

Company Number: 3407323

**OLSWANG**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**TOUCH GROUP PLC**

A COMPANY INCORPORATED IN ENGLAND AND WALES  
UNDER THE COMPANIES ACT 1985

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(Adopted under the Companies Act 2006

by special resolution passed on 29<sup>th</sup> September 2010)

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Ref: SDM\SDA\6743.1\4514694-3

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## PRELIMINARY

### 1. Exclusion of default or model articles

No default or model articles or regulations which may apply to companies under the Statutes (including, without limitation, the regulations in The Companies (Tables A to F) Regulations 1985 (as amended) and the model articles in the Companies (Model Articles) Regulations 2008) shall apply to the Company unless expressly included in these articles.

### 2. Definitions and interpretation

2.1 In these articles (if not inconsistent with the subject or context) the words in the first column of the table below have the meanings set out opposite to them:

<b>Act</b>	the Companies Act 2006;
<b>address</b>	includes any number or address used for the purpose of sending or receiving notices, documents or information by electronic means and (for the avoidance of doubt) includes in the case of any Uncertificated Proxy Instruction permitted by article 54.3, an identification number of a participant in the relevant system concerned).
<b>AIM</b>	AIM, a market of the London Stock Exchange;
<b>these articles</b>	these articles of association, including any changes made to them;
<b>auditors</b>	the auditors of the Company;
<b>board</b>	the board of directors of the Company or the directors present at a meeting of the directors at which a quorum is present;
<b>clear days</b>	in relation to a period of notice, the period excluding the day on which the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>Companies Acts</b>	has the same meaning as in section 2 of the Act (as adapted or modified from time to time);
<b>Company</b>	Touch Group plc;

<b>director</b>	a director of the Company;
<b>"electronic form", "electronic copy" and "electronic means"</b>	have the same meanings as in section 1168 of the Act;
<b>employees' share scheme</b>	employees' share scheme as defined in section 1166 of the Act;
<b>hard copy form and hard copy</b>	have the same meaning as in section 1168 of the Act;
<b>holder</b>	in relation to any shares, the person whose name is entered in the register as the holder of those shares;
<b>instrument</b>	a written document in hard copy form;
<b>"in writing" and "written"</b>	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise;
<b>London Stock Exchange</b>	London Stock Exchange plc;
<b>market nominee</b>	a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange within the meaning of section 778 of the Act;
<b>month</b>	calendar month;
<b>office</b>	the registered office of the Company;
<b>Official List</b>	the Official List maintained by the Financial Services Authority acting in its capacity as the competent authority under Part VI Financial Services and Markets Act 2000;
<b>paid</b>	paid or treated (credited) as paid;
<b>parent undertaking</b>	parent undertaking as defined in section 1162 of the Act;
<b>register</b>	the company's register of members and at any time when the Company has shares in issue in uncertificated form, means the Operator register of members (maintained by CREST) and the issued register of members (maintained by the

	Company);
<b>seal</b>	any common or official seal that the Company may be permitted to have under the Statutes;
<b>secretary</b>	the secretary of the Company or (where there are joint secretaries) any of the joint secretaries, and includes any deputy secretary, assistant secretary and any other person appointed by the board to perform any of the duties of the secretary;
<b>securities seal</b>	an official seal kept by the Company by virtue of section 50 of the Act;
<b>the Statutes</b>	insofar as they affect the Company the Companies Acts, the Uncertificated Securities Regulations and every other act, statute, statutory instrument, regulation or order in force concerning companies;
<b>transmission event</b>	death, bankruptcy or any other event giving rise to the transmission of a person's entitlement to a share by operation of law;
<b>treasury share</b>	any share held by the Company as a treasury share within the meaning of section 724(5) of the Act;
<b>Uncertificated Securities Regulations</b>	the Uncertificated Securities Regulations 2001 as amended from time to time and any Statutes which supplement or replace such Regulations;
<b>undertaking</b>	undertaking as defined in section 1161 of the Act;
<b>the United Kingdom</b>	Great Britain and Northern Ireland;
<b>working day</b>	has the same meaning as in section 1173 of the Act; and
<b>year</b>	calendar year.

- 2.2 References in these articles to an uncertificated share, or to a share being held in uncertificated form shall (subject to regulation 42(11)(a) Uncertificated Securities Regulations) mean a share in the capital of the Company which is recorded on the Operator Register of Members (as defined in regulation 20(1) Uncertificated Securities Regulations) and any reference to a certificated share, or to a share being held in certificated form, shall mean any share other than an uncertificated share. In relation to

a share, any reference in these articles to a relevant system is a reference to the relevant system in which that share is a participating security.

- 2.3 In these articles the expressions debenture and debenture-holder shall include debenture stock and debenture stockholder respectively.
- 2.4 For the purposes of these articles a corporate member shall be deemed to be present in person at any meeting of the Company or of the holders of any class of shares of the Company if one or more persons duly authorised to act as its representative in relation to the meeting is present.
- 2.5 In these articles words denoting the singular shall include the plural and vice versa, words denoting one gender shall include the other gender and words denoting persons shall include bodies corporate and unincorporated associations.
- 2.6 In these articles (provided consistent with the context in which they appear), words or expressions defined in the Act or in the Uncertificated Securities Regulations (in each case, as in force on the date of the adoption of these articles or any part of these articles), have the same meaning in these articles or that part except that the word "company" includes any body corporate.
- 2.7 Subject to article 2.6, references in these articles to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) Interpretation Act 1978) include any modification or re-enactment of that provision in force.
- 2.8 Unless the context requires otherwise any reference to:
- 2.8.1 document includes, unless otherwise specified, any document sent or supplied in electronic form; and
- 2.8.2 a document being executed includes references to it being executed under hand or seal or, in the case of a document in electronic form, by electronic signature or such other means of verifying the authenticity of the communication that the board may approve.
- 2.9 References to a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.
- 2.10 Powers of delegation shall have the widest interpretation and: (a) the word board in the context of the exercise of any power includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated; (b) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and (c) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is authorised to exercise it under these articles or under another delegation of the power.

- 2.11 A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under these articles.
- 2.12 Headings are inserted for convenience only and shall not affect the meaning of these articles.

## **SHARE CAPITAL**

### **3. Liability of members**

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

### **4. Power to issue different classes of share**

- 4.1 Subject to the Statutes and without prejudice to any rights attached to any existing shares, the Company may issue shares with such rights or restrictions as the Company may provide by ordinary resolution (or, if no such resolution is in effect or so far as it does not make specific provision, as the board may decide).
- 4.2 Subject to the Statutes, the Company may issue shares on the terms that they are, or are 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 shares provided that it does so before the shares are allotted.

### **5. Uncertificated shares**

- 5.1 Subject to the Statutes, the board may permit any class or classes of shares to be held and transferred in uncertificated form by means of a relevant system and may decide that any class of shares shall cease to be held and transferred in this way.
- 5.2 In relation to any share which is held in uncertificated form:
- 5.2.1 the Company may utilise the relevant system in which it is held to the fullest extent possible at any time in the exercise of any of its powers or functions under the Statutes or these articles or otherwise in effecting any actions and the board may decide the manner in which such powers, functions and actions shall be so exercised or effected;
  - 5.2.2 any provision in these articles which is inconsistent with:
    - 5.2.2.1 the holding of and transfer of title to that share in uncertificated form by means of a relevant system;
    - 5.2.2.2 the exercise of any powers or functions by the Company or the effecting by the Company of any actions by means of a relevant system; or

5.2.2.3 any other provisions of the Statutes relating to the shares held in uncertificated form

shall not apply.

5.3 Where any share is held in uncertificated form and the Company is entitled under the Statutes or these articles to sell, transfer or otherwise dispose of, re-allot, accept the surrender of, forfeit, or enforce a lien over that share, the Company shall be entitled, subject to the Statutes, these articles and the facilities and requirements of the relevant system:

5.3.1 to require the holder of that share by notice to convert that share into certificated form within the period specified in the notice and to hold that share in certificated form so long as required by the Company;

5.3.2 to require the Operator to convert that share into certificated form in accordance with regulation 32(2)(c) Uncertificated Securities Regulations;

5.3.3 to require the holder of that 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;

5.3.4 to require the holder of that 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; and

5.3.5 to take any other action that the board considers necessary or expedient to achieve the sale, transfer, disposal, re-allotment, forfeiture or surrender of that share or otherwise to enforce a lien in respect of that share.

5.4 Subject to the Statutes, for the purpose of effecting any action by the Company, the board may decide that shares held by a person in uncertificated form shall be treated as a separate holding from shares held by that person in certificated form.

## **ALLOTMENT AND ALTERATION OF CAPITAL**

### **6. Allotment**

Subject to the Statutes relating to authority, pre-emption rights and otherwise, these articles and any resolution of the Company, the board may allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of shares in the capital of the Company to such persons, at such times and on such terms as the board may decide.

