

**Registered No. 09095860**

**The Companies Act 2006**

**A public company limited by shares**

**Articles of Association**

**of**

**Bilby plc**

**(adopted by a special resolution passed on the 2<sup>nd</sup> day of March 2015)**

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**Exclusion of Regulations**

No other articles or regulations apply

- 1 No articles or regulations set out in any of the Companies Acts, or in any statutory instrument or other subordinate legislation made under any of the Companies Acts, shall apply as the regulations or articles of the Company.

**Interpretation**

Definitions

- 2 In these Articles unless the context otherwise requires:

**Act** means the Companies Act 2006 including any modification or re-enactment of it for the time being in force.

**these Articles** means these articles of association as altered from time to time, and the expression **this Article** shall be construed accordingly.

**auditors** means the auditors of the Company.

**board** means the directors or any of them acting as the board of directors of the Company.

**certificated share** means a share which is not an uncertificated share, and references in these Articles to a share being held in certificated form shall be construed accordingly.

**clear days**, in relation to the sending of a notice, means the period excluding the day on which a notice is sent or deemed to be sent and the day for which it is sent or on which it is to take effect.

**Companies Acts** means the Act, the Regulations and every other statute, statutory instrument, regulation or order for the time being in force concerning companies in so far as it applies to the Company.

**director** means a director of the Company.

**entitled by transmission** means, in relation to a share, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law.

**holder**, in relation to any shares, means the member whose name is entered in the register as the holder of those shares.

**member** means a member of the Company.

**office** means the registered office of the Company.

**Operator** has the meaning given to it in the Regulations.

**ordinary shares** means the Company's ordinary shares.

**paid up** means paid up or credited as paid up.

**participating class** means a class of shares title to which is permitted by the Operator to be transferred by means of a relevant system.

**register** means the register of members of the Company and, at any time when the Company has shares in issue which are uncertificated shares, means either or both of the Operator register of members and the issuer register of members of the Company.

**Regulations** means the Uncertificated Securities Regulations 2001 including any modification or re-enactment of them for the time being in force.

**seal** means any common seal or official seal that the Company may be permitted to have under the Companies Acts.

**secretary** means the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the Company and includes an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the secretary.

**share** means any share in the Company's capital

**uncertificated share** means a share of a class which is at the relevant time a participating class, title to which is recorded on the register as being held in uncertificated form, and references in these Articles to a share being held in uncertificated form shall be construed accordingly.

**United Kingdom** means Great Britain and Northern Ireland.

Construction 3

Where, in relation to a share, these Articles refer to a **relevant system**, the reference is to the relevant system in which that share is a participating security at the relevant time.

References to a document being **executed** or **signed** or to **signature** include references to it being executed under hand or under seal or by any other method and, in the case of a communication sent in electronic form, such references are to its being authenticated as specified by the Companies Acts.

References to **writing** include references to any method of representing or reproducing words in a legible and non-transitory form including anything in electronic form, and **written** shall be construed accordingly.

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 attendance by one person.

Words denoting the singular number include the plural number and vice versa; words denoting the masculine gender include the feminine gender; and words denoting persons include corporations.

Words or expressions defined in the Companies Acts in force when these Articles or any part of these Articles are adopted shall (if not inconsistent with the subject matter or context in which they appear) have the same meaning in these Articles or that part, save that the word **company** shall include any body corporate.

References to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification).

Headings and marginal notes are inserted for convenience only and do not affect the construction of these Articles.

### **Limited Liability**

- |                   |   |   |
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| Limited liability | 4 | The liability of the members of the Company is limited to the amount, if any, unpaid on the shares in the Company held by them. |
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### **Change of Name**

- |                |   |   |
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| Change of name | 5 | The Company may change its name by resolution of the board. |
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### **Rights Attached to Shares**

- |                                     |   |   |
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| Issue of shares with special rights | 6 | Subject to the provisions of the Companies Acts and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the board may determine. Such rights and restrictions shall apply to the relevant shares as if the same were set out in these Articles. |
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### **Redeemable Shares**

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| Power to issue redeemable shares | 7 | Subject to the provisions of the Companies Acts and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued which is to be redeemed or is to be liable to be redeemed at the option of the Company or the holder. The board may determine the terms, conditions and manner of redemption of any redeemable shares so issued. |
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### **Variation of Rights**

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| Method of varying rights | 8 | Subject to the provisions of the Companies Acts, whenever the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares may from time to time (whether or not the Company is being wound up) be varied or abrogated either:<br><br>(A) with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares); or |
|--------------------------|---|---|

- (B) with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class,

but not otherwise. The foregoing provisions of this Article shall apply to the variation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class and their special rights were to be varied.

### Pari Passu Issues

- Rights not varied by pari passu issues 9 The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to, or the terms of issue of, such shares, be deemed to be varied by the creation or issue of further shares ranking pari passu with them.

### Shares

- Allotment (etc) of shares 10 Subject to the provisions of the Companies Acts and these Articles and to any resolution passed by the Company and without prejudice to any rights attached to any class of existing shares, the shares of the Company shall be at the disposal of the board, which may offer, allot, grant options over or otherwise deal with or dispose of them to such persons, at such times, for such consideration and upon such terms and conditions as the board may determine.
- Authority to allot shares 11 The Company may, with the sanction of a resolution of the Company expressed to be made pursuant to this Article (an **allotment resolution**), generally and unconditionally authorise the board (in substitution for all subsisting authorities, unless otherwise expressed in the allotment resolution) to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or convert any security into, shares in the Company (such shares and such rights together being **relevant securities**) up to an aggregate nominal amount equal to the amount specified in the allotment resolution as "the section 551 amount", provided that each allotment resolution shall specify the date on which the authority granted thereby shall expire, such date being not more than five years after the date of such allotment resolution.
- Disapplication of pre-emption rights 12 The board may be empowered, with the sanction of a special resolution of the Company passed pursuant to section 570 or 571 of the Act (in each case a **pre-emption disapplication resolution**), to allot equity securities for cash pursuant to the authority conferred by an allotment resolution as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall (unless otherwise specified by the pre-emption disapplication resolution) be limited to:
- (A) the allotment of equity securities in connection with an offer (whether by way of rights issue, open offer or any other form of issue) of equity securities to ordinary shareholders or an invitation to ordinary shareholders to apply to subscribe for equity securities and, if in accordance with their rights the board so determines, holders of other equity securities of any class where the equity securities respectively attributable to the interests of ordinary shareholders or holders of other equity securities, if applicable, are proportionate (as nearly as practicable) to the respective numbers of ordinary shares or other equity securities, as the case may be, held by them, but subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to fractional entitlements or any legal, regulatory or practical problems under the laws or regulations of any territory or the requirements of any regulatory body or stock exchange; and

(B) the allotment (other than pursuant to paragraph (A) above) of equity securities up to an aggregate nominal amount equal to the amount specified in such pre-emption disapplication resolution.

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| Treasury shares          | 13 | Article 12 applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(3) of the Act as if in Article 12 the words "pursuant to the authority conferred by an allotment resolution" were omitted.  |
| Allotment after expiry   | 14 | The Company may make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after an authority given pursuant to an allotment resolution under Article 11 or a power given pursuant to a pre-emption disapplication resolution under Article 12 has expired. The board may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if the authority or power pursuant to which that offer or agreement was made had not expired. |
| Rights to subscribe, etc | 15 | For the purposes of Articles 11 and 12, the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.  |

### **Commissions**

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| Power to pay commissions | 16 | The Company may, in connection with the issue of any shares or the sale for cash of treasury shares, exercise all powers of paying commissions or brokerage conferred or permitted by the Companies Acts. Subject to the provisions of the Companies Acts, any such commissions or brokerage may be satisfied by the payment of cash, or by the allotment of fully or partly paid shares, or by the grant of an option to call for an allotment of shares, or by any combination of these. |
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### **Trusts not Recognised**

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| Trusts of shares not recognised | 17 | Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except only as otherwise provided by these Articles or as ordered by a court of competent jurisdiction or as required by law) the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any interest in any share (or in any fractional part of a share) except the holder's absolute right to the entirety of the share (or fractional part of the share). |
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### **Share Warrants**

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| Share warrants to bearer              | 18 | The board may issue share warrants to bearer in respect of any fully paid shares under a seal of the Company or in any other manner authorised by the board. Any share while represented by such a warrant shall be transferable by delivery of the warrant relating to it. In any case in which a warrant is so issued, the board may provide for the payment of dividends or other moneys on the shares represented by the warrant by coupons or otherwise. The board may decide, either generally or in any particular case or cases, that any signature on a warrant may be applied by electronic or mechanical means or printed on it or that the warrant need not be signed by any person. |
| Conditions attached to share warrants | 19 | The powers referred to in Article 18 may be exercised by the board, which may determine and from time to time vary the conditions on which share warrants shall be issued, and in particular the conditions on which:  |



- (A) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out, lost or destroyed (provided that no new share warrant shall be issued to replace one that has been lost unless the board is satisfied beyond reasonable doubt that the original has been destroyed);
- (B) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;
- (C) dividends will be paid; and
- (D) a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it.

The bearer of a share warrant shall be subject to the conditions for the time being in force and applicable thereto, whether made before or after the issue of the share warrant. Subject to those conditions and to these Articles, the bearer of a share warrant shall be deemed to be a member for all purposes and shall have the same rights and privileges as he would have if his name had been included in the register as the holder of the shares comprised in the share warrant.

### **Share Certificates**

Members' rights to certificates	20	Every person (except a person to whom the Company is not required by law to issue a certificate) whose name is entered in the register as a holder of any certificated shares shall be entitled, without payment, to receive within the time limits prescribed by the Companies Acts (or, if earlier, within any time specified when the shares were issued) one certificate for all those shares of any one class. In the case of a certificated share held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A member who transfers some but not all of the shares comprised in a certificate shall be entitled to a certificate for the balance without charge to the extent the balance is to be held in certificated form.
Consolidation of share certificates	21	Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu on surrender of the original certificates for cancellation but the Company may charge to the member any expenses or fees thereby incurred.
Splitting of share certificates	22	If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the board may, if it thinks fit, comply with such request and may charge to the member any expenses or fees thereby incurred.
Replacement certificates	23	If a share certificate is defaced, worn out, lost or destroyed, it may be replaced 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 may think fit and, in case of defacement or wearing out, on delivery of the old certificate to the Company.
Execution of share certificates	24	Every share certificate shall be executed under seal or in such other manner as the board, having regard to the terms of issue and any listing requirements, may authorise and shall specify the number and class of the shares and distinguishing numbers (if any) to which it relates and the amount or respective amounts paid up on the shares. No certificate shall be

issued representing shares of more than one class. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be signed by any person.

