsidiary undertakings of the Company, (iv) any amount attributable to goodwill or other intangible assets and (v) any debit balance on the profit and loss account; and making such adjustments (if any) as the Auditors of the Company may consider appropriate.

109.3 For the purpose of the above limit "monies borrowed" shall be deemed to include the following except insofar as otherwise taken into account (together in each case with any fixed or minimum premium payable on the final repayment):

109.3.1 the principal amount for the time being owing (other than to a member of the Group) in respect of any debenture issued by a member of the Group in whole or in part for cash or otherwise;

109.3.2 the principal amount raised by any member of the Group by acceptances or under any acceptance credit opened on its behalf by any bank or accepting house other than acceptances relating to the purchase or sale of goods in the ordinary course of trading and outstanding for not more than 90 days;

109.3.3 the nominal amount of any share capital and the principal amount of any monies borrowed or other indebtedness the redemption or repayment of which is guaranteed or secured or is the subject of an indemnity given by any member of the Group and the beneficial interest in the redemption or repayment of which is not owned within the Group; and

109.3.4 the nominal amount of any share capital (not being equity share capital which as regards capital has rights no more favourable than those attached to its ordinary share capital) of any subsidiary of the Company owned otherwise than by other members of the Group.

109.4 For the purpose of the above limit "monies borrowed" shall not include and shall be deemed not to include:

109.4.1 amounts borrowed for the purpose of re-paying within six months (with or without any premium) any monies borrowed then outstanding, pending the application thereof for such purpose within such period;

109.4.2 the proportion of the excess outside borrowing of a partly owned subsidiary undertaking which corresponds to the proportion of its equity share capital owned otherwise than by members of the Group and so that for this purpose, the expression "excess outside borrowings" shall mean so much of the borrowings of such partly owned subsidiary undertaking otherwise than from members of the Group as exceeds the amount (if any) borrowed from it by other members of the Group;

109.4.3 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by any member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other Governmental department fulfilling a similar function, to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured;

109.4.4 for a period of 12 months after the date on which a company becomes a member of the Group after the date hereof monies borrowed equal to the amount of borrowings

outstanding of such company at the date when it becomes a member;

- 109.4.5 sums advanced or paid to any member of the Group (or its agents or nominees) by customers of any member of the Group as unexpended customer receipts or progress payments pursuant to any contract between such customer and a member of the Group in relation thereto;
- 109.4.6 sums which fall to be treated as monies borrowed by any member of the Group by reason only of any current statement of standard accounting practice or other accounting principle or practice;
- 109.4.7 the amount of monies held by any member of the Group whether on deposit or current account or otherwise in connection with any scheme for the benefit of employees or their dependants; and

a report by the Auditors as to the aggregate amount which may at any one time be owing by the Company and its subsidiary undertakings without such sanction as aforesaid shall be conclusive in favour of the Company and all persons dealing with the Company.

- 109.5 For the purposes of this Article the Board may at any time act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves and if as a consequence the above limit is inadvertently exceeded an amount borrowed equal to the excess may be disregarded until the expiration of 90 days after the date on which by reason of a determination of the Auditors or otherwise the Board becomes aware that such a situation has or may have arisen.
- 109.6 In ascertaining the aggregate amount of borrowings required to be taken into account for the purposes of this Article on any particular day, any of such monies denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that day in London provided that all but not some only of such monies shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business).
- 109.7 No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in respect of monies borrowed in excess of the limit hereby imposed shall be invalid or ineffectual except in the case of express notice at the time when the debt was incurred or security given that the limit hereby imposed had been exceeded.
- 109.8 In this Article "subsidiary undertaking" means a subsidiary undertaking of the Company which is required by the Statutes to be included in consolidated group accounts.

## **110. Bonds, debentures or securities**

The Directors may exercise all the powers of the Company to borrow or raise money upon or by the issue or sale of any bonds, debentures, or securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as they may think proper, including a right for the holders of bonds, debentures, or securities to exchange the same for shares in the Company of any class authorised to be issued.

## **111. Mortgages and charges**

Subject as aforesaid the Directors may secure or provide for the payment of any monies to be borrowed or raised by a mortgage of or charge upon all or any part of the undertaking or property of the Company, both present and future, and upon any capital remaining unpaid upon the shares of the Company whether called up or not, or by any other security. and the Directors may confer upon any mortgagees or persons in whom any debenture or security is vested, such rights and powers as they think necessary or expedient; and they may vest any property of the Company in trustees for the purpose of securing any monies so borrowed or raised, and confer upon the trustees or any receiver to be appointed by them or by any debenture-holder such rights and powers as the Directors may think necessary or expedient in relation to the undertaking or property of the Company, or the management or the realisation thereof or the making, receiving, or enforcing of calls upon the members in respect of unpaid capital, and otherwise, and may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated.

#### **112. Security**

The Directors may give security for the payment of any monies payable by the Company in like manner as for the payment of monies borrowed or raised, but in such case the amount shall for the purposes of the above limitation be reckoned as part of the money borrowed.

#### **113. Fees**

The fee to be paid by any person other than a creditor or member of the Company for each inspection of the Register of Charges to be kept under the 2006 Act shall be the appropriate charge as defined by the 2006 Act.

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

#### **114. Number to retire by rotation**

114.1 Any Director not otherwise required to retire at an annual general meeting shall do so unless he was appointed or re-appointed as a Director at either of the last two annual general meetings before that meeting.

114.2 At every annual general meeting one-third of the Directors or, if their number is not three or a multiple of three, the number which is nearest to but not greater than one-third (unless there are fewer than three Directors, in which case one of those Directors) shall retire. Subject to the Statutes and these Articles, the Directors to retire by rotation on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting and shall comprise those who have been longest in office since their last appointment or reappointment (but as between persons who became or were last reappointed Directors on the same day, those to retire shall be determined by lot or as the Directors concerned may agree among themselves). No Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time on the date of the notice but before the close of the meeting. A retiring Director shall be eligible for re-election.