### **7. Commissions**

The Company may exercise all powers of paying commission and brokerage conferred by the Statutes or otherwise vested in the Company. Any such commission may be paid

in cash or in fully or partly paid shares of the Company, or partly in one way and partly in another.

**8. Renunciation**

The board may at any time after the allotment of any share but before any person has been entered in the register as the holder, recognise a renunciation of that share by the allottee in favour of some other person. The board may set terms and conditions regulating renunciation rights. The board shall otherwise have the same powers in relation to such renunciation as a transfer under these articles.

**9. Creation, consolidation, sub-division and conversion of shares**

9.1 All new shares created by any increase in the Company's share capital, any sub-division or consolidation and division of its share capital shall be subject to the provisions of the Statutes and of these articles including those relating to payment of calls, lien, transfer, transmission and forfeiture. Such new shares shall be unclassified unless otherwise provided by these articles, by the resolution creating the shares or by the terms of allotment of the shares.

9.2 If as a result of a consolidation or sub-division of shares any members would become entitled to fractions of a share, the board may on behalf of those members deal with the fractions as they think fit. In particular, without limitation, the board may aggregate and sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale in due proportion among those members (except that any proceeds in respect of any holding less than a sum fixed by the board may be retained for the benefit of the Company). For the purposes of any such sale, the board may appoint some person to transfer the shares to, or in accordance with the directions of, the buyer. The buyer shall not be bound to see to the application of the purchase money and his title to the shares shall not be affected by any irregularity in, or invalidity of, the proceedings in relation to the sale.

**10. Interests and trusts**

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

**11. Variation of class rights**

11.1 Whenever the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class may, subject to the provisions of the

Statutes, be varied or abrogated in such manner as those rights may provide for or (if no such provision is made) either:

11.1.1 with the consent of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any treasury shares), such consent to be in writing and contained in one or more instruments or one or more documents in electronic form, sent to such address (if any) notified by or on behalf of the Company for that purpose, or a combination of both; or

11.1.2 with the authority of a special resolution passed at a separate general meeting of the holders of the shares of the class

(but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up.

11.2 All the provisions of these articles relating to general meetings of the Company and to the proceedings at those meetings shall apply, with any necessary changes, to every separate general meeting of the holders of a class of shares held in connection with the variation or abrogation of rights attached to those shares, except that:

11.2.1 the quorum at any such meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class (excluding any treasury shares) or for any adjourned meeting any one holder of shares of the class present in person or by proxy;

11.2.2 for the purpose of article 11.2.1 any person present by proxy is treated as holding or representing only those shares in respect of which the proxy is authorised to exercise voting rights;

11.2.3 any holder of shares of the class present in person or by proxy and entitled to vote (other than the Company as holder of any treasury shares) may demand a poll; and

11.2.4 every such holder shall on a poll have one vote for every share of the class held by him (subject to any special rights or restrictions attaching to the class).

11.3 Article 11.1 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes.

11.4 Unless otherwise expressly provided by the rights attached to any class of shares those rights shall not be deemed to be varied by the creation or issue of further shares ranking equally with, or behind, that class of shares, by the purchase or redemption by the Company of any of its own shares or the Company permitting the holding and transfer of that or any other class of shares in uncertificated form by means of a relevant system.

## **TRANSFER OF SHARES**

### **12. Form of transfers**

- 12.1 Subject to the restrictions in these articles, a member may transfer all or any of his shares in any manner which is permitted by the Statutes and is from time to time approved by the board.
- 12.2 All transfers of uncertificated shares shall be effected in accordance with the Statutes and the facilities and requirements of the relevant system and otherwise in accordance with any arrangements made by the board under article 5.
- 12.3 All transfers of certificated shares shall be effected by instrument in any usual or common form, or in any other form approved by the board. The instrument of transfer shall be executed by or on behalf of, the transferor and (except in the case of fully paid shares) by or on behalf of the transferee.

### **13. Refusal to register a transfer**

- 13.1 The board may refuse to register any transfer of a certificated share which is not a fully paid share provided that in the case of any class of shares which is admitted to trading on AIM the refusal could not prevent the shares from continuing to be admitted to trading on AIM. The Operator of the relevant system may also refuse to register any transfer of an uncertificated share in the circumstances set out in the Uncertificated Securities Regulations.
- 13.2 The board may also refuse to register the transfer of a certificated share unless the instrument of transfer:
  - 13.2.1 is in respect of only one class of share;
  - 13.2.2 is duly stamped (if stampable), and is deposited at the office, or at such other place as the board may from time to time determine; and
  - 13.2.3 (except where the shares are registered in the name of a market nominee and no certificate has been issued for them) is accompanied by the relevant share certificate(s) and such other evidence in such form as the board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

### **14. Retention of transfers**

All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the board refuses to register shall (except in any case where fraud or any other crime involving dishonesty is suspected) be returned to the person lodging it.

**15. Further provisions relating to transfers**

- 15.1 No fee will be charged by the Company for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any shares or otherwise for making any entry in the register affecting the title to any shares.
- 15.2 The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register in respect of them.
- 15.3 Unless otherwise agreed by the board in any particular case, the maximum number of persons that may be entered on the register as joint holders of a share is four.

**DESTRUCTION OF DOCUMENTS**

**16. Destruction of documents**

- 16.1 Subject to compliance with any requirements of the Uncertificated Securities Regulations in the case of uncertificated shares, the Company may destroy:
- 16.1.1 all cancelled share certificates after one year from the date of cancellation;
  - 16.1.2 all notifications of change of name and address and all dividend mandates (and variations and cancellations of dividend mandates), after two years from the date of the recording of them;
  - 16.1.3 all instruments of transfer of shares and all other documents on the basis of which entries have been made in the register after six years from the date of registration;
  - 16.1.4 all paid dividend warrants and cheques after one year from the date of actual payment; and
  - 16.1.5 all appointments (or records of appointment) of proxy which have been used for the purpose of a poll after one year from the date of use or, if no poll was demanded, after one month from the end of the meeting to which the appointment of proxy relates.
- 16.2 If the Company destroys a document in good faith and without express notice of any claim (regardless of the parties to it) to which the document might be relevant, it shall conclusively be presumed in favour of the Company that:
- 16.2.1 every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;
  - 16.2.2 every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

- 16.2.3 every share certificate so destroyed was a valid certificate duly and properly cancelled;
- 16.2.4 every paid dividend warrant and cheque so destroyed was duly paid; and
- 16.2.5 every other document mentioned in article 16.1 so destroyed was a valid and effective document in accordance with the recorded particulars of it in the books or records of the Company.
- 16.3 Nothing in this article shall be construed as imposing on the Company or the board any liability in respect of the destruction of any such document earlier than stated in article 16.1 or in any other circumstances, which would not attach to the Company or the board in the absence of this article 16.
- 16.4 References in this article to the destruction of any document include references to its destruction, disposal or deletion in any manner.

## **TRANSMISSION OF SHARES**

### **17. Transmission**

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

### **18. Election of persons entitled by transmission**

- 18.1 Any person becoming entitled to a share in consequence of a transmission event may, on producing such evidence in such form as may be required by the board (and subject to the following provisions of this article), elect either to be registered as the holder of the share or to have another person nominated by him registered as the holder of the share.
- 18.2 If a person becoming entitled by transmission to a share elects to be registered as the holder he shall give notice to the Company to that effect. If he elects to have another person registered and the share is a certificated share, he shall execute 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 execution 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.
- 18.3 All the limitations, restrictions and provisions of these articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer or other action as if it were a transfer effected by the person from whom the title by transmission is derived and as if the transmission event had not occurred.

19. **Rights of persons entitled by transmission**

- 19.1 Save as otherwise provided by or in accordance with these articles, a person becoming entitled to a registered share in consequence of a transmission event (upon supplying to the Company such evidence in such form as the board may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the holder of the share. That person may give a discharge for all dividends and any other amount payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled in respect of that share to receive notice of, or to attend or vote at, meetings of the Company or to exercise any other rights or privileges of a member in relation to meetings of the Company, unless and until he shall have become a member in respect of the share.
- 19.2 The board may at any time give notice requiring a person becoming entitled to a share on a transmission event to elect to be registered himself or to transfer the share and, if the notice is not complied with within 60 days, the board may withhold payment of all dividends and any other amount payable in respect of the share until the requirements of the notice have been complied with.