Share certificates sent at holder's risk 25 Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

### Uncertificated Shares

Power to permit uncertificated shares 26 Subject to the provisions of the Regulations, the board may permit title to shares of any class to be evidenced otherwise than by a certificate and title to shares of such class to be transferred by means of a relevant system and may make arrangements for a class of shares (if all shares of that class are in all respects identical) to become a participating class. Title to shares of a particular class may only be evidenced otherwise than by a certificate where that class of shares is at the relevant time a participating class. The board may also, subject to compliance with the Regulations, determine at any time that title to any class of shares may from a date specified by the board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular relevant system.

Articles to apply consistently with holding uncertificated shares 27 In relation to a class of shares which is a participating class and for so long as it remains a participating class, no provision of these Articles shall apply or have effect to the extent that it is inconsistent in any respect with:

- (A) the holding of shares of that class in uncertificated form;
- (B) the transfer of title to shares of that class by means of a relevant system; and
- (C) any provision of the Regulations,

and, without prejudice to the generality of this Article, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the Regulations, of an Operator register of securities in respect of that class of shares in uncertificated form.

Conversion into and out of uncertificated form 28 The board may allow, at its discretion, certificated shares to be converted into uncertificated shares and vice versa, but the board shall comply with the Regulations and the requirements of the relevant system in relation to such conversion.

Details of uncertificated shares to be kept in register 29 There shall be entered in the register details of the number of uncertificated shares held by each member. The register must be compiled and kept up to date so as to meet the requirements of the Regulations and the relevant system.

Certificated and uncertificated shares are one class 30 Unless the board otherwise determines, shares which a member holds in uncertificated form shall be treated as separate holdings from any shares which that member holds in certificated form. However, shares held in uncertificated form shall not be treated as forming a class which is separate from certificated shares with the same rights.

Shares issued out of shares 31 Unless the board otherwise determines or the Regulations otherwise require, any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated

shares and any shares issued or created out of or in respect of any certificated shares shall be certificated shares.

Powers in relation to uncertificated shares	32	<p>If, under any provision of the Companies Acts, the Regulations or these Articles, the Company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over an uncertificated share, the Company shall be entitled, subject to the provisions of the Companies Acts, the Regulations, these Articles and the facilities and requirements of the relevant system:</p> <p>(A) to require the holder of that uncertificated share by notice to change that share into a certificated share within the period specified in the notice and to hold that share as a certificated share for so long as required by the Company;</p> <p>(B) to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice;</p> <p>(C) to require the holder of that uncertificated share by notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the relevant system, necessary to transfer that share within the period specified in the notice;</p> <p>(D) to require the Operator to convert that uncertificated share into a certificated share in accordance with Regulation 32(2)(c) of the Regulations; and</p> <p>(E) to take any action that the board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.</p>
Company may rely on information reconciled with Operator register	33	<p>The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the Regulations and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption; in particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).</p>
<b>Lien</b>		
Company to have lien on shares	34	<p>The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all amounts payable to the Company (whether presently or not) in respect of that share. The board may at any time, either generally or in any particular case, waive any lien that has arisen, or declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable in respect of it.</p>
Enforcement of lien by sale	35	<p>The Company may sell, in such manner as the board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or until the expiration of 14 clear days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder of the share or the</p>

person entitled to it by transmission. For giving effect to any such sale, if the share is a certificated share, the board may authorise any person to sign an instrument of transfer in respect of the share sold to, or in accordance with the directions of, the purchaser. If the share is an uncertificated share, the board may exercise any of the Company's powers under Article 32 to effect the sale of the share to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money and his title to the share shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale.

Application of proceeds	36	The net proceeds, after payment of costs, of the sale by the Company of any share on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (if the share sold is a certificated share, upon surrender to the Company for cancellation of the certificate for the share sold and, whether the share sold is a certificated share or an uncertificated share, subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person who was entitled to the share at the date of the sale.
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### Calls on Shares

Power to make calls	37	Subject to the terms of issue, the board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not payable on a date fixed by or in accordance with the terms of issue, and each member shall (subject to the Company serving upon him at least 14 clear days' notice specifying the amount, time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed in whole or in part as the board may determine. A person on whom a call is made shall remain liable for calls made on him even if the shares in respect of which the call was made are subsequently transferred.
Time when call made	38	A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the board authorising the call was passed.
Liability of joint holders	39	The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.
Interest payable	40	If an amount called in respect of a share shall not be paid in whole or in part after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid. Interest shall be 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, the rate determined by the board, not exceeding the Bank of England base rate by more than five percentage points, but the board shall be at liberty to waive payment of such interest wholly or in part.
Deemed calls	41	Any amount payable in respect of a share on allotment or at any date fixed by or in accordance with the terms of issue, whether on account 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 duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable. In the case of non-payment, all relevant provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a call duly made and notified.

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| Differentiation on calls    | 42 | The board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.   |
| Payment of calls in advance | 43 | The board may, if it thinks fit, receive from any member willing to advance them all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for the advance, become presently payable) pay interest at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) the Bank of England base rate by more than five percentage points, as the board may determine, but the member shall not be entitled to participate in any dividend or other distribution by virtue of such advance. |

### Forfeiture of Shares

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| Notice requiring payment of call | 44 | If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the board may give the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. The board may accept the surrender of any share liable to be forfeited under these Articles and, in such case, references in these Articles to forfeiture shall include surrender.   |
| Forfeiture for non-compliance    | 45 | If a notice given under Article 44 is not complied with, any share in respect of which it was sent may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture shall include all dividends or other moneys payable in respect of the forfeited share which have not been paid before forfeiture. When a share has been forfeited, notice of the forfeiture shall be sent to the person who was the holder of the share before the forfeiture. Where the forfeited share is a certificated share, an entry shall be made promptly in the register opposite the entry of the share showing that notice has been sent, that the share has been forfeited and the date of forfeiture. No forfeiture shall be invalidated by the omission or neglect to send that notice or to make those entries.   |
| Sale of forfeited shares         | 46 | Until cancelled in accordance with the requirements of the Companies Acts, a forfeited share shall be deemed to be the property of the Company and may, subject to the provisions of the Companies Acts, be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder of the share or entitled to it or to any other person upon such terms and in such manner as the board shall think fit. At any time before a sale, re-allotment or other disposal, the forfeiture may be cancelled on such terms as the board may think fit. Where for the purposes of its disposal a forfeited share which is a certificated share is to be transferred to any person, the board may authorise any person to sign an instrument of transfer of the share to, or in accordance with the directions of, that person. Where for the purposes of its disposal a forfeited share which is an uncertificated share is to be transferred to any person, the board may exercise any of the Company's powers under Article 32 to effect the transfer of the share to, or in accordance with the directions of, that person. The Company may receive the consideration (if any) given for the share on its disposal, and may register the transferee as holder of the share. |
| Liability following forfeiture   | 47 | A person whose shares are forfeited shall cease to be a member in respect of the forfeited shares, and shall, if the share is a certificated share, surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently  |

payable by him to the Company in respect of the shares with interest on that amount at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at such rate (not exceeding the Bank of England base rate by more than five percentage points) as the board may determine, from the date of forfeiture until payment, and the board may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal or may waive payment in whole or in part.

Evidence of forfeiture or surrender 48

A statutory declaration by a director of the Company or the secretary that a share has been duly forfeited or surrendered (or sold to satisfy a lien of the Company) 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 if necessary to the execution of an instrument of transfer or transfer by means of the relevant system, as the case may be) constitute a good title to the share. The person to whom the share is sold or otherwise disposed of shall not be bound to see to the application of the purchase money (if any) and his title to the share shall not be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

Extinction of rights 49

The forfeiture of a share shall (subject to the Companies Acts and unless otherwise provided by these Articles) involve the extinction at the time of forfeiture of all interests in and all claims and demands against the Company in respect of that share and all other rights and liabilities incidental to that share as between the holder of that share and the Company.

### Disclosure of Interests in Shares

Consequences of failure to comply with notice to disclose interest in shares 50

(A) If any member, or any other person appearing to be interested in shares held by such member, shall have been duly served with a notice under section 793 of the Act (a **Section 793 Notice**) and shall have been in default for the prescribed period (as defined below in this Article) in supplying to the Company the information required by the Section 793 Notice, then (unless the board shall otherwise determine) in respect of:

- (i) the shares in relation to which the default shall have occurred and any further shares which shall be issued in respect of such shares (**Default Shares**); or
- (ii) any other shares held by the member,

the member shall (for so long as the default continues) not, nor shall any transferee to which any of such shares are transferred other than pursuant to an approved transfer within the meaning of paragraph (H)(v) of this Article or otherwise pursuant to paragraph (B)(ii) of this Article, be entitled to attend and vote either personally or by proxy at any general meeting of the Company or at any separate meeting of the holders of any class of shares or on a poll or to exercise any other right conferred by membership in relation to general meetings.

(B) Where the Default Shares represent at least 0.25 per cent in nominal value of the shares of their class in issue at the date of service of the Section 793 Notice (calculated exclusive of treasury shares), the board may, in its absolute discretion, by notice (a **Direction Notice**) to such member direct that:

- (i) all or any part of any dividend or any other moneys which would otherwise be payable in respect of the Default Shares shall (in whole or any part thereof) be retained by the Company without any liability to pay interest thereon, and

the member shall not be entitled to elect, pursuant to Article 178, to receive shares instead of any such dividend, but any dividend or other moneys withheld shall be paid to the member as soon as practicable following receipt by the Company of the information requested by the Section 793 Notice or after the Direction Notice ceases to have effect pursuant to paragraph (E) of this Article; and/or

- (ii) no transfer of any of the shares held by such member shall be registered unless:
  - (a) the member is not himself in default as regards supplying the information requested and the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the board to the effect that after due and careful enquiry the member is, from time to time, satisfied that none of the shares which are the subject of the transfer is a Default Share; or
  - (b) the transfer is an approved transfer; or
  - (c) registration of the transfer is required by the Regulations,

and, for the purpose of enforcing any direction pursuant this paragraph (B), the Direction Notice may require the relevant member to change the Default Shares which are uncertificated shares to certificated shares by the time stated in the Direction Notice, and may also state that the member may not change any of the Default Shares which are certificated shares to uncertificated shares, and, if the member does not comply with the Direction Notice, the board may authorise any person to instruct the Operator to change the relevant Default Shares which are uncertificated shares to certificated shares.