#### **115. Position of Retiring Director**

Subject to these Articles, the Company at the meeting at which a Director retires may fill the vacated office and, in default, the retiring Director shall (subject to any resolution reducing the number of directors), if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is



put to the meeting and lost. If he is not reappointed or deemed to be reappointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

**116. Eligibility for appointment as a Director**

No person other than a Director retiring, whether by rotation or otherwise, shall be appointed or reappointed a Director at any general meeting unless:

- 116.1 he is recommended by the Board; or
- 116.2 not less than seven nor more than 28 clear days before the day appointed for the meeting, notice executed by a member qualified to vote at the meeting (not being the person to be proposed) has been delivered to the Office (or received by electronic communication at the address specified for the purpose of receiving electronic communications in an electronic communication containing the notice of meeting) of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of Directors together with notice executed by that person of his willingness to be appointed or reappointed.

**117. Power of the Company to appoint Directors**

- 117.1 The Company may from time to time by ordinary resolution increase or reduce the number of Directors and may also determine in what order of rotation such increased or reduced number is to go out of office and, without prejudice to the provisions of these Articles, may by ordinary resolution appoint any person to be a Director, either to fill a casual vacancy or as an additional Director.
- 117.2 Subject to these Articles, the Company may at the annual general meeting by ordinary resolution (and subject to any resolution reducing the number of Directors), appoint any person who is willing to act to be a Director, either to fill a vacancy on or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless a resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.

**118. Power of the Board to appoint Directors**

Without prejudice to the power of the Company in general meeting under these Articles to appoint any person to be a Director, the Board may appoint a person who is willing to act to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Directors or the number of Directors who are to retire, by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion of the meeting.

**119. Company's power to remove a Director and appoint another in his place**

In addition to any power conferred by the Statutes, the Company may by an ordinary resolution remove any Director before the expiration of his period of office and may, subject to these Articles, by ordinary resolution appoint another person who is willing to act to be a Director in his

place. Any person so appointed shall be treated, for the purposes of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he is appointed was last appointed or reappointed a Director and this provision shall not prevent him from being eligible for re-election.

## **120. Vacation of office by Directors**

Without prejudice to the provisions for retirement by rotation or otherwise contained in these Articles, the office of a Director shall be vacated if:

- 120.1 he resigns his office by notice delivered to the Office or tendered at a meeting of the Board;
- 120.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 120.3 he is or has been suffering from mental ill health or becomes a patient for any purpose of any statute relating to mental health and the Board resolves that his office is vacated;
- 120.4 without the permission of the Board, he is absent from meetings of the Board for six consecutive months (whether or not an alternate appointed by him attends) and the Board resolves that his office is vacated;
- 120.5 he ceases to be a Director by virtue of the Statutes or is prohibited by law from being a Director or is removed from office under these Articles.

## **DIRECTORS' INTERESTS**

## **121. Authorisation of conflicts of interest.**

- 121.1 The Board may, in accordance with these Articles, authorise a matter proposed to it which would, if not so authorised, involve a breach by a Director of his duty under section 175 of the 2006 Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interest.
- 121.2 A matter referred to in Article 121.1 is proposed to the Board by its being submitted:
  - 121.2.1 in writing for consideration at a meeting of the Board or for the authorisation of the Board by written resolution; and
  - 121.2.2 in accordance with the Board's normal procedures or as the Board may approve.
- 121.3 A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 121.4 An authorisation referred to in Article 121.1 is effective only if:
  - 121.4.1 it is given in accordance with the requirements of 2006 Act;
  - 121.4.2 in the case of an authorisation given at a meeting of the Board:
    - 121.4.2.1 any requirement as to quorum at the meeting at which the matter is considered is met without including the Director in question or any other

Director who has a direct or indirect interest in the matter being authorised (each such other Director being a "**Relevant Director**"); and

121.4.2.2 the matter has been agreed to without the Director in question or any other Relevant Director voting or would have been agreed to even if their votes had not been counted; and

121.4.3 in the case of an authorisation given by written resolution:

121.4.3.1 the resolution is signed in accordance with Article 132 by all the Directors; and

121.4.3.2 the number of Directors that sign the resolution (disregarding the Director in question and any Relevant Director) is not less than the number required for a quorum.

121.5 The Board may:

121.5.1 authorise a matter pursuant to Article 121.1 on such terms and for such duration, and with such limits and conditions attaching to it, as the Board may determine; and

121.5.2 vary the terms or duration of such an authorisation (including any limits or conditions imposed on it) or revoke the authorisation.

121.6 Any terms, limits or conditions imposed by the Board in respect of its authorisation of a Director's conflict of interest or possible conflict of interest, whether given pursuant to Article 121.1, or otherwise may provide (without limitation) that:

121.6.1 if the Director concerned has (other than because he is a Director) information concerning the matter in respect of which he owes a duty of confidentiality to a third party, he is not obliged to disclose that information to the Company or to use or apply it in performing his duties as a Director;

121.6.2 the Director is to be excluded from discussions in relation to the relevant matter whether at a meeting of the Board or any committee or sub-committee of the Board or otherwise;

121.6.3 the Director is not to be given information in relation to the relevant matter; and

121.6.4 the Director may or may not vote (or may or may not be counted in the quorum) at a meeting of the Board or any committee or sub-committee of the Board when any resolution relating to the relevant matter is under consideration.

121.7 A Director does not infringe any duty he owes to the Company by virtue of ss171 to 177 2006 Act if he acts in accordance with the terms, limits and conditions of the Board's authorisation of the Director's conflict of interest or possible conflict of interest, whether given pursuant to Article 121.1 or otherwise.