**NON- DISCLOSURE OF INTERESTS IN SHARES**

20. **Disenfranchisement**

- 20.1 If the holder of, or any other person appearing to be interested in, any share has been given notice under section 793 of the Act (a "**section 793 notice**") and that holder or other such person has, at the end of the period of 14 days from service of that notice, failed to give the Company the information required by that notice in relation to that share (the "**default share**") or made a statement which is false or inadequate in any material particular in relation to the default share, the Company may give the holder of those shares a further notice (a "**restriction notice**") that the restrictions referred to below shall apply, notwithstanding any other provisions of these articles (provided that the board may waive those restrictions in whole or in part at any time).
- 20.2 If, while any of the restrictions referred to below apply to a share, another share is allotted in right of it (or in right of any share to which this article applies), the same restrictions shall apply to that other share as if it were a default share.
- 20.3 The restrictions referred to above are as follows:
- 20.3.1 the holder of the default shares shall not be entitled in respect of those shares to attend or vote (whether in person or by proxy) at any general meeting or at any separate meeting of the holders of that class of shares or on a poll or to exercise any other right conferred by membership in relation to general meetings; and
- 20.3.2 in addition, where the default shares in which any one person is interested or appears to the Company to be interested represent 0.25 per cent or more in

nominal value of the issued shares of their class (excluding any treasury shares):

20.3.2.1 any dividend or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest on it when such dividend or other money is finally paid to the member and the member shall not be entitled to receive shares in lieu of any dividend; and

20.3.2.2 no transfer of any shares held by the member shall be registered unless: (a) the holder is not himself in default as regards supplying the information required and the holder provides evidence to the satisfaction of the board that no person in default as regards supplying such information is interested in any of the shares which are the subject of the transfer, or (b) the transfer is an approved transfer, or (c) registration of the transfer is required by the Uncertificated Securities Regulations.

20.4 For the purposes of this article:

20.4.1 a person other than the member holding a share shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained under any section 793 notice and any other relevant information) knows or has reasonable cause to believe that the person is, or may be, so interested;

20.4.2 an approved transfer in relation to any shares is a transfer under:

20.4.2.1 a takeover offer (within the meaning of section 974 of the Act) which relates to the share; or

20.4.2.2 a sale made through a market of a recognised investment exchange (as defined in section 285 Financial Services and Markets Act 2000) or any other stock exchange or market outside the United Kingdom on which shares of that class are normally traded; or

20.4.2.3 a sale of the whole of the beneficial interest in the shares to a person whom the board is satisfied is unconnected with the member or with any other person appearing to be interested in the share; and

20.4.3 the percentage of issued shares of a class represented by a particular holding shall be calculated by reference to the shares in issue (excluding any treasury shares) at the time that the restriction notice is served.

21. **Service of notices on non-members**

If a section 793 notice is given by the Company to a person appearing to be interested in any share, a copy of the notice shall be given to the holder at the same time, but the failure or omission to do so, or the non-receipt by that person of the copy, shall not prejudice the operation of this article.

22. **Cessation of disenfranchisement**

22.1 The sanctions under article 20 shall have effect for the period decided by the board, to expire not more than seven days after the earlier of:

22.1.1 the Company being notified that the default shares have been transferred under an approved transfer or otherwise in accordance with article 20.3.2.2; or

22.1.2 the information required by the restriction notice has been received in writing by the Company to the satisfaction of the board at the address supplied by the Company in the restriction notice or otherwise expressly supplied by the Company for the purpose of receiving such information.

22.2 If any dividend or other distribution is withheld under article 20.3.2.1 above, the member shall be entitled to receive it as soon as practicable after the sanction ceases to apply.

23. **Conversion of uncertificated shares**

The Company may exercise any of its powers under article 5.3 in respect of any default share that is held in uncertificated form.

24. **Sections 794 and 795 of the Act**

The provisions of articles 20 to 23 do not restrict the provisions of sections 794 and 795 of the Act or any other statutory rights of the Company, and in particular the Company may apply to the Court under section 794(1) of the Act whether or not these provisions apply or have been applied.

**GENERAL MEETINGS**

25. **Convening general meetings**

25.1 The board shall convene and the Company shall hold annual general meetings in accordance with the Statutes.

25.2 Other general meetings may be convened:

25.2.1 by the board whenever it thinks fit and shall be convened by the board on a request by members in accordance with the Statutes; or

25.2.2 by the members in accordance with the Statutes; or

25.2.3 in accordance with article 88.

**26. Separate general meetings**

Unless otherwise specified in the rights attaching to any class of share, the provisions of these articles relating to general meetings of the Company and to the proceedings at those meetings shall apply, with any necessary changes, to every separate general meeting of the holders of a class of shares, except where the separate general meeting is in connection with the variation or abrogation of rights attached to a class of shares, when article 11.2 shall apply.

**27. General meetings at more than one place**

27.1 A general meeting may be held at more than one meeting place if the board so resolves. A general meeting held at more than one meeting place shall be duly constituted and its proceedings valid if (in addition to the provisions of the Statutes and other provisions in these articles relating to meetings) the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that each person present at each meeting place is able to:

27.1.1 participate in the business for which the meeting has been convened;

27.1.2 hear and see all persons who speak (by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise, whether such equipment is in use when these articles are adopted or developed subsequently) in each meeting place, and be heard and seen by all other persons so present in the same way; and

27.1.3 (in accordance with his rights under the Statutes and these articles) vote on a show of hands and on a poll.

27.2 The meeting shall be deemed to take place at the meeting place at which the chairman is present (the "**principal venue**").

27.3 Article 39 shall apply to any interruption or adjournment of a meeting which is being held at more than one meeting place.

27.4 Each person present at each meeting place shall be counted in the quorum for, and be entitled to vote at, the general meeting if they would be so entitled were the meeting to be held in one place.

**28. Other arrangements for viewing/hearing proceedings**

The board may make arrangements for persons entitled to attend a general meeting or an adjourned general meeting to be able to view and hear the proceedings of, and to speak at, that meeting (in the manner set out in article 27) from a location which is not classified as a meeting place. The persons attending at any such location shall not be regarded as present at the general meeting or adjourned general meeting and shall not

be entitled to vote at the meeting. If, for any reason, any person present at such a location is not able to view or hear all or any of the proceedings, or to speak at, the meeting, the proceedings of the meeting shall still be valid.

**29. Arrangements regarding level of attendance**

The board may from time to time make such arrangements for limiting the level of attendance at any location for which arrangements have been made under articles 27 and 28 as it considers appropriate. These arrangements may include the issue of tickets (on a basis intended to afford all members and proxies entitled to attend the meeting an equal opportunity of being admitted to any specific venue) or the imposition of some random means of selection for admission to that venue. In this case, the arrangements must allow any members and proxies excluded from attendance at the principal venue to attend at one of the other venues.

**30. Change in place and/or time of meeting**

30.1 If, after the giving of notice of a meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board decides that it is impracticable or unreasonable for reasons beyond its control to hold the meeting at the declared place (or any of the declared places, in the case of a meeting to which article 27 applies) and/or time, it may change the place (or as appropriate any of the places) and/or postpone the time at which the meeting is to be held.

30.2 If such a decision is made, the board may then change the place (or as appropriate any of the places) and/or postpone the time again if they decide that it is reasonable to do so.

30.3 In either case:

30.3.1 no new notice of the meeting need be given, but the board shall, if practicable, advertise the new place, date and/or time of the meeting in at least one leading national daily newspaper 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

30.3.2 notwithstanding article 54, an appointment of proxy in relation to the meeting may be delivered or received in any manner permitted by article 54.1.1 or 54.1.2 at any time not less than 48 hours before any new time fixed for holding the meeting. In calculating the 48 hour period, the board may decide not to take account of any part of a day that is not a working day.

**31. Security**

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 security of a meeting including, without limitation, requirements for evidence of identity to be produced by any person attending the meeting, the searching of their personal

property and the restriction of items that may be taken into the meeting place. A director or the secretary may refuse entry to a person who refuses to comply with these arrangements, requirements or restrictions. They may also arrange for persons to be removed from a meeting.

## **NOTICE OF GENERAL MEETINGS**

### **32. Recipients of notice**

Notice of a general meeting shall be given to all members (other than the Company as holder of treasury shares and any member who, under these articles or the terms of issue of the shares they hold, is not entitled to receive such notice from the Company), and to each of the directors and to the auditors.

### **33. Period of notice**

Save as permitted or required by the Statutes, a general meeting shall be called by notice of at least 21 clear days in the case of an annual general meeting and of at least 14 clear days in the case of any other general meeting.

### **34. Contents of notice**

In addition to the provisions of the Statutes relating to the contents of a notice of general meeting (including in relation to the place of the meeting, identification of the principal venue and any other place at which the meeting is to be held under article 27) the notice shall include details of any arrangements made for the purpose of article 28 (making clear that participation in these arrangements will not amount to attendance at the meeting to which the notice relates).

### **35. Failure to give notice**

If any notice, appointment of proxy, document or other information relating to a general meeting is accidentally not given to or received by any person entitled to it, the proceedings at the general meeting shall not be invalid as a result.

## **PROCEEDINGS AT GENERAL MEETINGS**

### **36. Quorum**

36.1 No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business and during the transaction of business. The quorum requirements in section 318 of the Act shall apply to the Company, except that a person shall not count as a "qualifying person" for this purpose unless (in addition to satisfying the requirements of the Act) he is entitled to vote on the business to be transacted at the meeting.

36.2 If within five minutes from the time fixed for a general meeting (or such longer time not exceeding 1 hour as the chairman of the meeting may decide) a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the

request of members, shall be dissolved. In any other case, the meeting shall stand adjourned to such place, day, and time as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman may decide.