- (C) The Company shall send to each other person appearing to be interested in the shares which shall be the subject of any Direction Notice a duplicate copy of the Direction Notice. No Direction Notice shall be invalidated by any omission or neglect in sending or non-receipt of a Direction Notice or any duplicate copy.
- (D) Any Direction Notice shall have effect in accordance with the terms of such Direction Notice for so long as the default in respect of which such Direction Notice shall be issued shall continue and shall cease to have effect only upon the board so determining (such determination to be made within one week immediately following the default being duly remedied in a form satisfactory to the board) and notice of such determination shall be sent forthwith to the member.
- (E) Any Direction Notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or otherwise in accordance with paragraph (B)(ii) of this Article.
- (F) The board may at any time send a notice cancelling a Direction Notice.
- (G) Without limitation to paragraph (B) of this Article, the board may exercise any of the Company's powers under Article 32 in respect of any Default Share that is held in uncertificated form.

- (H) For the purposes of this Article:
- (i) a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a Section 793 Notice and either:
    - (a) the member shall have named such person as being so interested; or
    - (b) (after taking into account the response of the member to the Section 793 Notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
  - (ii) **interested** shall be construed as it is for the purpose of section 793 of the Act;
  - (iii) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes:
    - (a) reference to his having failed or refused to give all or any part of it; and
    - (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
  - (iv) the **prescribed period** is the period of 28 days immediately following the date of service of the Section 793 Notice except that if the Default Shares represent at least 0.25 per cent in nominal value of the shares of their class in issue at the date of service of the Section 793 Notice (calculated exclusive of treasury shares), the prescribed period shall be the period of 14 days immediately following the date of service of the Section 793 Notice; and
  - (v) a transfer of shares is an **approved transfer** if the board is satisfied that:
    - (a) the transfer is made pursuant to a sale of the whole of the beneficial ownership of such shares to a party unconnected with the member and with any other person appearing to be interested in the shares; or
    - (b) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services and Markets Act 2000 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
    - (c) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer (as defined in section 974 of the Act).
- (I) The provisions of this Article are in addition to and shall not limit the powers of the Company under the Companies Acts.



## Transfer of Shares

Method of transfer of certificated and uncertificated shares	51	<p>Subject to such of the restrictions of these Articles as may be applicable:</p> <p>(A) any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the board may approve; and</p> <p>(B) any member may transfer all or any of his uncertificated shares by means of a relevant system in such manner provided for, and subject as provided, in the Regulations and the rules of any relevant system, and accordingly no provision of these Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred.</p>
Transferor to remain member until transferee registered	52	<p>The transferor of a share shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the register in respect of it.</p>
Persons to sign transfer of certificated shares	53	<p>The instrument of transfer of a certificated share shall be signed by or on behalf of the transferor and, unless the share is a fully paid share, the transferee. An instrument of transfer need not be under seal.</p>
Transfer of partly paid shares	54	<p>The board may, in its absolute discretion and without giving any reason, decline to register any transfer of any certificated share which is not a fully paid share, provided that, in the case of a class of shares which has been admitted to trading on the AIM Market of the London Stock Exchange, the refusal does not prevent dealings in such shares from taking place on an open and proper basis.</p>
Invalid transfer of shares	55	<p>The board may decline to register any transfer of a certificated share unless:</p> <p>(A) the instrument of transfer is duly stamped (or duly certified or otherwise shown to the satisfaction of the board to be exempt from stamp duty) and lodged at the place where the register of members of the Company is kept accompanied by the certificate for the shares to which it relates (save in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued) and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is signed by some other person on his behalf, the authority of that person so to do;</p> <p>(B) the instrument of transfer is in respect of only one class of share; and</p> <p>(C) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.</p>
Transfer of uncertificated shares	56	<p>The board may decline to register a transfer of an uncertificated share in the circumstances set out in the Regulations, and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.</p>
Notice of refusal to register	57	<p>If the board declines to register a transfer, it shall send to the transferee notice of the refusal:</p> <p>(A) in the case of a certificated share, within two months after the date upon which the instrument of transfer was lodged with the Company; and</p>

(B) in the case of an uncertificated share, within two months of the date on which the Operator's instructions were received by the Company.

No fee payable on registration	58	No fee shall be charged by the Company for registering any instrument of transfer or other document relating to or affecting the title to any share or for making any other entry in the register.
Retention of transfers	59	The Company shall be entitled to retain an instrument of transfer which is registered, but an instrument of transfer which the board refuses to register shall (except in the case of fraud) be returned to the person lodging it when notice of the refusal is sent.
Renunciation of allotment may be recognised	60	The board may recognise a renunciation of the allotment of a share by the allottee in favour of some other person following the allotment of the share but prior to any person being entered in the register as the holder of the share. Such renunciation will be treated as a transfer and the board has the same powers of refusing to give effect to such a renunciation as if it were a transfer.

### Transmission of Shares

Transmission	61	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 interest. Nothing in these Articles shall release the estate of a deceased member (whether a sole or joint holder) from any liability in respect of any share held by him.
Elections permitted	62	A person becoming entitled by transmission to a share may, on production of any evidence as to his entitlement required by the board, elect either to become the holder of the share or to have another person nominated by him registered as the transferee. If he elects to become the holder, he shall send notice to the Company to that effect. If he elects to have another person registered and the share is a certificated share, he shall sign an instrument of transfer of the share to that person. If he elects to have himself or another person registered and the share is an uncertificated share, he shall take any action the board may require (including without limitation the signing of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share. The board may at any time send a notice requiring the person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days, the board may after the expiry of that period withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with. All the provisions of these Articles relating to the transfer of, and registration of transfers of, shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer signed by the member and the death or bankruptcy of the member or other event giving rise to the transmission had not occurred.
Rights of persons entitled by transmission	63	A person becoming entitled by transmission to a share shall, on production of any evidence as to his entitlement required by the board and subject to the requirements of Article 62, have the same rights in relation to the share as he would have had if he were the holder of the share. That person may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the Company, or to receive notice of, or to attend or vote at, any separate meeting of the holders of any class of shares in the Company or to exercise any other right conferred by membership in relation to general meetings.

## Untraced Shareholders

Power to dispose of shares of untraced shareholders	64	<p>The Company shall be entitled to sell, at the best price reasonably obtainable at the time of sale, any share of a member or any share to which a person is entitled by transmission if:</p> <p>(A) during the period of 12 years ending with the date of publication of the advertisements referred to in paragraph (B) of this Article (or, if published on different dates, the first date) (the <b>relevant period</b>), at least three cash dividends in respect of the shares in question have been declared and no such cash dividend has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares or by the transfer of funds by means of a relevant system at any time during the relevant period;</p> <p>(B) the Company shall as soon as practicable after expiry of the relevant period have inserted advertisements both in a national daily newspaper and in a newspaper circulating in the area of the last known address of such member or other person giving notice of its intention to sell the shares; and</p> <p>(C) during the relevant period and the period of three months following the publication of the advertisement referred to in paragraph (B) of this Article (or, if published on different dates, the first date), the Company has received no indication either of the whereabouts or of the existence of such member or person.</p>
Power to dispose of additional shares	65	<p>The Company shall also be entitled to sell at the best price reasonably obtainable at the time of sale any additional shares in the Company issued either in certificated or uncertificated form during the relevant period in respect of any share to which Article 64 applies (or in respect of any shares so issued), if the criteria in paragraphs (A) to (C) of Article 64 are satisfied in relation to the additional shares.</p>
Transfer on sale	66	<p>To give effect to any sale pursuant to Article 64 or Article 65, the board may:</p> <p>(A) if the shares are certificated shares, authorise any person to sign an instrument of transfer in respect of the shares sold to, or in accordance with the directions of, the purchaser; or</p> <p>(B) if the shares are uncertificated shares, exercise any of the Company's powers under Article 32 to effect the sale to, or in accordance with the directions of, the purchaser.</p>
Effectiveness of transfer	67	<p>An instrument of transfer signed by that person in accordance with Article 66(A) shall be as effective as if it had been signed by the holder of, or person entitled by transmission to, the shares. An exercise by the Company of its powers in accordance with Article 66(B) shall be as effective as if exercised by the registered holder of, or person entitled by transmission to, the shares. The transferee shall not be bound to see to the application of the purchase moneys, and his title to the shares shall not be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.</p>
Proceeds of sale	68	<p>The net proceeds of sale shall belong to the Company, which shall be obliged to account to the former member or other person previously entitled for an amount equal to the net proceeds until forfeited under this Article. The Company shall enter the name of such former member or other person in the books of the Company as a creditor for that amount until forfeited under this Article. In relation to the debt, no trust is created and no interest is payable. The Company shall not be required to account for any money earned on the net</p>

proceeds of sale, which may be used in the Company's business or invested in such a way as the board from time to time thinks fit. If no valid claim for the net proceeds of sale has been received by the Company during the period of six years from the date on which the relevant shares were sold, those moneys will be forfeited and will belong to the Company.

### **Alteration of Share Capital**

**Sub-division** 69 Any resolution authorising the Company to sub-divide its shares or any of them may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

**Board may deal with fractions of shares** 70 Whenever as a result of a consolidation, consolidation and sub-division, or sub-division of shares any members would become entitled to fractions of a share, the board may deal with the fractions as it thinks fit. In particular, without limitation, the board may sell shares representing fractions to which any members would otherwise become entitled to any person (including, subject to the provisions of the Companies Acts, the Company) and distribute the net proceeds of sale in due proportion among those members. Where the shares to be sold are held in certificated form, the board may authorise some person to sign an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. Where the shares to be sold are held in uncertificated form, the board may exercise any of the Company's powers under Article 32 to effect the transfer of the shares to, or in accordance with the directions of, the purchaser. For the purposes of effecting any such sale, the board may arrange for the shares representing the fractions to be entered in the register as certificated shares. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

### **General Meetings**

**Convening general meetings** 71 The board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Acts. The board may convene general meetings whenever and at such times and places as it shall determine.