## **122. Directors permitted to retain benefits**

122.1 A Director is not required, whether because he is a Director or because of the fiduciary relationship he has because he is a Director, to account to the Company for any remuneration or other benefit which he derives from or in connection with a relationship involving a conflict of interest or possible conflict of interest which has been verbally

authorised by the Board, whether pursuant to Article 121.1 (once that Article applies), or otherwise or by the Company in general meeting (subject always to any terms, limits or conditions attaching to the relevant authorisation).

122.2 If a Director has disclosed to the Board the nature and extent of his interest to the extent required by the 2006 Act, a Director is not required, by reason of being a Director (or because of the fiduciary relationship he has because he is a Director), to account to the Company for any remuneration or other benefit which he derives from or in connection with:

122.2.1 being a party to, or otherwise interested in, any transaction or arrangement with:

122.2.1.1 the Company or in which the Company is interested; or

122.2.1.2 a body corporate promoted by the Company or in which the Company is otherwise interested;

122.2.1.3 acting (otherwise than as auditor) alone or through his organisation in a professional capacity for the Company (and he or that organisation is entitled to remuneration for professional services as if he were not a Director); or

122.2.1.4 being a Director or other officer of, or employed by, or otherwise interested in, a body corporate promoted by the Company or in which the Company is otherwise interested.

122.3 A Director's receipt of any remuneration or other benefit referred to in Article 121.1 does not constitute an infringement of his duty under s176 2006 Act and a transaction or arrangement referred to in Article 121.1 or 122.2 is not liable to be avoided on the ground of any remuneration, benefit or interest referred to in those Articles.

### **123. Contracts between a Director and the Company or a company in which the Company is interested and related matters**

123.1 A Director who, to his knowledge, is in any way, whether directly or indirectly, interested in a contract with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract is first taken into consideration if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested. A general notice to the Board by a Director to the effect that:

123.1.1 he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm; or

123.1.2 he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract.

For the purposes of this Article 123, a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any contract in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such contract of the nature and extent so specified.

- 123.2 Subject to the Statutes, and provided that a Director has disclosed to the Board the nature and extent of his material interest, that Director notwithstanding his office:
- 123.2.1 may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company (otherwise than as Auditor) and in either such case on such terms as to remuneration (whether by way of salary, commission, participation in profits or otherwise) and otherwise as the Board may determine; any such remuneration shall be either in addition to or in lieu of any remuneration provided for, by or pursuant to any other Article;
  - 123.2.2 may be a party to, or otherwise interested in, any contract with the Company or in which the Company is otherwise interested;
  - 123.2.3 may be a director or other officer of, or employed by, or a party to any contract with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
  - 123.2.4 shall not, by reason of his office, be accountable to the Company for any remuneration or benefit which he derives from any such office or employment or from any such contract or from any interest in such body corporate and no such office, employment or contract shall be liable to be avoided on the ground of any such interest or benefit.
- 123.3 Articles 123.1 and 123.2 shall cease to apply when Article 121 applies.
- 123.4 Save as otherwise provided by these Articles, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any matter in which he has to his knowledge directly or indirectly, an interest (other than his interest in shares or debentures or other securities of, or otherwise in or through, the Company) or duty which (together with any interest of a person connected with him within the meaning of section 252 of the 2006 Act) is material and, if he shall do so, his vote shall not be counted. A Director shall be entitled to vote on and be counted in the quorum in respect of any resolution concerning any of the following matters:
- 123.4.1 the giving to him of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
  - 123.4.2 the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
  - 123.4.3 his subscribing or agreeing to subscribe for, or purchasing or agreeing to purchase, any shares, debentures or other securities of the Company or any of its subsidiary undertakings as a holder of securities, or his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange;
  - 123.4.4 any contract, arrangement, transaction or other proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he (together with persons

connected with him within the meaning of section 252 of the 2006 Act) is not the holder of or beneficially interested in one per cent or more of the issued shares of any class of the equity share capital of such company (or any third company through which his interest is derived) or of the voting rights available to members of the relevant company;

- 123.4.5 any arrangement for the benefit of employees of the Company or any of its subsidiary undertakings (including without limitation the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme) under which he 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 the arrangement relates; and
- 123.4.6 any contract concerning any insurance or indemnity which the Company is empowered to purchase or maintain for, or for the benefit of or to, any Directors or for persons who include Directors or any proposal under which he may benefit concerning the provision to any Directors or persons who include Directors of funds to meet expenditure incurred or to be incurred in defending proceedings or in connection with any application under any of the provisions of s234(6) of the 2006 Act or otherwise enabling the director to avoid incurring that expenditure.
- 123.5 A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the Company or any company in which the Company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, a separate resolution may be put in relation to each Director and in that case each of the Directors concerned shall be entitled to vote on and be counted in the quorum in relation to each resolution which does not concern either: (a) his own appointment or the settlement or variation of the terms or the termination of his own appointment; or (b) the appointment of another Director to an office or place of profit with a company in which the Company is interested and in which the Director seeking to vote or be counted in the quorum is interested by virtue of owning of one per cent. or more (as defined in this Article).
- 123.6 A company shall be deemed to be a company in which a Director owns one per cent. or more if and so long as he is directly or indirectly the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For this purpose, there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Directors interest is in reversion or remainder (if and so long as some other person is entitled to receive the income from such trust) and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.
- 123.7 Where a company in which a Director owns one per cent. or more is materially interested in a contract, he shall also be deemed to be materially interested in that contract.
- 123.8 For the purposes of this Article 123, an interest of a person who is, for any purpose of the Statutes, connected (which word shall have the meaning given to it by section 252 of the 2006 Act) with a Director shall be treated as an interest of the Director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has

otherwise.