- 36.3 If at such adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, the meeting shall be dissolved.

**37. Chairman**

- 37.1 The chairman of the board (if any), failing whom a deputy chairman (if any), shall preside as chairman at a general meeting. If there is no such chairman or deputy chairman or if at any meeting neither is present and willing to act within 15 minutes after the time fixed for holding the meeting, the directors present shall choose one of their number (or, if no director is present and willing to act, the members present in person or by proxy and entitled to vote shall choose one of their number) to be chairman of the meeting.

- 37.2 Subject to the Statutes, the chairman of the meeting can take any action he considers appropriate for the proper and orderly conduct of the business to be carried out at the general meeting. The chairman's decision on matters of procedure or arising incidentally from the business of the meeting (including whether or not a matter falls within these categories) shall be final.

38. In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote.

**39. Adjournments**

- 39.1 The chairman of any general meeting at which a quorum is present may with the consent of the meeting (and shall if directed to do so by the meeting) adjourn the meeting to another time or indefinitely and to the same or another place. However, no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

- 39.2 In addition, the chairman may without such consent adjourn the meeting to another time and/or place or indefinitely if in his opinion:

39.2.1 it is or is likely to be impracticable to hold or continue the meeting because of the number of members wishing to attend;

39.2.2 the conduct of any persons attending the meeting prevents or is likely to prevent the orderly conduct of the business of the meeting;

39.2.3 an adjournment is necessary to protect the safety of any person attending the meeting;

39.2.4 (where a general meeting is being held at more than one place) the facilities at any such place have become inadequate for the purposes referred to in article 27.1; or

39.2.5 an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

39.3 Nothing in this article shall limit any other power the chairman may have to adjourn the meeting.

39.4 If the meeting is adjourned indefinitely the board may fix the time, date and place of the adjourned meeting.

**40. Place and time of adjourned meetings**

It shall not be necessary to give notice of an adjourned meeting or of the business to be transacted at an adjourned meeting, except where a meeting is adjourned for 30 days or more, or indefinitely, when at least seven clear days' notice shall be given, specifying the time, date and place (or places, in the case of a meeting to which article 27 applies) of the adjourned meeting and the general nature of the business to be transacted.

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

41.1 A director shall be entitled to attend and speak at any general meeting or class meeting of the Company notwithstanding that he is not a member of the Company.

41.2 The chairman of the meeting may permit other persons who are not either members of the Company or otherwise entitled to exercise the rights of members in relation to general meetings to attend and speak at a general meeting.

**42. Resolutions and amendments**

42.1 No amendment to a resolution to be proposed as an ordinary resolution may be considered or voted on (other than an amendment to correct a patent error) unless the chairman of the meeting in his absolute discretion decides that the resolution may properly be regarded as within the scope of the meeting and either:

42.1.1 at least 48 hours before the time fixed for the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and the intention to move it has been received by the Company;  
or

42.1.2 the chairman in his absolute discretion decides that the amendment may be considered and voted on.

42.2 In the case of a resolution to be proposed as a special resolution no amendment may be considered or voted upon, except an amendment to correct a patent error or as may otherwise be permitted by law.

42.3 If the chairman rules an amendment to any resolution admissible or out of order (as the case may be), the proceedings on the resolution shall not be invalidated by any error in his ruling. Any ruling by the chairman in relation to a resolution or an amendment to a resolution shall be final and conclusive.

42.4 With the consent of the chairman, a person who proposes an amendment to a resolution may withdraw it before it is put to the vote.

**43. Methods of voting and demand for a poll**

43.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken on it in accordance with these articles.

43.2 A poll on a resolution may be demanded:

43.2.1 in advance of a meeting at which it is to be put to the vote; or

43.2.2 at the meeting either before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll.

43.3 A poll may be demanded by:

43.3.1 the chairman of the meeting;

43.3.2 not less than five members present in person or by proxy having the right to vote on the resolution;

43.3.3 one or more members present in person or by proxy representing in aggregate not less than ten per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or

43.3.4 one or more members present in person or by proxy holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than ten per cent. of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares).

43.4 The appointment of a proxy to vote on a matter gives the proxy the authority to demand or join in demanding a poll on that matter. In applying the provisions of this article, a demand by a proxy counts for the purposes of article 43.3.2 as a demand by the member; for the purposes of article 43.3.3 as a demand by a member representing the voting rights that the proxy is authorised to exercise; and for the purposes of article 43.3.4 as a demand by a member holding the shares to which those rights are attached.

**44. Conduct of poll and declaration of result**

44.1 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. A demand for a poll may be withdrawn with the consent of the chairman at any time before the poll is taken.

- 44.2 Unless a poll is demanded (and the demand is not withdrawn before the poll is taken) a declaration by the chairman that a resolution has been passed, or passed unanimously, or by a particular majority, or lost shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against the resolution.
- 44.3 If a poll is demanded (and the demand is not withdrawn), it shall be taken in such manner as the chairman may direct. 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 immediately or at such subsequent time (being not more than thirty days after the date of the meeting at which the poll was demanded) and place as the chairman may direct. If a poll is not taken immediately and the time and place at which it is to be taken are announced at the meeting at which it is demanded, no notice need be given of that poll. In any other case, at least seven clear days' notice must be given specifying the time and place at which the poll is to be taken. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 44.4 The chairman may appoint scrutineers (who need not be members).

45. **Continuance of meeting**

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

## VOTES OF MEMBERS

46. **Voting rights**

- 46.1 Subject to any special rights or restrictions attached to any share or class of shares in the Company and to any other provisions of these articles, on a vote on a resolution (whether on a show of hands or on a poll) members, their duly appointed proxies and duly authorised representatives of corporate members shall have voting rights as provided in the Statutes, except that on a vote on a resolution on a show of hands at a meeting a proxy has one vote for and one vote against the resolution if:

46.1.1 the proxy has been duly appointed by more than one member entitled to vote on the resolution; and

46.1.2 the proxy has been 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 other of those members and wishes to use that discretion to vote in the other way.

- 46.2 Nothing in these articles shall have the effect of permitting votes to be cast in advance on any resolution on a poll taken at a meeting.

47. **Corporations acting by representatives**

A corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its

representative or representatives at any meeting of the Company or of any class of members of the Company in accordance with the Statutes. The board or any director or the secretary may (but shall not be bound to) require such a person to produce the original (or a certified copy of) the resolution of authorisation or such other evidence of appointment as the board or any director or the secretary shall decide.

**48. Votes of joint holders**

If more than one joint holder of a share votes (whether in person or by proxy), the only vote which will count is the vote of the person whose name is listed before the other voters in the register for the relevant share.

**49. Members incapable of managing their affairs**

A member in respect of whom an order has been made by any court or official having jurisdiction (anywhere in the world) in matters concerning the protection or management of the affairs of persons incapable of managing their own affairs, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court or official. Any such committee, receiver, curator bonis or other person may, on a show of hands, or on a poll, vote by proxy. Evidence to the satisfaction of the board of the authority of the person claiming the right to vote shall be deposited at the office, or at such other place (if any) as is specified for the delivery or receipt of appointments of a proxy in accordance with these articles, not later than the last time by which the appointment of a proxy must be delivered or 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 the person proposes to vote and in default the right shall not be exercisable.

**50. Calls in arrears**

Unless the board decides otherwise, a member shall not be entitled to attend or vote any share at a general meeting either in person or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum payable by him to the Company at the time of the meeting in respect of that share remains unpaid.

**51. Objections to voting**

No objection shall be raised as to the qualification of any person to vote or as to the admissibility of (or exclusion of) any vote except at the meeting or adjourned meeting or poll at which that vote is given or tendered. Any objection shall be referred to the chairman of the meeting and shall only invalidate the decision of the meeting or poll on any resolution if the chairman decides that the same may have affected that decision. The decision of the chairman on such matters shall be final and binding.

**52. Failure to vote in accordance with instructions**

The Company shall have no obligation to enquire whether a proxy or corporate representative has voted in accordance with instructions given to him by the member or members he represents. Any failure by a proxy or corporate representative to vote in accordance with instructions shall not affect the validity of the vote.

**PROXIES**

**53. Appointment and form of proxy**

- 53.1 A proxy need not be a member of the Company.
- 53.2 The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or on the poll concerned.
- 53.3 A member may appoint more than one proxy in relation to a meeting, provided that no more than one proxy is appointed per share. The member must specify the number of shares in respect of which each proxy is entitled to exercise rights.
- 53.4 An appointment of proxy shall be in writing in any usual or common form or in any other form which the board may approve and executed by or on behalf of the member appointing the proxy. The board may specify different forms for different purposes. Without limitation a proxy appointment may be sent to the Company in hard copy form or (if the board decides or is deemed under the Act to have agreed) in electronic form.
- 53.5 The board may, if it thinks fit, but subject to the Statutes, at the Company's expense send forms of proxy for use at the meeting and issue invitations in electronic form to appoint a proxy in relation to the meeting in such form as the board may approve.