**Class meetings** 72 Subject to these Articles and to any rights for the time being attached to any class of shares in the Company, the provisions of these Articles relating to general meetings of the Company (including, for the avoidance of doubt, the provisions relating to the proceedings at general meetings or to the rights of any person to attend and vote or be represented at general meetings or to any restrictions on these rights) shall, with any necessary modifications, apply in relation to every separate general meeting of the holders of any class of shares in the Company, but so that the necessary quorum shall be two persons entitled to vote and holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) (but provided that at any adjourned meeting one holder entitled to vote and present in person or by proxy (whatever the number of shares held by him) shall be a quorum), that every holder of shares of the class present in person or by proxy and entitled to vote shall be entitled on a poll to one vote for every share of the class held by him (subject to any rights or restrictions attached to any class of shares) and that any holder of shares of the class present in person or by proxy and entitled to vote may demand a poll. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

## Notice of General Meetings

Period of notice	73	An annual general meeting shall be convened by not less than 21 clear days' notice. Subject to the provisions of the Companies Acts, all other general meetings may be convened by not less than 14 clear days' notice.
Recipients of notice	74	Subject to the provisions of the Companies Acts, to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be sent to every member and every director. The auditors are entitled to receive all notices of, and other communications relating to, any general meeting which any member is entitled to receive.
Contents of notice	75	Subject to the provisions of the Companies Acts, the notice shall specify the time, date and place of the meeting and the general nature of the business to be dealt with.
	76	In the case of an annual general meeting, the notice shall specify the meeting as such. In the case of a meeting to pass a special resolution, the notice shall specify the intention to propose the resolution as a special resolution.
Accidental omission to send notice	77	The accidental omission to send a notice of a meeting or resolution, or to send any notification where required by the Companies Acts or these Articles in relation to the publication of a notice of meeting on a website, or to send a form of proxy where required by the Companies Acts or these Articles, to any person entitled to receive it, or the non-receipt for any reason of any such notice, resolution or notification or form of proxy by that person, whether or not the Company is aware of such omission or non-receipt, shall not invalidate the proceedings at that meeting. A member present in person or by proxy at a meeting shall be deemed to have received proper notice of that meeting and, where applicable, of the purpose of that meeting.
Meeting at more than one place	78	<p>(A) A general meeting may be held at more than one place if:</p> <ul style="list-style-type: none"><li>(i) the notice convening the meeting specifies that it shall be held at more than one place; or</li><li>(ii) the board resolves, after the notice convening the meeting has been given, that the meeting shall be held at more than one place; or</li><li>(iii) it appears to the chairman of the meeting that the place of the meeting specified in the notice convening the meeting is inadequate to accommodate all persons entitled and wishing to attend.</li></ul> <p>(B) A general meeting held at more than one place is duly constituted and its proceedings are valid if (in addition to the other provisions of these Articles relating to general meetings being satisfied) the chairman of the meeting is satisfied that facilities (whether electronic or otherwise) are available to enable each person present at each place to participate in the business of the meeting.</p> <p>(C) Each person present at each place who would be entitled to count towards the quorum in accordance with the provisions of Article 81 shall be counted in the quorum for, and shall be entitled to vote at, the meeting. The meeting is deemed to take place at the place at which the chairman of the meeting is present (the <b>Principal Place</b>).</p>

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

Change in date/place and/or time of meeting

79 If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board decides that it is impractical or undesirable for any reason to hold the meeting at the specified place and/or time, it may change the place and/or postpone the time at which the meeting is to be held. If such a decision is made, the board may then change the place and/or postpone the time again if it decides that it is reasonable to do so. In either case:

- (A) no new notice of the meeting need be sent, but the board shall, if practicable, advertise the date, time and place of the meeting in at least two national newspapers in the United Kingdom and shall make arrangements for notices of the change of place and/or postponement to appear at the original place and/or at the original time; and
- (B) a proxy appointment in relation to the meeting may, if by means of a document in hard copy form, be delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 105(A)(i) or, if in electronic form, be received at the address (if any) specified by or on behalf of the Company in accordance with Article 105(A)(i), at any time not less than 48 hours (or such shorter time as the board may determine) before the postponed time appointed for holding the meeting provided that the board may specify, in any case, that, in calculating the period of 48 hours, no account shall be taken of any part of a day that is not a working day.

Security

80 The board and, at any general meeting, the chairman may make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the safety and security of those attending a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The board and, at any general meeting, the chairman are entitled to refuse entry to, or to eject from the meeting, a person who refuses to comply with these arrangements, requirements or restrictions.

### **Proceedings at General Meetings**

Quorum

81 No business shall be transacted at any general meeting unless a quorum is present, 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 present in person or by proxy and entitled to vote on the business to be transacted shall be a quorum, unless:

- (A) each is a qualifying person only because he is authorised under the Companies Acts to act as a representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or
- (B) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member; or
- (C) the Company is a sole member company, in which case the quorum shall be one person present in person or by proxy and entitled to vote on the business to be transacted.

For the purposes of this Article a **qualifying person** means (i) an individual who is a member of the Company, (ii) a person authorised under the Companies Acts to act as a representative of the corporation in relation to the meeting, or (iii) a person appointed as proxy of a member in relation to the meeting.

If quorum not present	82	If such a quorum is not present within five minutes (or such longer time not exceeding 30 minutes as the chairman of the meeting may decide to wait) after the time appointed for the commencement of the meeting, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved, and in any other case shall stand adjourned to such other day (being not less than 10 days later, excluding the day on which the meeting is adjourned and the day for which it is reconvened) and to such other time or place as the chairman of the meeting may determine. The adjourned meeting shall be dissolved if a quorum is not present within 15 minutes after the time appointed for the commencement of the meeting.
Chairman	83	The chairman (if any) of the board or, in his absence, any deputy chairman of the Company or, in his absence, some other director nominated by the board shall preside as chairman at every general meeting. If the chairman, deputy chairman or such other director (if any) is not present within five minutes after the time appointed for the commencement of the meeting, or if none 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 within five minutes after the time appointed for the commencement of the meeting, or if each of the directors present declines to act as chairman, the persons present and entitled to vote shall appoint one of their number to be chairman of the meeting. Nothing in these Articles shall restrict or exclude any of the powers or rights of a chairman of a meeting which are given by law.
Entitlement to attend and speak	84	Each director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares of the Company. The chairman of the meeting may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.
Orderly conduct of meeting	85	The chairman of the meeting shall take such action or give directions for such action to be taken as he thinks fit to promote the orderly conduct of the meeting. The decision of the chairman on points of order, matters of procedure or matters arising incidentally out of the business of the meeting shall be final, as shall be his determination as to whether any point or matter is of such a nature.
Adjournment: chairman's powers	86	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) to another time and place if it appears to him that:

- (A) the members entitled to vote and wishing to attend cannot conveniently be accommodated in the place or places appointed for the meeting;
- (B) the conduct of persons present prevents, or is likely to prevent, the orderly continuation of business; or
- (C) an adjournment is otherwise necessary so that the business of the meeting may properly be 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 to another time and place. Any such adjournment may, subject to the provisions of the Companies Acts, be for such time and to such other place as the chairman may, in his absolute discretion, determine. 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. Any meeting may be adjourned more than once.

Adjournment: 87  
notice

When a meeting is adjourned for more than three months or for an indefinite period, notice shall be sent at least seven clear days before the date of the adjourned meeting specifying the day, time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to send any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Amendments 88  
to resolutions

In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a clerical amendment or an amendment to correct a patent error) may be considered or voted upon. In the case of a resolution duly proposed as an ordinary resolution, no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either:

- (A) 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 (which, if the board so specifies, shall be calculated taking no account of any part of a day that is not a working day), notice in writing of the terms of the amendment and intention to move the same has been lodged at the office; or
- (B) the chairman of the meeting in his absolute discretion decides that it may be considered or voted upon.

With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is put to the vote.

Amendment 89  
ruled out of  
order

If an amendment is proposed to any resolution under consideration but is ruled out of order by the chairman, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. Any ruling by the chairman of the meeting in relation to a resolution or an amendment to a resolution shall be final and conclusive.

## Voting

Methods of 90  
voting

A resolution put to the vote of a general meeting shall be decided on a show of hands unless (before or on the declaration of the result of the vote on a show of hands or on the withdrawal of any other demand for a poll) a poll is demanded. Subject to the provisions of the Companies Acts, a poll may be demanded by:



- (A) the chairman of the meeting; or
- (B) at least five members present in person or by proxy and entitled to vote on the resolution; or
- (C) any member or members present in person or by proxy and representing in the aggregate not less than 10 per cent of the total voting rights of all members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or
- (D) any member or members present in person or by proxy and holding shares conferring a right to vote on the resolution on which there have been paid up sums in the aggregate equal to not less than 10 per cent of the total sum paid up on all shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares).

<b>Poll before show of hands</b>	91	The chairman of the meeting can also demand a poll before a resolution is put to the vote on a show of hands.
<b>Declaration of result</b>	92	Unless a poll is so demanded and the demand is not withdrawn before the poll is taken, a declaration by the chairman that a resolution, on a show of hands, has been carried, carried unanimously, carried by a particular majority, not carried, not carried by a particular majority, or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.
<b>Conduct of poll</b>	93	Subject to Article 95, a poll shall be taken in such manner (including the use of ballot or voting papers or tickets or electronic means, or any combination thereof) as the chairman directs. The chairman may, and shall if required by the meeting, 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.
<b>Withdrawal of demand for poll</b>	94	The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand so withdrawn 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 meeting shall continue as if the demand had not been made.
<b>When poll to be taken</b>	95	A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken either at the meeting or at such time (being not later than 30 days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.
<b>Meeting to continue after demand for poll</b>	96	The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
<b>Casting of votes on a poll</b>	97	On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Unless his appointment otherwise provides, the proxy may vote or abstain at his discretion on any matter coming before the meeting on which proxies are entitled to vote.
<b>Effectiveness of special resolutions</b>	98	Where for any purpose an ordinary resolution of the Company is required, a special resolution will also be effective.

Votes  
attaching to  
shares

99 Subject to the provisions of the Companies Acts and to any special rights or restrictions as to voting attached to any shares or class of shares or otherwise provided by these Articles:

(A) on a show of hands:

(i) every member who is present in person shall have one vote;

(ii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution shall have one vote, except that if the proxy has been duly appointed by more than one member entitled to vote on the resolution and is instructed by one or more of those members to vote for the resolution and by one or more others to vote against it, or is instructed by one or more of those members to vote in one way and is given discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way) he shall have one vote for and one vote against the resolution; and

(iii) every corporate representative present who has been duly authorised by a corporation shall have the same voting rights as the corporation would be entitled to; and

(B) on a poll every member who is present in person or by a duly appointed proxy or corporate representative shall have one vote for every share of which he is the holder or in respect of which his appointment of proxy or corporate representative has been made.

Votes of  
joint  
holders

100 In the case of joint holders of a share, 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. For this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

Member  
under  
incapacity

101 A member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company and may exercise any other right conferred by membership in relation to general meetings by or through any person authorised in such circumstances to do so on his behalf (and that person may vote in person or by proxy), provided that evidence to the satisfaction of the board of the authority of the person claiming to exercise the right to vote or such other right has been received at the office (or at such other place as may be specified in accordance with these Articles for the receipt of appointments of proxy) not later than the last time by which a proxy appointment must be received in order to be valid for use at the meeting or adjourned meeting or on the holding of the poll at or on which that person proposes to vote and, in default, the right to vote shall not be exercisable.

Calls in arrears

102 No member shall be entitled in respect of any share held by him to attend or vote (either personally or by proxy) at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company or upon a poll or to exercise any other right conferred by membership in relation to general meetings or polls unless all calls or other sums presently payable by him in respect of that share have been paid.