- 123.9 References in this Article to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- 123.10 If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting or as to the entitlement of any Director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be conclusive except in a case where the nature or extent of his interest (so far as it is known to the Director) has not been fairly disclosed to the Board. If any question shall arise in respect of the chairman of the meeting, the question shall be decided by resolution of the Board (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chairman of the meeting (so far as it is known to him) has not been fairly disclosed to the Board.
- 123.11 Subject to the Statutes and the Listing Rules (as they may be amended from time to time) of the UK Listing Authority, the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any contract not properly authorised by reason of a contravention of this Article.
- 123.12 The Board may cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of either of such powers in favour of a resolution appointing the Directors, or any of them, to be directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company.

## **PROCEEDINGS OF THE BOARD**

### **124. Board meetings**

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A Director may, and the Secretary on the requisition of a Director shall, convene a meeting of the Board.

### **125. Notice of Board meetings**

Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing or by electronic communication to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be sent to him at an address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting either before or after the meeting.

### **126. Voting**

Questions arising at a meeting shall be decided by a majority of votes, in the case of an equality of votes, the chairman shall have a second or casting vote.

**127. Quorum**

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two. Subject to these Articles, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

**128. Board vacancies below minimum number**

The continuing Directors or a sole continuing Director may act notwithstanding any vacancies on the Board, but, if the number of Directors is less than the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act only for the purpose of filling vacancies on the Board or of convening a general meeting of the Company. If there are no Directors or Director able or willing to act, then any two members may call a general meeting of the Company for the purpose of appointing Directors.

**129. Appointment of chairman**

The Board may appoint a chairman or joint chairman and one or more deputy chairmen of their meetings, (which may also be an executive office in relation to the management of the business of the Company) and may at any time remove him from that office. Unless he is unwilling to do so, the person so appointed shall preside at every meeting of the Board at which he is present. But if there is no person holding that office, or if the person holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

**130. Competence of the Board**

A meeting of the Board at which a quorum is present shall be competent to exercise all powers, authorities and discretions for the time being vested in or exercisable by the Board.

**131. Participation in meetings by telephone**

All or any of the members of the Board or of any committee of the Board may participate in a meeting of the Board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is and shall be deemed to be a meeting even if there is only one person physically present where it is deemed to take place.

**132. Written resolutions**

A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board (if that number is sufficient to constitute a quorum) or by all the members of a committee of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board or that committee duly convened and held and may be contained in one document (or in several documents in all substantial respects in like form) each signed by one or more of the Directors or members of that committee. Such a resolution need not be signed by an alternate Director if it is



signed by the Director who appointed him. Any such document may be constituted by letter or (provided it is in writing) by electronic communication or otherwise as the Board may from time to time approve.

### **133. Company books**

The Board shall cause minutes to be made in books kept for the purpose of recording:

- 133.1 all appointments of officers and committees made by the Board;
- 133.2 all proceedings at meetings of the Company, of the holders of any class of shares in the Company and of the Board and of committees of the Board, including the names of the Directors or members of a committee of the Board present at each such meeting.

Subject to the Statutes, any such minutes if purporting to be signed by the chairman of the meeting at which the appointments were made or proceedings held or by the chairman of the next succeeding meeting, shall be sufficient evidence of the facts therein stated without any further proof.

### **134. Validity of acts of the Board or a committee**

- 134.1 The Board may delegate any of its powers to any committee consisting of one or more Directors provided always that where any committee to which the Board has delegated any of its powers includes co-opted persons not being Directors, the number of such co-opted persons shall be less than one half of the total number of that committee and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors.
- 134.2 All committees shall in the exercise of the powers delegated to them, and in the transaction of business, conform to any mode of proceedings and regulations which may be prescribed by the Board, and subject thereto may regulate their proceedings in the same manner as the Board may do.
- 134.3 All acts done by the Board or by a committee of the Board, or by a person acting as a Director or member of a committee of the Board shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Director, member of a committee of the Board, or person acting as a Director, or that any of them were disqualified from holding office, or were not entitled to vote, be as valid as if each such person had been duly appointed and was qualified and had continued to be a Director or member and had been entitled to vote.

## **COMPANY SECRETARY**

### **135. Appointment and removal of Company Secretary**

- 135.1 Subject to the Statutes, the Secretary shall be appointed by the Board at such remuneration and upon such terms as it thinks fit. If thought fit, two or more persons may be appointed as joint Secretaries with the power to act jointly and severally. Any person so appointed shall confirm to such regulations as the Board may from time to time resolve and any Secretary so appointed may be removed by the Board.
- 135.2 The Board may from time to time appoint an assistant or deputy secretary who, during such time as there may be no Secretary or no Secretary capable of acting, may act as

Secretary and do any act authorised or required by these Articles or by law to be done by the Secretary. The signature of any document as Secretary by such assistant or deputy secretary shall be conclusive evidence (without invalidating that signature for any purpose) that at the time of signature there was no Secretary or no Secretary capable of acting.

- 135.3 A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the 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.

## **THE SEAL**

### **136. Use of seal**

136.1 The Board may provide a common seal and/or an official seal (kept under section 50 of the 2006 Act) for the Company and shall have power from time to time to destroy the same and to substitute a new seal in its place. The Directors shall provide for the safe custody of every seal of the Company.

136.2 The Seal shall only be used by the authority of the Board or of a committee authorised by the Board in that behalf. Unless otherwise decided by the Directors, if the Company has a 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.

For the purposes of this article, an authorised person is:

- (a) any Director;
- (b) the Secretary; or
- (c) any person authorised by the Directors for the purpose of signing documents to which the Seal is applied.

### **137. Execution as a deed without sealing**

Where the Statutes so permit, any instrument signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of the Board or of a committee authorised by the Board in that behalf.

### **138. Intentionally blank**

## **RESERVES**

### **139. Reserves**

Subject to the provisions of the 2006 Act the Directors may before recommending any dividends whether preferential or otherwise carry to reserve out of the profits of the Company such sum as they think proper. All sums standing to reserve may be applied from time to time in the discretion of the Directors for meeting depreciation or contingencies for special dividends or bonuses or for equalising dividends or for repairing, improving or maintaining any property of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any

of them and pending such application may either be employed in the business of the Company or be invested in such investments as the Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. Any sum which the Directors may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

## **DIVIDENDS**

### **140. Company may declare dividends**

Subject to the Statutes, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board. Subject to the Statutes, any determination by the Board of the amount of profits at any time available for distribution shall be conclusive.