**54. Deposit of proxy**

- 54.1 Without prejudice to article 30.3 the appointment of a proxy shall:
  - 54.1.1 in the case of an appointment in hard copy form, be delivered by hand or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose:
    - 54.1.1.1 in the notice calling the meeting; or
    - 54.1.1.2 in any form of proxy sent by or on behalf of the Company in relation to the meeting,  
  
not less than 48 hours before the time fixed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
  - 54.1.2 in the case of an appointment of proxy in electronic form be sent by electronic means to such address as may be given by or on behalf of the Company in:

- 54.1.2.1 the notice calling the meeting;
- 54.1.2.2 any form of proxy sent by or on behalf of the Company in relation to the meeting; or
- 54.1.2.3 any invitation to appoint a proxy issued by or on behalf of the Company in relation to the meeting,

subject to any conditions or limitations specified by the Company in accordance with the Act, and shall be received at that address not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- 54.1.3 in either case, where a poll is taken more than 48 hours after it is demanded, be delivered or sent as set out in article 54.1.1 or 54.1.2 and received after the poll has been demanded at least 24 hours before the time appointed for the taking of the poll; or
- 54.1.4 in the case of a poll taken after the meeting at which it is demanded but 48 hours or less after such demand, be delivered or sent as set out in article 54.1.1 or 54.1.2 and received before the end of the meeting at which the poll was demanded.

In calculating the periods mentioned in this article 54.1, the board may decide not to take account of any part of a day that is not a working day.

- 54.2 If the appointment of proxy is not received in the manner required in article 54.1, the appointment shall not be treated as valid and the person named in the appointment of proxy shall not be entitled to vote in respect of the shares in question.
- 54.3 Without limiting articles 53 or 54.1 or 55, in relation to any shares which are held in uncertificated form, the board may from time to time permit appointments of a proxy to be made by electronic means in the form of an Uncertificated Proxy Instruction. The board may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means. The board may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. Notwithstanding any other provision in these articles, the board may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of the holder. For the purpose of this article, Uncertificated Proxy Instruction means a properly authenticated dematerialised instruction and/or other instruction or notification, which is sent by means of a relevant system and received by such participant in that system acting on behalf of the Company as the board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the board (subject always to the facilities and requirements of the relevant system concerned).

- 54.4 The board may require the production of reasonable evidence of the identity of the member and of the proxy and the member's instructions (if any) as to how the proxy is to vote. Where the proxy is appointed (or purports to have been appointed) by a person acting on behalf of the member:
- 54.4.1 the Company may treat the appointment as sufficient evidence of authority of that person to execute the appointment on behalf of that member;
  - 54.4.2 if requested by or on behalf of the Company at any time, any written authority under which the appointment has been executed (or a copy of such authority certified notarially or in any other way approved by the board) shall be sent to such address and by such time as is required for proxy appointments under article 54.1 and, if the request is not complied with in any respect the appointment may be treated as invalid; and
  - 54.4.3 whether or not such a request has been made or complied with, the Company may decide to treat the appointment as invalid in cases where it decides it has insufficient evidence of the authority of the person to execute the appointment on behalf of that member.
- 54.5 No appointment of proxy shall be valid after the end of a period of 12 months from the date stated in it as the date of its execution, except a power of attorney containing a power to act and vote for a member at meetings of the Company, and such a power, if duly notified to the Company once, shall not need to be delivered to or received by the Company again.
- 54.6 Unless the board resolves that different arrangements shall apply to resolve conflicts between proxies where it appears that more than one proxy has been appointed in respect of the same share, if two or more valid appointments of proxy are received in respect of the same share for use at the same meeting or poll, the one which purports on its face to be executed last or, if the Company is unable to determine which was executed last, the one which was last received shall be treated as the valid form as regards that share. If the Company is not able to decide whether a proxy appointment is in respect of the same share or when the appointment was executed or received it may decide at its discretion which proxy appointment (if any) is treated as valid.
- 54.7 An appointment of a proxy shall, unless the contrary is stated on the proxy, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An appointment relating to more than one meeting (including any adjournment of a meeting) having been duly delivered for the purposes of any meeting shall not require to be delivered again in relation to any subsequent meetings to which it relates.
- 55. Termination of authority of proxy or corporate representative**
- 55.1 The termination of the authority of a person to act as a proxy or duly authorised representative of a corporation or (until entered in the register) the transfer of the share in respect of which the appointment of the relevant person was made does not affect whether he counts to the quorum at the meeting, the validity of anything he does as

chairman or the validity of a poll demanded by him at a meeting or of a vote given by him, unless notice of such termination or transfer is received as set out in this article 55.1. Such notice must be received as mentioned in article 55.2:

55.1.1 at least 48 hours before the time fixed for the meeting or adjourned meeting;  
or

55.1.2 (in the case of a poll not taken on the same day as the meeting or adjourned meeting) not later than the time fixed for the taking of the poll at which the vote is cast,

and in calculating the periods mentioned, the board may decide not to take account of any part of a day that is not a working day.

55.2 Such notice of termination shall be in writing and either in hard copy form delivered to and received at the office or such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with article 54.1.1 or in electronic form and sent by electronic means and received at the address (if any) given by or on behalf of the Company in accordance with article 54.1.2 (subject to any specified conditions or limitations), regardless of whether any relevant appointment was effected in hard copy form or by electronic means.

## **DIRECTORS**

### **56. Number of directors**

The number of directors (other than alternate directors) shall not be less than two or more than ten. The Company may, by ordinary resolution, from time to time vary the minimum and/or maximum number of directors.

### **57. Directors shareholding qualification**

A director shall not be required to hold any shares of the Company by way of qualification.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

### **58. Eligibility for appointment**

No person other than a director retiring at the meeting may be appointed as a director at any general meeting unless he is recommended by the board for appointment, or unless the Company has received notice of a member's intention to propose such person for appointment. To be valid, such notice from a proposing member must:

58.1 be received not less than seven nor more than 28 clear days before the day appointed for the meeting in an instrument executed by the member (who may not be the person to be proposed as a director);

58.2 be accompanied by notice signed by the person proposed as a director of his willingness to be elected as a director; and

58.3 state the particulars of the person proposed as a director which would, if he were appointed, be required to be included in the Company's register of directors.

59. **Appointment by ordinary resolution or by directors**

Subject to these articles, the Company may by ordinary resolution appoint any person to be a director either to fill a casual vacancy or as an additional director. In addition, the board may at any time appoint any person to be a director either to fill a casual vacancy or as an additional director. In either case, the total number of directors shall not at any time exceed the maximum number (if any) fixed by, or in accordance with, these articles. Any person so appointed by the board shall hold office only until the next annual general meeting and shall then be eligible for re-appointment, but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting. He shall vacate his office if not re-appointed at the end of that meeting.

60. **Retirement of directors by rotation**

At each annual general meeting at least one-third of the directors or, if their number is not three or an integral multiple of three, the number nearest to but not exceeding one-third, shall retire from office. Notwithstanding anything else in these articles, each director must retire at the third annual general meeting following his appointment or re-appointment in a general meeting.

61. **Selection of directors to retire**

61.1 Subject to the Statutes and these articles, the directors to retire by rotation shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-appointment. Any further directors to retire by rotation shall be those of the other directors who have been longest in office since their last appointment or re-appointment, but as between persons who were last appointed or re-appointed directors on the same day, those to retire shall (unless they otherwise agree among themselves) be decided by drawing lots.

61.2 The directors to retire on each occasion shall be determined by the composition of the board at the start of business on the date of the notice convening the annual general meeting. No director shall be required to retire, or be relieved from retiring, by reason of any change in the number or identity of the directors after that time but before the close of the meeting. The names of the directors to retire by rotation shall be stated in the notice of the annual general meeting or in any document accompanying it.

61.3 A director retiring under article 59 or article 60 shall be eligible for re-appointment.

**62. When directors deemed to be re-appointed**

At any meeting at which a director retires under these articles, the Company may by ordinary resolution fill the vacancy by appointing the retiring director or some other person eligible for appointment. If no such resolution is passed the retiring director shall nevertheless be deemed to have been re-appointed (if willing to act) unless at the meeting it is resolved not to fill the vacancy or a resolution for the re-appointment of the director is put to the meeting and lost. If the director is not re-appointed or deemed to have been re-appointed, he shall retain office until the meeting resolves to appoint another person in his place or not to fill the vacancy, or the resolution to appoint him is put to the meeting and lost, or otherwise until the end of the meeting.

**63. Additional powers of the Company**

In addition to any power of removal contained in the Statutes and notwithstanding any provision of these articles or of any contract between the Company and such director (but without limiting any claim he may have for damages for breach of any such contract), the Company may by special resolution, remove any director from office and by ordinary resolution appoint another person in his place. No special notice need be given of such resolution and no director to be removed by such resolution has any special right to protest to such removal. Any person so appointed shall be treated, for the purpose of determining the time at which he or any other director is to retire by rotation, as if he had become a director on the day on which the director in whose place he is appointed was last appointed a director. In default of such appointment, the vacancy arising upon the removal of a director from office may be filled as a casual vacancy.