Objections  
and errors in  
voting

103 If:

- (A) any objection shall be raised to the qualification of any voter; or
- (B) any votes have been counted which ought not to have been counted or which might have been rejected; or
- (C) any votes are not counted that ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting or poll on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or poll 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 decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be conclusive.

### Proxies

Identity,  
number,  
form and  
signature of  
proxies

104 A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member. Subject to the Companies Acts, the appointment of a proxy shall be in any usual form or in such other form as the board may approve and shall be signed by the appointor or his duly authorised attorney or, if the appointor is a corporation, shall either be executed under its seal or signed by an officer, attorney or other person authorised to sign it.

General  
provisions  
concerning  
proxies

105 (A) The appointment of a proxy must:

- (i) in the case of an appointment made in hard copy form, be received at the office (or such other place as may be specified by the Company for the receipt of appointments of proxy in hard copy form) or, in the case of an appointment made in electronic form, be received at the address specified by the Company for the receipt of appointments of proxy in electronic form, not less than 48 hours (or such shorter time as the board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
- (ii) in the case of a poll taken more than 48 hours after it was demanded, be received as aforesaid not less than 24 hours (or such shorter time as the board may determine) before the time appointed for the taking of the poll;
- (iii) in the case of a poll taken following the conclusion of a meeting or adjourned meeting but not more than 48 hours after it was demanded, be received as aforesaid before the end of the meeting at which it was demanded (or at such later time as the board may determine),

and, in calculating the periods mentioned in this Article, the board may specify, in any case, that no account shall be taken of any part of a day that is not a working day.

(B) The board may, but shall not be bound to, require reasonable evidence of the identity of the member and of the proxy, the member's instructions (if any) as to how the proxy is to vote and, where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment.

- (C) The board may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required under paragraph (B) of this Article has not been received in accordance with the requirements of this Article.
- (D) Subject to paragraph (C) of this Article, if the proxy appointment and any of the information required under paragraph (B) of this Article is not received in a manner set out in paragraph (A) of this Article, the appointee shall not be entitled to vote in respect of the shares in question.
- (E) If two or more valid but differing proxy appointments are received in respect of the same share for use at the same meeting or on the same poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share, provided that if the Company determines that it has insufficient evidence to decide whether or not a proxy appointment is in respect of the same share, it shall be entitled to determine which proxy appointment (if any) is to be treated as valid. Subject to the Companies Acts, the Company may determine at its discretion when a proxy appointment shall be treated as delivered or received for the purposes of these Articles.
- (F) 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.

<b>Appointor may attend meeting</b>	106	The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.
<b>Duration of proxy appointment</b>	107	The appointment of a proxy shall, unless the contrary is stated in it, only be valid for the meeting mentioned in it and any adjournment of that meeting (including any poll demanded at the meeting or any adjourned meeting). No appointment of a proxy shall be valid after 12 months have elapsed from the date of its receipt save that, unless the contrary is stated in it, an appointment of a proxy shall be valid for use at an adjourned meeting or a poll after a meeting or an adjourned meeting even after 12 months, if it was valid for the original meeting.
<b>Authority of proxy</b>	108	The appointment of a proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to, or any other business which may properly come before, the meeting for which it is given as the proxy thinks fit. The appointment of a proxy shall, unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
<b>Proxy's authority and voting on instruction</b>	109	<p>(A) A vote given or poll demanded by a 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 in writing of the determination was received by the Company at the office (or such other place or address as was specified by the Company for the receipt of appointments of proxy) not later than the last time at which an appointment of proxy should have been 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 taken.</p> <p>(B) A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding that he has not acted in accordance with any instructions given by the member by whom he is appointed. The Company shall</p>

not be obliged to check whether the proxy or representative of a corporation has acted in accordance with any such member's instructions.

### Representation of Corporations at Meetings

- Corporate representatives 110 Any corporation which is a member of the Company (the **appointor**) may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or of any class of members of the Company. The board or any director or the secretary may, but shall not be bound to, require the appointor or any such representative to produce a certified copy of the resolution of the appointor authorising such representative or such other reasonable evidence of the authority of such representative. The person so authorised shall be entitled to exercise the same powers on behalf of the appointor as the appointor could exercise if it were an individual member of the Company. Where an appointor authorises more than one person:
- (A) on a vote on a resolution on a show of hands at a meeting of the Company, each authorised person has the same voting rights as the appointor would be entitled to; and
  - (B) where paragraph (A) of this Article does not apply and more than one authorised person purport to exercise a power in respect of the same shares:
    - (i) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and
    - (ii) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.

### Appointment and Retirement of Directors

- Number of directors 111 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be not less than four nor more than eight in number.
- Share 112 A director shall not be required to hold any shares of the Company by way of qualification.
- Power of Company to appoint directors 113 Subject to the provisions of these Articles, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a 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.
- Appointment by board 114 Subject to the provisions of these Articles, the board may appoint any person who is willing to act to be a director, either to fill a 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 retire at the next annual general meeting and shall then be eligible for re-appointment.
- Directors to retire at annual general meeting 115 At each annual general meeting any director:
  - (A) who has been appointed by the board since the last annual general meeting; or
  - (B) who held office at the time of the two preceding annual general meetings and who did not retire at either of them; or

- (C) who has held office with the Company, other than employment or executive office, for a continuous period of nine years or more at the date of the meeting,

shall retire from office.

Re-appointment  
of directors 116

- (A) A director who retires at an annual general meeting under any provision of these Articles may if willing to act, be re-appointed. If he is not re-appointed or deemed to have been re-appointed under paragraph (B) of this Article, 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:

(B) If:

- (i) at the annual general meeting in any year any resolution or resolutions for the appointment or re-appointment of the persons eligible for appointment or re-appointment as directors are put to the meeting and lost; and
- (ii) at the end of the meeting the number of directors is less than any minimum number of directors required under Article 111,

all retiring directors who stood for re-appointment at that meeting (**Retiring Directors**) shall be deemed to have been re-appointed as directors and shall remain in office but the Retiring Directors may only act for the purpose of convening general meetings of the Company and perform such duties as are essential to maintain the Company as a going concern, and not for any other purpose.

- (C) The Retiring Directors shall convene a general meeting as soon as reasonably practicable following the meeting referred to in paragraph (B) of this Article and they shall retire from office at that meeting. If at the end of any meeting convened under this Article the number of directors is less than any minimum number of directors required under Article 111, the provisions of this Article shall also apply to that meeting.

Separate  
resolutions on  
appointment 117

Except as otherwise authorised by the Companies Acts, a motion for the appointment of two or more persons as directors by a single resolution shall not be made at any general meeting unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

Eligibility for  
appointment 118

No person other than a director retiring at the meeting under these Articles shall be appointed or re-appointed a director at any general meeting unless:

- (A) he is recommended by the board; or
- (B) not less than seven nor more than 42 days before the day appointed for the meeting, notice in writing by a member qualified to vote at the meeting (not being the person to be proposed) has been received by the Company of the intention to propose that person for appointment or re-appointment together with confirmation in writing by that person of his willingness to be appointed or re-appointed; the notice shall give the particulars of that person which would (if he were appointed or re-appointed) be required to be included in the Company's register of directors.

Power of  
Company to  
remove  
directors 119

In addition to any power of removal conferred by the Companies Acts, the Company may by ordinary resolution remove any director before the expiration of his period of office (notwithstanding any provision of these Articles or of any agreement between the Company

and such director, but without prejudice to any claim he may have for damages for breach of any such agreement) and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a director in his place.

Termination of  
appointment 120

Without prejudice to the provisions of these Articles for retirement or removal, the office of a director shall be vacated if:

- (A) he ceases to be a director by virtue of any provisions of the Companies Acts or he becomes prohibited by law from being a director; or
- (B) he resigns his office by notice in writing sent to or received at the office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a meeting of the board; or
- (C) by notice in writing sent to or received at the office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a meeting of the board, he offers to resign and the board resolves to accept such offer; or
- (D) he becomes bankrupt or compounds with his creditors generally; or
- (E) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
- (F) he is absent without the permission of the board from meetings of the board (whether or not an alternate director appointed by him attends) for six consecutive months and the board resolves that his office is vacated; or
- (G) he is requested to resign from office by notice in writing served upon him signed by a majority of the other directors (and, in calculating the number of directors who are required to make such a request to the director, (i) an alternate director appointed by him acting in his capacity as such shall be excluded; and (ii) a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that the request of either shall be sufficient).

If the office of a director is vacated for any reason, he shall cease to be a member of any committee or sub-committee of the board.

### **Alternate Directors**

Power to  
appoint  
alternates 121

Each director may appoint any person to be his alternate and may at his discretion remove an alternate director so appointed. 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 it being so approved. Any appointment or removal of an alternate director shall be effected by notice in writing signed by the appointor and sent to or received at the office or at an address specified by the Company for the purpose of communication by electronic means or tendered at a meeting of the board, or in any other manner approved by the board. An alternate director shall be entitled to receive notice of all meetings of the board or of committees of the board of which his appointor is a member. He shall also be entitled to attend and vote as a director at any such meeting at which the director appointing him is not personally present and at such meeting to exercise and discharge all the functions, powers,

rights and duties of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director.

Alternates to be subject to these Articles

122 Every person acting as an alternate director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these Articles relating to directors and shall during his appointment be an officer of the Company. An alternate director shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the director appointing him. An alternate director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent as if he were a director. An alternate director shall not be entitled to receive from the Company any fee in his capacity as an alternate director but the Company shall, if so requested in writing by the appointor, pay to the alternate director any part of the fees or remuneration otherwise due to the appointor.

Alternates representing more than one director

123 A director or any other person may act as an alternate director to represent more than one director. Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director but he shall count as only one for the purposes of determining whether a quorum is present. Signature by an alternate director of 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 signature by his appointor.

Termination of appointment

124 An alternate director shall cease to be an alternate director:

- (A) if his appointor ceases for any reason to be a director except that, if at any meeting any director retires under these Articles but is re-appointed at the same meeting, any appointment made by him pursuant to Article 121 which was in force immediately before his retirement shall remain in force as though he had not retired; or
- (B) on the happening of any event which if he were a director would cause him to vacate his office as director; or
- (C) if he resigns his office by notice in writing to the Company.

### **Non-Executive Directors**

Arrangements with non-executive directors

125 Subject to the provisions of the Companies Acts, the board may enter into, vary and terminate an agreement or arrangement with any director who does not hold executive office for the provision of his services to the Company. Subject to Articles 126 and 127, any such agreement or arrangement may be made on such terms as the board determines.

Ordinary remuneration

126 The ordinary remuneration of the directors who do not hold executive office shall be paid a fee for their services (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the board.