### **141. Board may pay interim dividends and fixed dividends**

Subject to the Statutes, the Board may pay interim dividends if it appears to the Board that they are justified by the financial position of the Company. If the share capital of the Company is divided into different classes, the Board may pay interim dividends on shares which confer deferred or non-preferred rights to dividends as well as on shares which confer preferential or special rights to dividends, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Board may also pay at intervals settled by it any dividend payable at a fixed date if it appears to the Board that the financial position of the Company justifies the payment. If the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferred rights for any loss which they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

### **142. Calculation and currency of dividends**

Except in so far as the rights attaching to any share otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, but (for the purposes of this Article only) no amount paid up on a share in advance of calls shall be treated as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly. Dividends may be declared or paid in any currency and the Board may agree with any member that dividends which may at any time or from time to time be declared or become due on his shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.

### **143. Waiver of dividends**

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the relevant member (or the person becoming entitled by transmission to the share) and delivered to the Company and if or to the extent that it is accepted as such or acted upon by the Company.

#### **144. Non-cash dividends**

A general meeting declaring a dividend may, upon the recommendation of the Board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets and, in particular, of paid-up shares or debentures of any other company and, where any difficulty arises concerning such distribution, the Board may settle it as the Board thinks expedient and in particular may issue fractional certificates or, subject to the Statutes and, in the case of shares held in uncertificated form, the systems rules, authorise and instruct any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the basis of the value so fixed in order to secure equality of distribution and may vest any assets to be distributed in trustees as the Board may consider expedient.

#### **145. Scrip dividends**

Subject to the Statutes, the Board may, if authorised by an ordinary resolution of the Company, offer the holders of ordinary shares (subject to such exclusions or other arrangements as the Board may consider necessary or expedient in relation to any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange) the right to elect to receive new ordinary shares, credited as fully paid, instead of cash for all or part (as determined by the Board) of the dividend specified by the ordinary resolution. The following provisions shall apply:

- 145.1 an ordinary resolution may specify a particular dividend or dividends (whether or not already declared), or may specify all or any dividends declared within a specified period, but such period may not end later than the fifth anniversary of the date of the meeting at which the ordinary resolution is passed;
- 145.2 the basis of allotment to each holder of ordinary shares shall be such number of new ordinary shares credited as fully paid as have a value as nearly as possible equal to (but not greater than) the amount of the dividend (disregarding any tax credit) which he has elected to forego. For this purpose, the "value" of an ordinary share shall be deemed to be whichever is the greater of its nominal value and the average of the middle market quotations for the Company's ordinary shares on the London Stock Exchange as derived from the Daily Official List on the day on which the shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the Auditors as to the amount of the value in respect of any dividend shall be conclusive evidence of that amount;
- 145.3 no fraction of an ordinary share shall be allotted and if any holder of ordinary shares would otherwise be entitled to fractions of a share, the Board may deal with the fractions as it thinks fit;
- 145.4 the Board shall not proceed with any election unless the Company has sufficient unissued shares authorised for issue and sufficient reserves or funds which may be capitalised to give effect to the election following the Board's determination of the basis of allotment;
- 145.5 on or as soon as practicable after announcing that the Board is to declare or recommend any dividend, the Board, if it intends to offer an election for that dividend, shall also announce that intention and having determined the basis of allotment, shall notify the holders of ordinary shares (other than any in relation to whom an election mandate in accordance with this Article is subsisting) of the right of election offered to them, and shall send with, or following, such notification, forms of election and shall specify the procedure

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

- 145.6 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been duly made (the "elected shares") and instead additional ordinary shares shall be allotted to the holders of the elected shares on the basis of allotment so determined. For such purpose, the Board shall capitalise, out of any amount standing to the credit of any reserve or fund (including the profit and loss account), whether or not the same is available for distribution, as the Board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected shares on that basis;
- 145.7 the additional ordinary shares so allotted shall be allotted as of the record date for the dividend for which the right of election has been offered and shall rank *pari passu* in all respects with the fully paid ordinary shares then in issue except that they will not rank for the dividend or other distribution entitlement in respect of which they have been issued. Unless the Board otherwise determines (and subject always to the Regulations and the systems rules), the ordinary shares so allotted shall be issued as shares in certificated form (where the ordinary shares in respect of which they have been allotted were in certificated form at the Scrip Record Time) or as shares in uncertificated form (where the ordinary shares in respect of which they have been allotted were in uncertificated form at the Scrip Record Time) provided that if the Company is unable under the systems rules to issue ordinary shares in uncertificated form to any person, such shares shall be issued as shares in certificated form. For these purposes, the "Scrip Record Time" means such time on the record date for determining the entitlements of members to make elections as described in this Article, or on such other date as the Board may in its absolute discretion determine.
- 145.8 The Board may establish or vary a procedure for election mandates whereby a holder of ordinary shares may elect concerning future rights of election offered to that holder under this Article until the election mandate is revoked following that procedure.
- 145.9 The Board may exclude from any offer any holders of ordinary shares if it believes that it is necessary or expedient to do so in relation to any legal or practical problems under the laws of, or the requirements of any regulatory body or stock exchange or other authority in, any territory or that for any other reason the offer should not be made to them.