**64. Disqualification of a director**

A person shall cease to be a director as soon as:

- 64.1 he is removed or prohibited from being a director under any provisions of the Statutes or these articles;
- 64.2 the Company receives written notice executed by him of his resignation and such resignation takes effect in accordance with its terms;
- 64.3 he becomes bankrupt, insolvent or makes any arrangement or composition with his creditors generally or applies to the court for an interim order under section 253 Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
- 64.4 an order is made on the ground (however formulated) of his mental disorder by a court (whether in the United Kingdom or elsewhere) having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his property or affairs and, in any such case, the board resolves that his office be vacated;

- 64.5 having been appointed for a fixed term, the term expires or his office as a director is vacated under article 59;
- 64.6 he is absent from meetings of the board for six consecutive months without leave and his alternate director (if any) has not, during such period, attended in his place and the board resolves that his office be vacated; or
- 64.7 he is removed from office by notice given to him and executed by all his co-directors (or their alternates), but so that in the case of a director holding an executive office which automatically ends on his ceasing to be a director such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office.

65. **Executive office**

- 65.1 The board may appoint one or more directors to hold any executive office (including the office of chairman, managing director or chief executive) on such terms and for such period (subject to the Statutes) as it may decide. The board may at any time end or vary any such appointment, without prejudice to any claim under any contract entered into in any particular case.
- 65.2 The appointment of any director to any other executive office shall not automatically end if he ceases to be a director, unless the contract or resolution under which he holds or is removed from office expressly states that it shall. In that case, no claim for damages for breach of any contract of service between him and the Company shall be affected.

66. **Designation as "director"**

- 66.1 The board may appoint any person (not being a director) to any executive position or employment with the Company having a title or designation which includes the word "director" (or attach to any existing position or employment with the Company such title or designation) and may end any such appointment or the use of any such designation or title. The inclusion of the word "director" in the title or designation of any such position or employment shall not imply that the holder is a director of the Company or that he is authorised or empowered to act as, or is liable as, a director of the Company in any respect and he shall not be deemed to be a director for any purpose.

67. **President**

- 67.1 The board may appoint any person to be president of the Company. A president so appointed may be removed from his appointment either by ordinary resolution or by the board.
- 67.2 The president need not be a director of the Company and shall not by reason only of his being president be deemed to be a director or an officer of the Company for the purposes of the Statutes, but shall in any case be entitled to notice of and attend and speak at all board meetings and general meetings. The president shall not, unless he is also a director, be entitled to vote at board meetings.

- 67.3 The period, remuneration and other terms and conditions of any such appointment shall be fixed by the board.

## **ALTERNATE DIRECTORS**

### **68. Power to appoint alternate directors**

Any director (other than an alternate director) may appoint any person (including another director) to be his alternate director, and may remove him from that office. The appointment as an alternate director of any person who is not himself a director shall be subject to the approval of the majority of the other directors or a resolution of the board. Any of the directors may appoint the same alternate director.

### **69. Formalities for appointment and termination**

- 69.1 Every appointment and removal of an alternate director shall be made by written notice to the Company executed by the director making the appointment or removal (or in any other manner approved by the board) and shall be effective (subject to article 68) on receipt of such notice by the Company which shall, in the case of a notice in hard copy form, be at the office or at a board meeting or in the case of a notice sent or supplied by electronic means be at such address (if any) notified by or on behalf of the Company for the purpose.

- 69.2 The appointment of the alternate director shall end as soon as any event occurs which, if he were a director, would cause him to cease to be a director or if his appointor ceases to be a director (otherwise than by retirement by rotation or otherwise at a general meeting at which he is re-appointed or deemed to be re-appointed) or if the approval of the directors to his appointment is withdrawn.

- 69.3 An alternate director may, by giving notice to the Company, executed by him, resign such appointment.

### **70. Alternate to receive notices**

An alternate director shall be entitled to receive notices of board meetings and of all meetings of committees of which the director appointing him is a member to the same extent as the director appointing him. An alternate director shall be entitled to attend and vote as a director and be counted for the purposes of a quorum at any such meeting at which the director appointing him is not personally present, and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a director. For the purposes of the proceedings at such meeting these articles shall apply as if he (instead of his appointor) were a director. If he is a director himself, or attends any such meeting as an alternate for more than one director, his voting rights shall be cumulative but he shall count as only one director for the purpose of determining whether a quorum is present. If his appointor is absent from the United Kingdom, or temporarily unable to act through ill-health or disability, his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. Except as

set out in this article, an alternate director shall not have power to act as a director nor shall he be deemed to be a director for the purposes of these articles.

**71. Alternate may be paid expenses but not remuneration**

An alternate director shall be entitled to be repaid expenses, and to be indemnified, by the Company to the same extent as if he were a director, but he shall not be entitled to receive from the Company any remuneration in respect of his services as an alternate director, except such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company direct.

**72. Alternate not an agent of appointor**

Except as otherwise expressly provided in these articles, an alternate director shall be subject in all respects to these articles relating to directors. Accordingly, except where the context otherwise requires, a reference to a director shall be deemed to include a reference to an alternate director. An alternate director shall be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

## **REMUNERATION, EXPENSES AND PENSIONS**

**73. Directors' fees**

The fees of the directors (other than any director who holds an executive office or employment with the Company or any subsidiary of the Company) for their services as directors shall not exceed in aggregate £100,000 per annum (or such higher amount as the Company may decide to set by ordinary resolution). Subject to this limit, a director shall be paid a fee (to accrue from day to day) at such rate as the board may decide. Any fee payable under this article 73 shall be distinct from any remuneration payable by the Company to executive directors under service contracts, options held by directors or other amounts payable to a director under other provisions of these articles.

**74. Directors' remuneration**

Any director who holds any executive office (including for this purpose the office of chairman or deputy chairman whether or not such office is held in an executive capacity) or who serves on any committee or who acts as trustee of a retirement benefits scheme or employees' share scheme or who otherwise performs services which, in the opinion of the board are beyond the ordinary duties of a director may be paid such extra remuneration by way of salary, commission or otherwise as the board may decide in accordance with these articles. Any payment of a kind described in this article 74 shall not be regarded as a fee falling within the provisions of article 73.

**75. Expenses**

The Company will pay to any director all proper and reasonable expenses incurred by him in attending and returning from meetings of the board or of any committee or

general meetings or otherwise in connection with the business of the Company or in the performance of his duties as a director.

**76. Pensions and other benefits**

The board may exercise all the powers of the Company to pay or provide, or to procure the provision of, any benefits, annuities, allowances, emoluments or gratuities (whether in relation to retirement, death, disability, encouraging or facilitating the holding of shares or otherwise) to, or for the benefit of, any person who is or has been at any time a director of, or in the employment or service of, the Company or of any other undertaking which is or was at some time:

76.1 the parent undertaking of the Company; or

76.2 a subsidiary undertaking of the Company or of such parent undertaking; or

76.3 otherwise associated with the Company or any such parent or subsidiary undertaking

or of the predecessors in business of the Company or of any such undertaking or associate and to the families and other relatives or dependants of any such person. For that purpose the board may pay premiums or establish and maintain, participate in or make loans or contributions to, any trust, scheme, association, arrangement or fund.

**GENERAL POWERS OF DIRECTORS**

**77. Powers of the board**

77.1 The business and affairs of the Company shall be managed by the board which, subject to the Statutes, and these articles and any directions given by special resolution, may exercise all the powers of the Company. No alteration of these articles and no such 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 general powers given by this article shall not be limited by any special authority or power given to the board by these articles or any resolution of the Company.

77.2 Without limiting article 77.1, the board may cause the voting rights conferred by the shares in any company held or owned by the Company to be exercised in such manner in all respects as they think fit (including without limitation in relation to any resolution concerning the appointment of the directors or any of them as directors of, or the holders of any other office or place of profit with such company, fixing or varying the terms of any such appointment or the termination of any such appointment).

**78. Provision for employees**

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

**79. Local boards**

79.1 The board may make such arrangements as it thinks fit for the management and transaction of the Company's affairs in any specified locality, whether in the United Kingdom or elsewhere, and, without limitation, may:

79.1.1 establish any divisional or local boards, committees or agencies for managing any of the affairs of the Company and may appoint any one or more of the directors, or any other persons, to be members, managers or agents of such boards, committees, or agencies and may fix their remuneration;

79.1.2 delegate to any divisional or local board or committee, manager or agent any of its powers, authorities and discretions (with power to sub-delegate); and

79.1.3 authorise the members of any divisional or local boards or committees or any of them to fill any vacancies in them, and to act notwithstanding vacancies.