Additional remuneration for special services

127 Any director who does not hold executive office and who performs special services which in the opinion of the board are outside the scope of the ordinary duties of a director may (without prejudice to the provisions of Article 126) be paid such extra remuneration by way of additional fee, salary, commission or otherwise as the board may determine.



## Executive Directors

- Appointment to executive office** 128 Subject to the provisions of the Companies Acts, the board may appoint one or more of its body to be the holder of any executive office (except that of auditor) in the Company and may enter into an agreement or arrangement with any such director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms, including without limitation terms as to remuneration, as the board determines. The board may revoke or vary any such appointment but without prejudice to any rights or claims which the person whose appointment is revoked or varied may have against the Company because of the revocation or variation.
- Termination of appointment to executive office** 129 Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any rights or claims which he may have against the Company by reason of such cessation. A director appointed to an executive office shall not cease to be a director merely because his appointment to such executive office terminates.
- Emoluments to be determined by board** 130 The emoluments of any director holding executive office for his services as such shall be determined by the board, and may be of any description, including without limitation admission to, or continuance of, membership of any scheme (including any share acquisition scheme) or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

## Directors' Expenses

- Directors may be paid expenses** 131 The directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the board or committees of the board, general meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties. The Company may also fund a director's or former director's expenditure and that of a director or former director of any holding company of the Company for the purposes permitted under the Companies Acts and may do anything to enable a director or former director or a director or a former director of any holding company of the Company to avoid incurring such expenditure, in each case as provided in the Companies Acts.

## Pensions and Other Benefits

- Gratuities and pensions** 132 The board or any committee authorised by the board may (by establishment of, or maintenance of, schemes or otherwise) exercise all the powers of the board to provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any past or present director or employee of the Company or any of its subsidiary undertakings or any body corporate associated with, or any business acquired by, any of them, and for any member of his family (including a spouse, civil partner, a former spouse or a former civil partner) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.
- Directors not liable to account** 133 No director or former director shall be accountable to the Company or the members for any benefit provided pursuant to these Articles. The receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

## **Powers of the Board**

**Business to be managed by board** 134 Subject to the provisions of the Companies Acts 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, whether relating to the management of the business of the Company or not and including without limitation the power to dispose of all or any part of the undertaking of the Company. No alteration of 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 these Articles.

**Exercise by Company of voting rights** 135 The board may exercise the voting power conferred by the shares in any body corporate held or owned by the Company in such manner in all respects as it thinks fit (including without limitation the exercise of that power in favour of any resolution appointing its members or any of them directors of such body corporate, or voting or providing for the payment of remuneration to the directors of such body corporate).

## **Delegation of Powers of the Board**

**Delegation to individual directors** 136 The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any director on such terms and conditions as it thinks fit and either collaterally with or to the exclusion of their own powers and discretions and may 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.

**Delegation to committees of the board** 137 (A) The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve any payment to or the conferring of any other benefit on all or any of the directors) to any committee consisting of such person or persons (whether directors or not) as it thinks fit, provided that the majority of the members of the committee are directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are directors. The board may make any such delegation on such terms and conditions as it thinks fit and may revoke or vary any such delegation and discharge any committee wholly or in part, but no person dealing in good faith shall be affected by any revocation or variation. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may be imposed on it by the board.

(B) The proceedings of a committee with two or more members shall be governed by any regulations imposed on it by the board and (subject to such regulations) by these Articles regulating the proceedings of the board so far as they are capable of applying. Any such regulations may provide for or authorise the co-opting to the committee of persons other than directors and for such co-opted members to have voting rights as members of the committee.

**Local boards etc.** 138 The board may establish local or divisional boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local or divisional boards, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the board, with

power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any appointment or delegation made pursuant to this Article may be made on such terms and subject to such conditions as the board may decide. 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.

**Agents** 139 The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company on such terms (including terms as to remuneration) 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 appointed under this Article and may revoke or vary the delegation, but no person dealing in good faith shall be affected by the revocation or variation.

**Offices including title "director"** 140 The board may appoint any person to any office or employment having a designation or title including the word "director" or attach to any existing office or employment with the Company such designation or title and may terminate 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 shall not imply that the holder is a director of the Company, and the holder shall not thereby be empowered in any respect to act as, or be deemed to be, a director of the Company for any of the purposes of these Articles.

### **Borrowing Powers**

141 The board may exercise all the powers of the Company to borrow money, to guarantee, to indemnify, to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company, to issue debentures, debenture stock and other securities and to give security, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

### **Provision for Employees**

**Power to borrow** 142 The board may exercise any power under the Companies Acts 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 transfer to any person of the whole or part of the business of the Company or that subsidiary.

### **Proceedings of the Board**

**Convening meetings** 143 Subject to the provisions of these Articles, the board may regulate its proceedings as it thinks fit. A director may, and the secretary at the request of a director shall, call a meeting of the board by giving notice of the meeting to each director. Notice of a board meeting may be given to a director personally or by word of mouth or given in hard copy form or in electronic form to him at such address as he may from time to time specify for this purpose (or, if he does not specify an address, at his last known address). A director absent or intending to be absent from the United Kingdom may request the board that notices of meetings of the directors shall during his absence be sent to him in hard copy form or in electronic form at his last known address or any other address given by him to the Company for this purpose. A director may waive notice of any meeting either prospectively or retrospectively. A director will be treated as having waived his entitlement to notice unless he has supplied the Company with the information necessary to ensure that he receives notices of a meeting before it takes place.

<b>Quorum</b>	144	The quorum 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. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. 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.
<b>Power of directors if number falls below minimum</b>	145	The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting. If there are no directors or director able or willing to act, then any two members (excluding any member holding shares as treasury shares) may summon a general meeting for the purpose of appointing directors.
<b>Chairman and deputy chairman</b>	146	The board may appoint one of their number to be the chairman, and one of their number to be the deputy chairman, of the board and may at any time remove either of them from such office. Unless he is unwilling to do so, the director appointed as chairman, or in his stead the director appointed as deputy chairman, shall preside at every meeting of the board at which he is present. If there is no director holding either of those offices, or if neither the chairman nor the deputy chairman is willing to preside or neither of them is 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.
<b>Voting</b>	147	Questions arising at any board meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote.
<b>Validity of acts of the board</b>	148	All acts done by a meeting of the board, or of a committee of the board, or by a person acting as a director or alternate director, shall, notwithstanding that it may be discovered afterwards that there was a defect in the appointment of any director or any member of the committee or alternate director or that any of them was disqualified from holding office, or had vacated office, or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or, as the case may be, an alternate director and had been entitled to vote.
<b>Resolutions in writing</b>	149	<p>A resolution in writing signed or agreed to in electronic form by all the directors entitled to vote on that resolution at a meeting of the board (not being less than the number of directors required to form a quorum of the board) shall be as valid and effective as if it had been passed at a meeting of the board duly convened and held. For this purpose:</p> <ul style="list-style-type: none"> <li>(A) a director signifies his agreement to a proposed written resolution when the Company receives from him a document indicating his agreement to the resolution authenticated in the manner permitted by the Companies Acts for a document in the relevant form;</li> <li>(B) the director may send the document in hard copy form or in electronic form to such address (if any) for the time being specified by the Company for that purpose;</li> <li>(C) if an alternate director signifies his agreement to the proposed written resolution, his appointor need not also signify his agreement; and</li> <li>(D) if a director signifies his agreement to the proposed written resolution, an alternate director appointed by him need not also signify his agreement in that capacity.</li> </ul>

- 150 (A) Any director or his alternative may validly participate in a meeting of the board or a committee of the board through the medium of conference telephone or any other form of communication equipment (whether in use when these Articles are adopted or developed subsequently), provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting.
- (B) A person so participating by telephone or other communication shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting then is.
- (C) A resolution passed at any meeting held in the above manner, and signed by the chairman of the meeting, shall be as valid and effectual as if it had been passed at a meeting of the board (or committee, as the case may be) duly convened and held.

### **Directors' Interests**

Conflicts of  
interest  
requiring  
board  
authorisation

- 151 (A) The board may, subject to the quorum and voting requirements set out in this Article, authorise any matter which would otherwise involve a director breaching his duty under the Companies Acts to avoid conflicts of interest (**Conflict**). For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- (B) A director seeking authorisation in respect of a Conflict shall declare to the board the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the board with such details of the relevant matter as are necessary for the board to decide how to address the Conflict together with such additional information as may be requested by the board.
- (C) Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the board shall be effected in the same way that any other matter may be proposed to and resolved upon by the board under the provisions of these Articles save that:
- (i) the relevant director and any other director with a similar interest shall not count towards the quorum nor vote on any resolution giving such authority; and
  - (ii) the relevant director and any other director with a similar interest may, if the other members of the board so decide, be excluded from any board meeting while the Conflict is under consideration.
- (D) Where the board gives authority in relation to a Conflict or where any of the situations described in Article 152 applies in relation to a director (**Relevant Situation**):
- (i) the board may (whether at the relevant time or subsequently) (a) require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the board or otherwise) related to the Conflict or Relevant Situation; and (b) impose upon the relevant director such other terms for the

purpose of dealing with the Conflict or Relevant Situation as it may determine;

- (ii) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the board in relation to the Conflict or Relevant Situation;
- (iii) the board may provide that where the relevant director obtains (otherwise than through his position as a director of the Company) information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;
- (iv) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- (v) the board may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

152 Provided that he has disclosed to the board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the Act apply, in which case no such disclosure is required), a director notwithstanding his office:

Director may contract with the Company and hold other offices, etc

- (A) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (B) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director; and
- (C) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate:
  - (i) in which the Company is (directly or indirectly) interested as shareholder or otherwise; or
  - (ii) with which he has such a relationship at the request or direction of the Company.

Remuneration, benefits, etc 153

A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:

- (A) the acceptance, entry into or existence of which has been approved by the board pursuant to Article 151 (subject, in any such case, to any limits or conditions to which such approval was subject); or
- (B) which he is permitted to hold or enter into by virtue of Article 152,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

Notification of interests

154 Any disclosure required by Article 152 may be made at a meeting of the board, by notice in writing or by general notice or otherwise in accordance with section 177 of the Act.

Duty of confidentiality to another person

155 A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article applies only if the existence of that relationship has been approved by the board pursuant to Article 151. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he fails:

- (A) to disclose any such information to the board or to any director or other officer or employee of the Company; and/or
- (B) to use or apply any such information in performing his duties as a director of the Company.

The provisions of this Article are without prejudice to any equitable principle or rule of law which may excuse the director from disclosing information, in circumstances where disclosure would otherwise be required under these Articles.