#### **146. Enhanced scrip dividends**

- 146.1 Without prejudice to the generality of the immediately preceding Article (Scrip dividends), the Board may, in respect of any cash dividend or other distribution (or any part thereof) declared or payable in relation to any financial year or period of the Company, offer to each holder of Ordinary Shares and Non-Voting Ordinary Shares the right to elect to receive new Ordinary Shares or Non-Voting Ordinary Shares (as the case may be), credited as fully paid, in respect of the whole or part of the Ordinary Shares or Non-Voting Ordinary Shares held by them instead of such cash dividend, on any basis described in that Article but so that the entitlement of each holder of Ordinary Shares or Non-Voting Ordinary Shares to such new Ordinary Shares or Non-Voting Ordinary Shares (as the case may be) shall be determined by the Board such that the value (determined on the basis decided on by the Board) of the new Ordinary Shares or Non-Voting Ordinary Shares concerned may exceed the cash amount that such holders of Ordinary Shares or Non-Voting Ordinary Shares would otherwise have received by way of dividend and, in respect of such offer, that Article shall take effect subject to this

Article. Any offer made under this Article shall be an alternative to any offer made under that Article in respect of a particular cash dividend (but shall form part of any plan which is in operation thereunder).

146.2 Any exercise by the Board of the powers granted to the Board by this Article shall be subject to a special resolution approving the exercise of such powers in respect of the dividend in question or in respect of any dividend or other distributions declared or payable in respect of a specified financial year or period of the Company which include the dividend in question but such year or period may not end later than the conclusion of the annual general meeting next following the date of the meeting at which such resolution is passed. No further sanction shall be required under the immediately preceding Article (Scrip dividends) in respect of an exercise of powers by the Board under this Article and any authority granted under this Article shall not preclude the granting to the Board of a separate authority under that Article.

**147. Right to deduct amounts due on shares from dividends**

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

**148. Right to carry profits and losses to revenue account**

Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits and losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

**149. No interest on dividends**

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

**150. Payment procedure**

150.1 All dividends and interest shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine notwithstanding any subsequent transfer or transmission of shares.

150.2 The Company may pay any dividend, interest or other monies payable in cash in respect of shares by direct debit, bank transfer, cheque, dividend warrant, money order or by any other method (including by electronic communications) as the Board may consider appropriate.

150.3 Every such cheque, warrant or order shall be made payable to the person to whom it is sent, or to such other person as the holder or the joint holders may in writing direct, and may be sent by post or equivalent means of delivery directed to the registered address of the holder or, in the case of joint holders, to the registered address of the joint holder whose name stands first in the Register, or to such person and to such address as the

holder or joint holders may in writing direct and payment of the cheque or warrant by the holder upon whom it is drawn shall be a good discharge to the Company.

- 150.4 Every such payment made by direct debit or bank transfer shall be made to the holder or joint holders or to or through such other person as the holder or joint holders may in writing direct.
- 150.5 In respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Board shall from time to time consider sufficient, the Company may pay any such dividend, interest or other monies by means of the relevant system. Every such payment shall be made in such manner as may be consistent with the system's rules and, without prejudice to the generality of the foregoing, may include the sending by the Company or by any person on its behalf of an instruction to the Operator to credit the cash memorandum account of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may in writing direct.
- 150.6 The Company shall not be responsible for any loss of any such cheque, warrant or order and any payment made in any manner permitted by these Articles shall be at the sole risk of the holder or joint holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or order has been, or is alleged to have been, lost, stolen or destroyed, the Board may, on request of the person entitled thereto, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Board may think fit.
- 150.7 The issue of such cheque, warrant or order, the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank transfer or, in respect of shares in uncertificated form, the making of payment in accordance with the system's rules, shall be a good discharge to the Company.

#### **151. Receipt by joint holders**

If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other monies payable in respect of the share.

#### **152. Where payment of dividends need not be made**

The Company may cease to send any cheque or warrant through the post or to effect payment by any other means for any dividend or other monies payable in respect of a share which is normally paid in that manner on that share if in respect of at least two consecutive dividends payable on that share payment, through no fault of the Company, has not been effected (or, following one such occasion, reasonable enquiries have failed to establish any new address of the holder) but, subject to these Articles, the Company shall recommence payments in respect of dividends or other monies payable on that share by that means if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

#### **153. Unclaimed dividends**

All dividends, interest or other sums payable unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until

claimed. The retention by the Company of, or payment into a separate account of, any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it. Any dividend or interest unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and shall revert to the Company.

## **AUTHENTICATION OF DOCUMENTS**

### **154. Authentication of documents**

Any director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents or other communications affecting the constitution of the Company and any resolutions passed by the Company or the Board or any committee and any books, records, accounts, documents and other communications relating to the business of the Company and to certify copies or extracts as true copies or extracts. A document or other communication purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company, the Board or any committee which is certified as such in accordance with this Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith of such document or communication that such resolution has been duly passed or, as the case may be, that such minute or extract is a true and accurate record of proceedings at a duly constituted meeting.

### **155. Power to choose record date**

Notwithstanding any other provision of these Articles, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made.

## **ACCOUNTS AND OTHER RECORDS**

### **156. Records to be kept**

The Board shall, as required by the 2006 Act, cause accounting records to be kept sufficient to give a true and fair view of the Company's state of affairs and to comply with the Statutes at the Office, or at such other place as the Board thinks fit, and shall always be open to inspection by the officers of the Company.

### **157. Copy of accounts to be sent to members**

A copy of every profit and loss account and balance sheet, including all documents required by law to be annexed to the balance sheet which is to be laid before the Company in general meeting, together with copies of the Directors' and of the Auditors' reports (or such other documents which may be required or permitted by law to be sent in their place) shall not less than 21 clear days before the date of the meeting be sent to every member (whether or not he is entitled to receive notices of general meetings of the Company), and to every holder of debentures of the Company (whether or not he is so entitled), and to the Auditors provided that if the Company is permitted by law to send to any member, to any holder of debentures of the Company or to the Auditors any summary financial statement in place of all or any of such profit and loss account and balance sheet or other documents, this Article shall impose no greater obligation on the Company than that imposed by law; but this Article shall not require a copy of those documents to be sent to any member or holder of debentures of whose address the Company is unaware or to more than one of the joint holders of any shares or debentures.