79.2 Any such appointment or delegation may be made upon such terms and subject to such conditions as the board thinks fit; and the board may remove any person so appointed, and may revoke or vary any such delegation, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

**80. Powers of attorney and agents**

The board may, by power of attorney or otherwise, appoint any person to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in the board) and on such terms as the board decides. The board may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate). Any such appointment may contain such provisions for the protection and convenience of persons dealing with the attorney or agent as the board may think fit. The board may revoke or vary such appointment, but no person dealing in good faith shall be affected by the revocation or variation.

**81. Signature on cheques, etc**

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for money paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the board (or any duly authorised committee of the board) shall decide.

**82. Name**

Subject to the Statutes, the Company may change its name by resolution of the board.

## DIRECTORS' INTERESTS

### 83. Directors' permitted interests

83.1 A director who is in any way, whether directly or indirectly, interested in any proposed transaction or arrangement with the Company or any transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors to the extent required by, and in accordance with, the Statutes.

83.2 A director who is in any way, whether directly or indirectly, interested in any proposed transaction or arrangement with a subsidiary undertaking of the Company or any transaction or arrangement that has been entered into by a subsidiary undertaking of the Company shall declare the nature and extent of his interest to the other directors of the Company to the same extent, at the same time and in the same way as article 83.1 would require if the transaction or arrangement were with the Company.

83.3 To the extent permitted by the Statutes, and provided that he has declared the nature and extent of his interest to the other directors in accordance with article 83.1 or 83.2:

83.3.1 a director may, notwithstanding his office, enter into, or otherwise be interested in, any transaction or arrangement with the Company (or any of its subsidiary undertakings) or in which the Company (or any of its subsidiary undertakings) is interested, either with regard to his tenure of any office or position in the management, administration or conduct of its business or as vendor, purchaser or otherwise;

83.3.2 a director may, notwithstanding his office, hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the Statutes) and upon such terms as the board may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board may decide, either in addition to or in lieu of any remuneration under any provision of these articles; and

83.3.3 a director, notwithstanding his office, may act by himself or by his firm in a professional capacity for the Company (except as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director

and no director shall, by reason of his holding office as director (or of the fiduciary relationship established by his holding that office) be liable to account to the Company for any remuneration, profit or other benefit received as a result of any interest permitted by this article 83.3 and no transaction or arrangement shall be liable to be avoided by reason of any director having any interest permitted by this article 83.3.

83.4 For the purposes of articles 83.1 to 83.3 inclusive, an interest of a person who is connected with a director (within the meaning of section 252 of the Act) shall be treated as an interest of the director and, in relation to an alternate, an interest of his appointor

shall be treated as an interest of the alternate in addition to any interest which the alternate otherwise has.

**84. Authorisation of conflicts of interest by the directors**

84.1 Any matter (a "Relevant Matter") which would otherwise constitute or give rise to a breach by a director of his duty under section 175 of the Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company (including a breach which would arise by virtue of his appointment as director) may be authorised by the board to the fullest extent permitted by law in accordance with this article. In particular (but without limitation), subject to any authorisation required under this article 84, a director may be or become a member or director of, or hold any other office or place of profit under, or otherwise be interested in, any other company in which the Company is interested.

84.2 Any director may propose that a Relevant Matter be authorised by the board. Such proposal and any authorisation given by the board shall be effected in the same way as any other matter may be proposed to, and resolved upon by, the board (or in such other manner as the board may approve) in accordance with these articles, except that no authorisation shall be effective unless the requirements of section 175(6) of the Act have been complied with.

84.3 Any authorisation of a matter under this article 84 shall be subject to such terms, conditions and limitations as the board may specify, whether at the time of giving the authorisation or subsequently. The board may terminate or vary any authorisation at any time. The director concerned must act in accordance with any terms, conditions or limitations specified by the board in accordance with this article.

84.4 Unless otherwise specified by the board at any time, the terms and conditions on which a Relevant Matter has been authorised shall be deemed to include authority for the director concerned, without breaching the general duties he owes to the Company by virtue of sections 171 to 177 of the Act:

84.4.1 to exclude himself from participation in discussion (whether at meetings of the board or otherwise), or receipt of documents or information, relating to the Relevant Matter and/or to arrange for documents or information relating to the Relevant Matter to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information; and/or

84.4.2 not to disclose to the Company, or use in relation to the Company's affairs, information which he obtains or has obtained otherwise than through his position as a director of the Company which relates to the Relevant Matter and which is confidential to a third party, where to do so would amount to a breach of confidence or breach of duty to the third party.

This article 84.4 is without prejudice to any equitable principle or rule of law which may otherwise excuse or release the director from any requirement to disclose information or

use information in relation to the Company's affairs, participate in discussions or receive documents or information as referred to in articles 84.4.1 and 84.4.2.

- 84.5 The board may specify, as a term of authorisation of any Relevant Matter, that a director is entitled to accept benefits from third parties in relation to the Relevant Matter without breaching section 176 of the Act.
- 84.6 No director shall, by reason of his office as director of the Company (or by reason of the fiduciary relationship established by holding that office), be liable to account to the Company for any benefit derived from any Relevant Matter to the extent that the Relevant Matter has been authorised by the board in accordance with this article 84. No transaction or arrangement shall be liable to be avoided by reason of any interest of a director to the extent that it has been so authorised.
- 84.7 For the purposes of article 84, references to a conflict of interest include a conflict of interest and duty and a conflict of duties.

**85. Directors' powers to vote**

- 85.1 A director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying the terms of appointment), or the termination of his own appointment, as the director of, or the holder of any other office or place of profit with, the Company or any undertaking in which the Company is interested. However, where proposals for such resolutions relate to two or more directors, those proposals may be divided and a resolution may be put in relation to each director separately and in such case each of the directors concerned (if not otherwise debarred from voting) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning him.
- 85.2 Subject to article 85.1 and except as otherwise provided in these articles, a director shall not vote (or be counted in the quorum) in respect of any transaction or arrangement or any other proposal in which he has an interest which (together with any interest of any person connected with him, within the meaning of section 252 of the Act) may reasonably be regarded as likely to give rise to a conflict of interest and, if he purports to do so, his vote shall not be counted.
- 85.3 The prohibitions in articles 85.1 and 85.2 shall not apply and a director may (unless otherwise prohibited under these articles) vote and be counted in the quorum in respect of any resolution concerning any of the following matters:
- 85.3.1 any transaction, arrangement or proposal in which he is interested by virtue of an interest in shares, debentures or other securities of the Company or otherwise in or through the Company;
- 85.3.2 the giving of any guarantee, security or indemnity in respect of:

- 85.3.2.1 money lent or obligations incurred by him or by any other person at the request of, or for the benefit of, the Company or any of its subsidiary undertakings; or
  - 85.3.2.2 a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility (in whole or in part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security;
  - 85.3.3 any arrangement, transaction or proposal concerning the issue or offer of shares, debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase, in respect of which he is or may be entitled to participate in his capacity as a holder of any such securities or as an underwriter or sub-underwriter;
  - 85.3.4 any transaction, arrangement or proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him, within the meaning of section 252 of the Act) does not hold an interest (as that term is used in Part 22 of the Act) representing one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company;
  - 85.3.5 any transaction or arrangement for the benefit of employees of the Company or of any of its subsidiary undertakings which does not accord to him any privilege or benefit not generally accorded to the employees to whom the transaction or arrangement relates;
  - 85.3.6 the purchase or maintenance of insurance either for or for the benefit of any director or persons who include directors;
  - 85.3.7 the giving of any indemnity against liability incurred by him in connection with his duties, powers or office in relation to the Company or any of its subsidiary undertakings, where all other directors are also offered indemnities on substantially the same terms; and
  - 85.3.8 any transaction, arrangement or proposal relating to the funding of expenditure incurred by him in defending proceedings in connection with his duties, powers or office in relation to the Company or any of its subsidiary undertakings (or enabling him to avoid incurring such expenditure), where all other directors are also offered a transaction, arrangement or proposal on substantially the same terms.
- 85.4 Subject to the Statutes, the Company may by ordinary resolution suspend or relax the restrictions in articles 85.1 or 85.2 to any extent or ratify any transaction or other arrangement not duly authorised by reason of a contravention of those articles.

- 85.5 If any question arises at any meeting as to whether an interest of a director may reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of any director to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting (or, if the director concerned is the chairman, to the other directors at the meeting) and his ruling in relation to any director other than himself (or, as the case may be, the ruling of the majority of the other directors in relation to the chairman) shall be final and conclusive, except insofar as the nature or extent of the interest of the director concerned, so far as known to him, has not been declared to the directors.
- 85.6 For the purposes of this article 85:
- 85.6.1 an interest of a person who is connected with a director (within the meaning of section 252 of the Act) shall be treated as an interest of the director and, in relation to an alternate, an interest of his appointor shall be treated as an interest of the alternate in addition to any interest which the alternate otherwise has;
- 85.6.2 references to a conflict of interest include a conflict of interest and duty and a conflict of duties;
- 85.6.3 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- 85.6.4 references to a transaction or arrangement include a proposed transaction and a proposed arrangement and references to an arrangement include a contract or any other form of arrangement.