Directors' power to vote on contracts in which they are interested

156 Save as otherwise provided in these Articles, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board concerning any contract or other matter in which he has an interest and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that interest cannot reasonably be regarded as likely to give rise to a conflict of interest or where that interest arises only from one or more of the following matters:

- (A) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (B) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (C) the giving to him of any other indemnity where all other directors are being offered indemnities on substantially the same terms;
- (D) the funding by the Company of his expenditure on defending proceedings or the doing by the Company of anything to enable him to avoid incurring such expenditure where all other directors are being offered substantially the same arrangements;
- (E) any contract, arrangement, transaction or proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- (F) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;

- (G) any contract concerning any other company (not being a company in which the director owns one per cent or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
- (H) any contract concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates to both directors and employees of the Company or of any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
- (I) any contract for the benefit of employees of the Company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not provide to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (J) any contract, arrangement, transaction or proposal concerning any insurance which the Company is empowered to purchase or maintain for, or for the benefit of, any directors of the Company or for persons who include directors of the Company.

- 157 (A) For the purposes of Article 156(G), a company shall be deemed to be one in which a director owns one per cent or more if and so long as (but only if and so long as) he, taken together with any person connected with him, is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent or more of any class of the equity share capital of that company (excluding any shares of that class in that company held as treasury shares) or of the voting rights available to members of that company. 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.
- (B) Where a company in which a director owns one per cent or more is interested in a contract, he also shall be deemed interested in that contract.
- (C) If any question shall arise at any meeting of the board as to the interest of a director (other than the chairman of the meeting) in a contract and whether it is likely to give rise to a conflict of interest 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 the director's interest (so far as it is known to him) 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 a resolution of the board (for which purpose the chairman of the meeting 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.

Interests of one per cent or more and determination of interests

Voting on matters pertaining to directors

- 158 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 other 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 other 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 and counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment.

- 159 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles prohibiting a director from voting at a meeting of the board or of a committee of the board.

### Secretary

- Appointment and removal of secretary 160 Subject to the provisions of the Companies Acts, the secretary shall be appointed by the board for such term, at such remuneration and on such conditions as it may think fit. The board may, in addition, and at any time from time to time appoint any person to be assistant or deputy secretary and anything required or authorised to be done by or to the secretary may be done by or to any assistant or deputy secretary so appointed. Any secretary or assistant or deputy secretary so appointed may be removed by the board, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

### Minutes

- Minutes required to be kept 161 The board shall cause minutes to be made in books kept for the purpose of:
- (A) all appointments of officers made by the board; and
  - (B) all proceedings at meetings of the Company, the holders of any class of shares in the capital of the Company, the board and committees of the board, including the names of the directors present at each such meeting.

- Conclusiveness of minutes 162 Any such minutes, if purporting to be authenticated by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence of the proceedings at the meeting without any further proof of the facts stated in them.

### Use of Seals

- Custody and use of seal 163 The board shall provide for the custody of every seal of the Company. A seal shall only be used by the authority of the board or of a duly authorised committee of the board. Subject as otherwise provided in these Articles, and to any resolution of the board or committee of the board dispensing with the requirement for any counter-signature on any occasion, any document to which the common seal is applied shall be signed by at least one director and the secretary, or by at least two directors, or by one director in the presence of a witness who attests the signature, or by such other person or persons as the board may approve. Any document to which an official seal is applied need not, unless the board otherwise decides or the law otherwise requires, be signed by any person.

### Registers

- Overseas and local registers 164 Subject to the provisions of the Companies Acts and the Regulations, the Company may keep an overseas or local or other register in any place, and the board may make, amend and revoke any regulations it thinks fit about the keeping of that register.

**Power to authenticate documents** 165 Any director, the secretary or any person appointed by the board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts. Where any books, records, documents or accounts are not at the office, the local manager or other officer of the Company who has their custody shall be deemed to be a person appointed by the board for this purpose. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or the board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

### **Dividends**

**Declaration of dividends** 166 The Company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the board.

**Interim dividends** 167 The board may pay such interim dividends as appear to the board to be justified by the financial position of the Company and may also pay any dividend payable at a fixed rate at intervals settled by the board whenever the financial position of the Company, in the opinion of the board, justifies its payment. If the board acts in good faith, it shall not incur any liability to the holders of any shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

168 Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

**Apportionment of dividends and payment in different currencies**

- (A) all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share;
- (B) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the share during any portion or portions of the period in respect of which the dividend is paid but if any share is allotted or issued on terms providing that it shall rank for dividends as from a particular date, that share shall rank for dividends accordingly; and
- (C) dividends may be declared or paid in any currency.

The board may decide the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.

**Board may deduct amounts due to Company** 169 The board may deduct from any dividend or other moneys payable to a member by the Company on or in respect of any shares 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. Sums so deducted can be used to pay amounts owing to the Company in respect of the shares.

**Dividends do not bear interest** 170 Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

- Procedure for payment to holders and others entitled** 171 Any dividend or other moneys payable in respect of a share may be paid:
- (A) in cash; or
  - (B) by cheque or warrant made payable to or to the order of the holder or person entitled to payment; or
  - (C) by any direct debit, bank or other funds transfer system to the holder or person entitled to payment or, if practicable, to a person designated by notice to the Company by the holder or person entitled to payment; or
  - (D) by any other method approved by the board and agreed by the holder or person entitled to payment including without limitation in respect of an uncertificated share by means of the relevant system (subject to the facilities and requirements of the relevant system).
- Joint holders** 172 If two or more persons are registered as joint holders of any share, or are entitled by transmission jointly to a share, the Company may:
- (A) pay any dividend or other moneys payable in respect of the share to the shareholder who is first named in the register, and any one of them may give effectual receipt for that payment on behalf of all of them; and
  - (B) for the purposes of Article 171, rely in relation to the share on the written direction, designation or agreement of, or notice to the Company by, any one of them.
- Payment by post** 173 A cheque or warrant may be sent by post:
- (A) where a share is held by a sole holder, to the registered address of the holder of the share; or
  - (B) if two or more persons are the holders, to the registered address of the person who is first named in the register; or
  - (C) if a person is entitled by transmission to the share, as if it were a notice to be sent under Article 183(F); or
  - (D) in any case, to such person and to such address as the person entitled to payment may direct by notice in writing to the Company.
- Discharge to the Company and risk** 174 Payment of a cheque or warrant by the bank on which it was drawn or the transfer of funds by the bank instructed to make the transfer or, in respect of an uncertificated share, the making of payment in accordance with the facilities and requirements of the relevant system (which, if the relevant system is CREST, may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system 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 direct in writing) shall be a good discharge to the Company. Every cheque or warrant sent or transfer of funds made by the relevant bank or system in accordance with these Articles shall be at the risk of the holder or person entitled. The Company shall have no responsibility for any sums lost or delayed in the course of payment by any method used by the Company in accordance with Article 171.
- Forfeiture of unclaimed dividends** 175 Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the board so resolves, be forfeited and cease to remain owing by the

Company. The payment of any unclaimed dividend or other moneys payable in respect of a share may (but need not) be paid by the Company into an account separate from the Company's own account. Such payment shall not constitute the Company a trustee in respect of it. The Company shall be entitled to cease sending dividend warrants and cheques by post or otherwise, or to employ any other means of payment, to a member if those instruments have been returned undelivered, or left uncashed by that member, or that means of payment has failed, on at least two consecutive occasions, or, following one such occasion, reasonable enquires have failed to establish the member's new address. The entitlement conferred on the Company by this Article in respect of any member shall cease if the member claims a dividend or cashes a dividend warrant or cheque.

Dividends in specie 176

A general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution direct, and the board may in relation to any interim dividend without the authority of an ordinary resolution direct, that payment of the dividend shall be satisfied wholly or partly by the distribution of assets, including without limitation paid up shares, debentures or other securities or rights of any other body corporate. The board may make any arrangements it thinks fit to settle any difficulty arising in connection with the distribution, including without limitation (A) the issue of fractional certificates, (B) the fixing of the value for distribution of any assets or any part thereof, (C) the payment of cash to any member on the basis of that value in order to adjust the rights of members; and (D) the vesting of any asset in a trustee.

#### Capitalisation of Reserves

Power to capitalise 177

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

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

- (C) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- (D) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit of it to the Company rather than to the members concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- (E) authorise any person to enter on behalf of such members concerned into an agreement with the Company providing for either:
  - (i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or
  - (ii) the payment up by the Company on behalf of such members by the application of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares,

(any agreement made under such authority being effective and binding on all such members); and
- (F) generally do all acts and things required to give effect to such resolution.

Scrip dividends: 178  
 authorising  
 resolution and  
 procedures for  
 issue of new  
 shares

The board may, if authorised by an ordinary resolution of the Company, offer any holders of ordinary shares (excluding any member holding shares as treasury shares) the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the board) of all or any dividend specified by the ordinary resolution and any such offer may be made subject to the condition that any required authorisation by an ordinary resolution of the Company is passed before the relevant ordinary shares are allotted if such authorisation has not been obtained by the date of such offer. The following provisions shall apply:

- (A) an ordinary resolution may specify a particular dividend, 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;
- (B) each holder of ordinary shares shall be entitled to that number of new ordinary shares as are together as nearly as possible equal in value to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forgo (each a **new share**). For this purpose, the value of each new share shall be:
  - (i) equal to the average middle-market quotation for a fully paid share of the relevant class, as shown in the AIM Appendix to the London Stock Exchange Daily Official List (or any other publication of a recognised investment exchange showing quotations for the Company's ordinary shares), on the day on which such shares are first quoted "ex" the relevant dividend and the four subsequent dealing days; or
  - (ii) calculated in any other manner specified by or in accordance with the ordinary resolution,

but shall never be less than the par value of the new share. A certificate or report by the auditors as to the value of a new share in respect of any dividend shall be conclusive evidence to that value;

- (C) on or as soon as practicable after announcing that any dividend is to be declared or recommended, the board, if it intends to offer an election in respect of that dividend, shall also announce that intention. If, after determining the basis of allotment, the board decides to proceed with the offer, it shall notify the holders of shares of the terms and conditions of the right of election offered to them, specifying the procedure to be followed (which, for the avoidance of doubt, may include an election by means of a relevant system) and the place at which, and the latest time by which, elections or notices amending or terminating existing elections must be delivered in order to be effective;
- (D) the board shall not proceed with any election unless the board has sufficient authority to allot ordinary shares and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;
- (E) the board may exclude from any offer any holders of shares where the board believes the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not have been made to them;
- (F) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable in cash on ordinary shares in respect of which an election has been made (the **elected shares**) and instead such number of new shares shall be allotted to each holder of elected shares as is arrived at on the basis stated in paragraph (B) of this Article. For that purpose the board shall capitalise out of any amount for the time being standing to the credit of any reserve or fund (including without limitation retained earnings), whether or not it is available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to each holder of elected shares as is arrived at on the basis stated in paragraph (B) of this Article;
- (G) the new shares when allotted shall rank equally in all respects with the fully paid ordinary shares then in issue except that they shall not be entitled to participate in the relevant dividend;
- (H) the board may do all acts and things it considers necessary or expedient to give effect to the allotment and issue of any share pursuant to this Article or otherwise in connection with any offer made pursuant to this Article, and may make such provisions as it thinks fit for the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to members concerned). To the extent that the entitlement of any holder of ordinary shares in respect of any dividend is less than the value of one new share (as determined on the basis stated in paragraph (B) of this Article), the board may also from time to time establish or vary a procedure for such entitlement to be accrued and aggregated with any similar entitlement for the purposes of any subsequent scrip dividend;

- (I) the board may from time to time establish or vary a procedure for election mandates, under which a holder of ordinary shares may, in respect of any future dividends for which a right of election pursuant to this Article is offered, elect to receive shares in lieu of such dividend on the terms of such mandate; and
- (J) the board may decide at any time before the new shares are allotted that such new shares shall not be allotted and pay the relevant dividend in cash instead. Such decision may be made before or after any election has been made by holders of ordinary shares in respect of the relevant dividend.