## **158. Inspection of records**

No member in his capacity as a member shall have any right of inspecting any record, book or document of any description belonging to the Company except as conferred by the Statutes or authorised by the Board or by ordinary resolution of the Company. The Register shall be open for inspection by any member or other person entitled to inspect the same, and any person other than a member inspecting the same shall pay a fee of 5p.

## **159. Destruction of documents**

159.1 Subject to compliance with the rules (as defined in the Regulations) applicable to shares of the Company in uncertificated form, the Company may destroy:

- 159.1.1 any instrument of transfer of shares and any other document on the basis of which an entry is made in the Register, at any time after the expiration of six years from the date of registration;
- 159.1.2 any instruction concerning the payment dividends or other monies in respect of any share or any notification of change of name or address, at any time after the expiration of two years from the date the instruction or notification was recorded and
- 159.1.3 any share certificate which has been cancelled, at any time after the expiration of one year from the date of cancellation;

provided that the Company may destroy any such type of document after such shorter period as the Board may determine if a copy of such document is retained on microfilm or by other similar means and is not destroyed earlier than the original might otherwise have been destroyed in accordance with this Article.

159.2 It shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every share certificate so destroyed was a valid and effective document duly and properly cancelled and that every other document so destroyed was a valid and effective document in accordance with its particulars recorded in the books or records of the Company provided that

- 159.2.1 this Article shall apply only to the destruction of a document in good faith and without express notice that its retention was relevant to any claim (regardless of the parties to the claim);
- 159.2.2 nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than the times referred to in this Article or in any case where the conditions of this Article are not fulfilled; and
- 159.2.3 references in this Article to the destruction of any document or thing include references to its disposal in any manner.

## **CHEQUES BILLS AND NOTES**

### **160. Cheques, bills and notes**

The Directors may draw, mark, accept, or endorse, or authorise any other person or persons to draw, make, accept, or endorse any cheques, bills of exchange, promissory notes or other negotiable instruments, provided that every cheque, bill of exchange, promissory note or other negotiable instrument drawn, made or accepted shall be signed by such person or persons as the Directors may appoint for the purpose.

## NOTICES

### 161. Form of notices, etc

Any notice, informal document or other communication (including copies of accounts or summary financial statements) to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of directors) shall be in writing except that, if it is given using electronic communications, it need not be in writing unless these Articles specifically require it to be but otherwise may be given in any form permitted by the 2006 Act. Any document, information, notice or other communication is validly sent or supplied by the Company in electronic form to a person if that person has agreed (generally or specifically) that the same may be sent or supplied in that form and has not revoked that agreement or to a company that is deemed to have so agreed under the 2006 Act.

### 162. Service of notice

162.1 Any notice, document or other communication may (to the extent compatible with the nature of the thing served) be sent by electronic communication to an address for the time being notified (by the person wishing to receive the electronic communication) for that purpose to the person sending the communication. Except insofar as the Statutes otherwise require, for electronic communications given by the Company to any member (but not vice versa) the Company may treat an address notified for the purpose of any electronic communication as that member's address for all electronic communications, whatever their content, until the member notifies the Company otherwise.

162.2 Otherwise, any notice, document (including a share certificate) or other communication may, to the extent compatible with the nature of the thing served, be served on or delivered to a member by the Company:

162.2.1 personally;

162.2.2 by sending it by prepaid post or other prepaid delivery service in an envelope or other cover addressed to the member at the address recorded for the member on the Register or by so addressing the envelope or other cover and leaving it at that address;

162.2.3 by the relevant system; or

162.2.4 by any other means authorised in writing by the member concerned or permitted by these Articles.

162.3 In the case of joint holders of a share, all notices, documents or other communications, however sent, shall be served on or delivered to the joint holder whose name stands first in the Register in respect of the joint holding and such service or delivery shall for all purposes be deemed sufficient service on or delivery to all the joint holders. If the person first named in the Register has a registered address outside the United Kingdom and has not given the Company any address for service within the United Kingdom, the joint holders shall not be entitled to any notice.

- 162.4 A member whose registered address is not within the United Kingdom and who notifies the Company of an address within the United Kingdom at which notices, documents or other communications may be served on or delivered to him shall be entitled to have notices or other communications served on or delivered to him at that address (in the manner referred to above), but otherwise no such member shall be entitled to receive any notice, document or other communications from the Company. Such address may, at the Board's discretion, be an address for the purposes of electronic communications.
- 162.5 The Board may at any time without prior notice (and whether or not the Company has previously sent electronic communications to that address) refuse to send electronic communications to any address notified to the Company for the purposes of electronic communications if it believes that its refusal is necessary or expedient in relation to any legal or practical problems under the laws of, or the requirements of any regulatory body or stock exchange or other authority in, any territory, or that for any other reason it should not send electronic communications to that address.
- 162.6 Subject to the Statutes, the Board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic communications under these Articles.

### **163. When notice deemed served**

- 163.1 Any notice, document or other communication:
- 163.1.1 if sent by the Company by post or other delivery service shall be deemed to have been served or delivered on the day following that on which it was put in the post or given to the delivery agent and, in proving service or delivery, it shall be sufficient to prove that the notice, document or communication was properly addressed, prepaid and put in the post or duly given to the delivery agent;
  - 163.1.2 if sent by the Company by way of an electronic communication shall be deemed to have been served or delivered at the expiration of 48 hours after the time it was sent, and proof that the notice or communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was served or delivered;
  - 163.1.3 not sent by post or other delivery service but served or delivered personally or left by the Company at the address for that member on the Register shall be deemed to have been served or delivered on the day and at the time it was so left;
  - 163.1.4 sent or delivered by a relevant system shall be deemed to have been served or delivered when the Company (or a sponsoring system-participant acting on its behalf) sends the issuer instructions relating to the notice or document;
  - 163.1.5 sent or delivered by the Company by any other means authorised in writing by the member concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose; and
  - 163.1.6 to be given by the Company by advertisement shall be deemed to have been served on the day on which the advertisement appears.

### **164. Service of notice on person entitled by transmission**

Where a person is entitled by transmission to a share, any notice, document or other communication shall be served upon or delivered to him by the Company, as if he were the

holder of that share and his address were that noted in the Register as the registered address or (to the extent compatible with the nature of the thing served, and subject to the Board's discretion) that given by the holder for the purposes of electronic communications. Otherwise, any notice, document or other communication served on or delivered to any member pursuant to these Articles shall, notwithstanding that the member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the Company has notice of the death, bankruptcy or other event, be deemed to have been properly served or delivered in respect of any share registered in the name, of that member as sole or joint holder.

**165. Record date for service**

Any notice, document or other communication may be served or delivered by the Company by reference to the Register as it stands at any time not more than 15 days before the date of service or delivery. No change in the Register after that time shall invalidate that service or delivery. Where any notice, document or other communication is served on or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice, document or communication.

**166. Loss of entitlement to receive notices**

If on two consecutive occasions notices, documents or other communications have been sent to any member at the registered address or his address for the service of notices (including any address provided by him for the purposes of electronic communications) but, through no fault of the Company, have been undelivered, such member shall not from then on be entitled to receive notices, documents or other communications from the Company or to provide an address for the purposes of electronic communications until he has notified to the Company in writing a new address within the United Kingdom to be either his registered address or his address for the service of notices.

**167. Notice when post not available**

167.1 If at any time postal services within the United Kingdom are suspended or curtailed so that the Company is unable effectively to convene a general meeting or a meeting of the holders of any class of shares in its capital by notice sent through the post, any such meeting may be convened by a notice advertised in at least one newspaper with a national circulation and in that event the notice shall be deemed to have been served on all members and persons entitled by transmission who are entitled to have notice of the meeting served upon them, on the day when the advertisement has appeared in at least one such paper. If at least six clear days prior to the meeting the giving of notices by post to addresses throughout the United Kingdom has, in the Board's opinion, become practicable, the Company shall send confirmatory copies of the notice by post (or, where an address for the purposes of electronic communications has been provided, by electronic communication) to the persons entitled to receive them.

167.2 At any time that postal services within the United Kingdom are suspended or curtailed, any other communication considered by the Board to be capable of being communicated by advertisement shall, if advertised in at least one such newspaper, be deemed to have been notified to all members and persons entitled by transmission.

**168. Further provisions relating to electronic communication**

168.1 For the purposes of paragraph 10(2)(b) of Schedule 5 to the 2006 Act, the Company may give, send, supply, deliver or provide documents or information to members by

making them available on a web site. Unless a member notifies the Company that it does not wish to receive documents or information in this manner following a specific request in accordance with the 2006 Act, the Company may satisfy its obligation to send a member any notice or other document by:

- 168.1.1 publishing such notice or document on a web site; and
  - 168.1.2 notifying him by any permitted means that such notice or document has been so published, specifying the address of the web site on which it has been published, the place on the web site where it may be accessed, how it may be accessed and (if it is a notice relating to a shareholders' meeting) stating (i) that the notice concerns a notice of a company meeting served in accordance with the Statutes; (ii) the place, date and time of the meeting; (iii) whether the meeting is to be an annual or extraordinary general meeting, and (iv) such other information as the Statutes may prescribe.
- 168.2 An electronic communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.
- 168.3 For the purposes of paragraph 6.1.8R(1) of the Disclosure and Transparency Rules, the Company may use electronic means (as defined therein) to convey information or documents to its Members.
- 168.4 The Directors may from time to time make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the giving of notices or other documents or information by electronic means by or to the Company and otherwise for the purpose of implementing and/or supplementing the provisions of these Articles and the Statutes in relation to electronic means, and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article.

## **WINDING UP**

### **169. Winding up**

The Liquidator on any winding-up of the Company (whether voluntary or compulsory) may with the authority of a special resolution, divided among the members in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and for such purpose may set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between members or classes of members but so that if any such division shall be otherwise than in accordance with the existing rights of the members, every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution passed in accordance with Section 110 of the Insolvency Act 1986.

## **PROVISION FOR EMPLOYEES ON CESSATION OR TRANSFER OF BUSINESS**

### **170. Provision for employees**

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, 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.

## **INDEMNITY**

### **171. Officer's indemnity**

Subject to the Statutes, the Company may indemnify any Director and/or any director of an Associated Company or other officer against any liability. Subject to those provisions, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company and/or any Associated Company shall be indemnified out of the assets of the Company against any liability incurred by him as a Director or such other officer incurred by him in the execution and discharge of his duties or in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty or breach of trust on his part or in connection with any application under the 2006 Act in which relief is granted to him by the court including if such Associated Company is a trustee of an occupational pension scheme against liabilities incurred in connection with the company's activities as trustee of the scheme. No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the proper execution of the duties of his office or in relation thereof.

### **172. Power to insure**

Subject to the Statutes, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a Director or other officer or employee of the Company or of any subsidiary undertaking of the Company or other Associated Company or in which the Company has an interest (whether direct or indirect) or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such subsidiary undertaking is or has been interested, indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, officer, employee or trustee.

### **173. General**

For the purposes of Articles 171 and 172 "officer" shall not include an auditor and "Associated Company" shall be an Associated Company of the Company as determined in accordance with s.256 of the 2006 Act.

## **AUTHORISATION OF LOANS TO DIRECTORS**

### **174. Loans to Directors**

The Company may provide loans, quasi-loans or credit transactions to any Directors or persons connected with a Director to the extent permitted by and on the terms of sections 197, 198, 200, 201 and 205 of the 2006 Act.