### **Record Dates**

Record dates for dividends etc.

- 179 Notwithstanding any other provision of these Articles, the Company or the board may:
- (A) fix any date as the record date for any dividend, distribution, allotment or issue, which 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 (and the power to fix any such record date shall include the power to fix a time on the chosen date);
  - (B) for the purpose of determining which persons are entitled to attend and vote at a general meeting of the Company, or a separate general meeting of the holders of any class of shares in the capital of the Company, and how many votes such persons may cast, specify in the notice of meeting a time, not more than 48 hours before the time fixed for the meeting (which shall, if the board so specifies, be calculated taking no account for any part of a day that is not a working day), by which a person must be entered on the register in order to have the right to attend or vote at the meeting; changes to the register after the time specified by virtue of this paragraph (B) shall be disregarded in determining the rights of any person to attend or vote at the meeting; and
  - (C) for the purpose of sending notices of meetings, or of sending or supplying other documents or other information, whether under section 310(1) of the Act, any other Companies Act, a provision in these Articles or any other instrument, determine that persons entitled to receive such notices, documents or other information are those persons entered on the register at the close of business on a day determined by the Company or the board, which day may not be more than 15 days before the day that notice of the meeting, document or other information is given.

### **Accounts**

- Rights to inspect records 180 No member shall have any right to inspect any accounting records or other book or document of the Company except as conferred by statute or authorised by the board or by ordinary resolution of the Company or order of a court of competent jurisdiction.
- Sending of annual accounts 181 Subject to the Companies Acts, a copy of the Company's annual accounts and reports for that financial year shall, at least 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the provisions of the Companies Acts, be sent to every member and to every holder of the Company's debentures of whose address the Company is aware, and to every other person who is entitled to receive notice of meetings from the Company under the provisions of the Companies Acts or of these Articles or, in the case of joint holders of any share or debenture, to one of the joint holders.

Summary financial statements 182 Subject to the Companies Acts, the requirements of Article 181 shall be deemed satisfied in relation to any person by sending to the person, instead of such copies, a summary financial statement derived from the Company's annual accounts and the directors' report, which shall be in the form and containing the information prescribed by the Companies Acts and any regulations made under the Companies Acts.

### Service of Notices

- Notices by the Company 183 (A) The Company can send, deliver or serve any notice or other document, including a share certificate, to or on a member:
- (i) personally;
  - (ii) by sending it through the postal system addressed to the member at his registered address or by leaving it at that address addressed to the member;
  - (iii) through a relevant system, where the notice or document relates to uncertificated shares;
  - (iv) where appropriate, by sending or supplying it in electronic form to an address notified by the member to the Company for that purpose;
  - (v) where appropriate, by making it available on a website and notifying the member of its availability in accordance with this Article; or
  - (vi) by any other means authorised in writing by the member.
- Joint holders (B) In the case of joint holders of a share:
- (i) service, sending or supply of any notice, document or other information on or to one of the joint holders shall for all purposes be deemed a sufficient service on, sending or supply to all the joint holders; and
  - (ii) anything to be agreed or specified in relation to any notice, document or other information to be served on, sent or supplied to them may be agreed or specified by any one of the joint holders and the agreement or specification of the first named in the register shall be accepted to the exclusion of that of the other joint holders.
- Address outside United Kingdom (C) Where a member (or, in the case of joint holders, the person first named in the register) has a registered address outside the United Kingdom but has notified the Company of an address within the United Kingdom at which notices, documents or other information may be given to him or has given to the Company an address for the purposes of communications by electronic means at which notices, documents or other information may be served, sent or supplied to him, he shall be entitled to have notices served, sent or supplied to him at such address or, where applicable, the Company may make them available on a website and notify the holder of that address. Otherwise no such member shall be entitled to receive any notice, document or other information from the Company.
- Cessation of entitlement to receive notices (D) If on three consecutive occasions any notice, document or other information has been sent to any member at his registered address or his address for the service of notices (by electronic means or otherwise) but has been returned undelivered, such member



shall not be entitled to receive notices, documents or other information from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices or has informed the Company of an address for the service of notices and the sending or supply of documents and other information in electronic form. For these purposes, any notice, document or other information served, sent or supplied by post shall be treated as returned undelivered if the notice, document or other information is served, sent or supplied back to the Company (or its agents) and a notice, document or other information served, sent or supplied in electronic form shall be treated as returned undelivered if the Company (or its agents) receives notification that the notice, document or other information was not delivered to the address to which it was served, sent or supplied.

Company  
may elect for  
hard copy  
form

(E) The Company may at any time and in its sole discretion elect to serve, send or supply notices, documents or other information in hard copy form alone to some or all of the members.

Notice on  
person  
entitled by  
transmission

(F) The Company may give notice to the person entitled to a share because of the death or bankruptcy of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claimed to be so entitled or to which notices may be sent in electronic form. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

Evidence of  
service

(G) Any notice, document or other information addressed to a member at his registered address or address for service in the United Kingdom shall, if served, sent or supplied by first class post, be deemed to have been served or delivered on the day after the day when it was put in the post (or, where second class post is employed, on the second day after the day when it was put in the post). Proof that an envelope containing the notice, document or other information was properly addressed and put into the post as a prepaid letter shall be conclusive evidence that the notice was given.

(H) Any notice, document or other information not served, sent or supplied by post but delivered or left at a registered address or address for service in the United Kingdom (other than an address for the purposes of communications by electronic means) shall be deemed to have been served or delivered on the day on which it was so delivered or left.

(I) Any notice, document or other information, if served, sent or supplied by electronic means shall be deemed to have been received on the day on which the electronic communication was sent by or on behalf of the Company notwithstanding that the Company subsequently sends a hard copy of such notice, document or other information by post. Any notice, document or other information made available on a website shall be deemed to have been received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to this Article. Proof that the notice, document or other information was properly

addressed shall be conclusive evidence that the notice by electronic means was given.

- (J) Any notice, document or other information served, sent or supplied by the Company by means of a relevant system shall be deemed to have been received when the Company or any sponsoring system-participant acting on its behalf sends the issuer-instruction relating to the notice, document or other information.
- (K) Any notice, document or other information served, sent or supplied by the Company by any other means authorised in writing by the member concerned shall be deemed to have been received when the Company has carried out the action it has been authorised to take for that purpose.
- (L) If at any time by reason of the suspension, interruption or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, the Company need only give notice of a general meeting to those members with whom the Company can communicate by electronic means and who have provided the Company with an address for this purpose. The Company shall also advertise the notice in at least one national newspaper published in the United Kingdom and make it available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment of it. In any such case the Company shall send confirmatory copies of the notice by post to those members to whom notice cannot be given by electronic means if, at least seven days prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

Notice when  
post not  
available

### **Destruction of Documents**

Power to  
destroy  
documents

- 184 The Company shall be entitled to destroy:
- (A) all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entry is made in the register, at any time after the expiration of six years from the date of registration;
  - (B) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, at any time after the expiration of two years from the date of recording;
  - (C) all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation;
  - (D) all paid dividend warrants and cheques at any time after the expiration of one year from the date of actual payment;
  - (E) all proxy appointments which have been used for the purpose of a poll at any time after the expiration of one year from the date of use; and
  - (F) all proxy appointments which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the proxy appointment relates and at which no poll was demanded.

Presumption in  
relation to  
destroyed  
documents

- 185 It shall conclusively be presumed in favour of the Company that:

- (A) every entry in the register purporting to have been made on the basis of an instrument of transfer or other document destroyed in accordance with Article 184 was duly and properly made;
- (B) every instrument of transfer destroyed in accordance with Article 184 was a valid and effective instrument duly and properly registered;
- (C) every share certificate destroyed in accordance with Article 184 was a valid and effective certificate duly and properly cancelled; and
- (D) every other document destroyed in accordance with Article 184 was a valid and effective document in accordance with its recorded particulars in the books or records of the Company,

but:

- (E) the provisions of this Article and Article 184 apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant;
- (F) nothing in this Article or Article 184 shall be construed as imposing on the Company any liability in respect of the destruction of any document earlier than the time specified in Article 184 or in any other circumstances which would not attach to the Company in the absence of this Article or Article 184; and
- (G) any reference in this Article or Article 184 to the destruction of any document includes a reference to its disposal in any manner.

### Indemnity and Insurance

Indemnity to directors and officers

186 Subject to the provisions of the Companies Acts, but without prejudice to any indemnity to which the person concerned may otherwise be entitled:

- (A) every director, the secretary or other officer (excluding an auditor) of the Company or of an associated company shall be indemnified by the Company against any liability incurred by him in the actual or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office; and
- (B) any director of a company that is a trustee of an occupational pension scheme for employees of the Company or of an associated company may be indemnified by the Company against liability incurred in connection with the Company's activities as trustee of the scheme,

provided that this Article 186 shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article 186, or any element of it, to be treated as void under the Act or otherwise under the Companies Acts.

Purchase of insurance for directors and officers

187 Except to the extent prohibited or restricted by the Companies Acts, the board may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office insurance against any liability incurred by him in respect of any act or omission in the actual or purported discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his holding of a relevant office; and for this purpose **relevant office** means that of director, secretary or other officer (excluding an auditor) or

employee in relation to the Company or any company which is or was a subsidiary undertaking of or associated with the Company or any predecessor in business of the Company or any such subsidiary undertaking or associated company, or that of trustee of any pension fund or retirement, death or disability scheme for the benefit of any employee of the Company or such subsidiary undertaking or associated company.