## **PROCEEDINGS OF THE BOARD**

### **86. Board meetings**

- 86.1 Subject to the provisions of these articles, the board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A director may, and the secretary at the request of a director shall, at any time summon a board meeting.
- 86.2 Notice of a board meeting shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or given in hard copy form or by electronic means to such address (if any) notified by him or on his behalf to the Company for that purpose or if no such address has been notified, to his last known address. A director absent or intending to be absent from the United Kingdom may request that notices of board meetings shall, during his absence, be sent in hard copy form or by electronic means to him at an address given by him to the Company for this purpose but, it shall not be necessary to give notice any earlier to him than to directors not so absent and, in the absence of any such request, it shall not be necessary to give notice of a board meeting to any director absent from the United Kingdom. No account shall be taken of directors

absent from the United Kingdom when considering the adequacy of the period of notice of the meeting. A director may waive his entitlement to notice of any meeting either prospectively or retrospectively and any retrospective waiver shall not affect the validity of the meeting or of any business conducted at the meeting.

86.3 Without limiting the first sentence of article 86.1, a board meeting of the directors may consist of a conference between directors who are not all in one place, provided that each director who participates is able, directly or by telephonic or other communication (whether in use when these articles are adopted or developed subsequently), to speak to each of the others and to be heard by each of the others simultaneously. A director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, at the place from where the chairman of the meeting participates.

87. **Quorum, competence and voting**

The quorum necessary for the transaction of the business of the board may be fixed by the board and, unless so fixed at any other number, shall be two. A board meeting at which a quorum is present shall be competent to exercise all powers and discretions vested in or exercisable by the board. Subject to the Statutes and the provisions of these articles, each director participating at a meeting shall have one vote. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

88. **Power of directors if number falls below minimum**

The continuing directors or director at any time may act notwithstanding any vacancies in their number. If, and so long as, the number of directors is less than the number fixed as the necessary quorum for board meetings, or the minimum number fixed by or in accordance with these articles, the continuing directors or director may act for the purpose of filling such vacancies or calling general meetings of the Company, but not for any other purpose. If there are no directors or no director is able or willing to act, then any two members may call a general meeting for the purpose of appointing directors.

89. **Chairman**

The board may appoint a chairman and one or more deputy chairmen and set the period for which each is to hold office. The board may also revoke any such appointment. The chairman or, in his absence, any deputy chairman (determined as between the deputy chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the board) shall preside at board meetings. If no chairman or deputy chairman shall have been appointed, or is willing to act as chairman of the meeting, or if at any meeting none of them is present within five minutes after the time fixed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

**90. Resolutions in writing**

- 90.1 A resolution in writing, executed by all the directors entitled to notice of and to vote at a board meeting (provided that their number is sufficient to constitute a quorum) shall be as valid and effective as a resolution passed at a board meeting duly convened and held. For this purpose:
- 90.1.1 a resolution may be in hard copy or electronic form sent to such address (if any) specified by the Company for that purpose;
  - 90.1.2 a resolution may consist of several instruments or several communications in hard copy or electronic form, each executed by one or more directors, or a combination of both;
  - 90.1.3 a resolution executed by an alternate director need not also be executed by his appointor; and
  - 90.1.4 a resolution executed by a director who has appointed an alternate director need not also be executed by the alternate director in that capacity.

**91. Delegation of powers**

- 91.1 The board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may revoke, withdraw or vary all or any of such powers, authorities and discretions.
- 91.2 Without limiting article 91.1, the board may delegate any of its powers, authorities or discretions to a committee. Any such committee shall, unless the board otherwise resolves, have power to sub-delegate to any sub-committees any of the powers, authorities or discretions delegated to it. Any such committee or sub-committee shall consist of one or more of the directors and (if thought fit, and subject to article 91.3) one or more other persons co-opted to the committee. Any such delegation shall be made on such terms and conditions as the board thinks fit, and may be revoked, withdrawn or varied.
- 91.3 Any committee or sub-committee so formed shall, in the exercise of the powers so delegated, conform to any regulations which may be imposed on it by the board. Any such regulations may provide for, or authorise, the co-option to the committee or sub-committee of persons other than directors and for such co-opted members to have voting rights as members of the committee or sub-committee provided that the majority of the members of the committee are directors, and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are directors or alternates of directors.

92. **Proceedings of committees**

The meetings and proceedings of any such committee with two or more members shall be governed by any regulations made by the board under article 91.3 and (subject to any such regulations) the provisions of these articles regulating the meetings and proceedings of the board so far as the same are applicable.

93. **Validity of proceedings in spite of formal defect**

As regards all persons dealing in good faith with the Company, all acts done by a meeting of the board or of any committee or by a person acting as a director or a member of a committee shall, even if it is later discovered that any director, committee member or person so acting was not properly appointed or had been disqualified, vacated office or was not entitled to vote, be as valid as if there had been no defect or irregularity of the kind referred to in this article.

## **BORROWING POWERS**

94. **General power to borrow**

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

## **SECRETARY**

95. **Secretary**

The secretary shall be appointed by the board on such terms and for such period as it thinks fit. Any secretary so appointed may be removed from office by the board at any time, but without prejudice to any claim for damages for breach of any contract between him and the Company. If thought fit, the board may appoint two or more persons as joint secretaries, and may also appoint one or more deputy and/or assistant secretaries, in each case on such terms as it thinks fit.

## **SEALS**

96. **Seals**

96.1 The board shall provide for the safe custody of the seal and any securities seal and neither shall be used without the authority of the board.

- 96.2 The board may decide who shall sign any document to which the seal is affixed, either generally or in relation to a particular document or type of document, and may also decide, either generally or in any particular case, to dispense with such signatures.
- 96.3 Unless otherwise decided by the board:
- 96.3.1 certificates for shares, debentures or other securities of the Company issued under seal need not be signed; and
- 96.3.2 every other document to which a seal is affixed shall be signed autographically or manually on behalf of the Company by two of the directors, or by a director and the secretary or by a director in the presence of a witness.
- 96.4 Any document may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the document or by applying the seal or a facsimile of it by any other means to the document.

#### **MINUTES AND BOOKS**

97. **Minutes and books**

The board shall cause minutes to be recorded in hard copy or electronic form:

- 97.1 of all appointments of officers made by the board;
- 97.2 of the names of the directors (or their alternates) and any other persons present at each meeting of the board and of any committee formed under article 91; and
- 97.3 of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the board and of any committees formed under article 91.

#### **DIVIDENDS**

98. **Declaration of dividends**

The Company may, by ordinary resolution, declare dividends in accordance with the respective rights of the members, and may fix the time for payment of such dividends, but no dividend shall exceed the amount recommended by the board.

99. **Interim dividends**

The board may pay interim dividends (including any dividend payable at a fixed rate) if it appears to the board that they are justified by the financial position of the Company. If at any time the share capital of the Company is divided into different classes, the board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividends as well as on shares with preferred rights unless at the time of a payment a preferential dividend is in arrears. If the board acts in good faith, none of the directors shall incur any liability to the holders of any shares for any loss they may suffer

by the lawful payment of any dividend on any shares with rights ranking after or pari passu with those shares.

**100. Calculation and currency of dividends**

100.1 Unless and to the extent that the Statutes or the rights attached to, or the terms of issue of, any share otherwise provide:

100.1.1 all dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid (provided that, in accordance with article 120, no amount paid on a share in advance of calls shall be treated as paid on that share); and

100.1.2 dividends may be declared or paid in any currency.

100.2 The board may agree with any member that dividends which may at any time or from time to time be declared or become due on his share in one currency shall be paid or satisfied in another, and may agree the basis for conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.

**101. No interest on dividends**

No dividend or other money payable by the Company on or in respect of a share carries a right to interest from the Company, unless otherwise provided by the rights attached to the share.

**102. Permitted deductions**

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

**103. Waiver of dividends**

The waiver, in whole or in part, of any dividend on any share by any document shall be effective only if such document is executed by the holder (or the person entitled to the share in consequence of a transmission event) and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company.

**104. Manner of payment of dividends**

104.1 Any dividend or other money payable in respect of a share may be paid to the member or, where permitted by the Company in relation to 104.1.3, to such other person as the member (or, in the case of joint holders of a share, all of them) may direct by notice given to the Company. Such dividend or other money may be paid:

- 104.1.1 by cheque or warrant made payable to the payee or (where there is more than one payee) to any one of them; or
  - 104.1.2 by any direct debit, bank or other funds transfer system to such account as the payee or payees shall direct by notice given to the Company; or
  - 104.1.3 in respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the member or joint holders, by means of a relevant system (subject always to the facilities and requirements of that relevant system); or
  - 104.1.4 by any other method approved by the board and agreed by the member (or, in the case of joint holders of a share, all of them).
- 104.2 A cheque or warrant may be sent by post:
- 104.2.1 to the registered address of the holder of the share or, in the case of joint holders, to the registered address of the person whose name appears first in the register; or
  - 104.2.2 if a person is entitled by transmission to the share, as if it were a notice to be given under article 140; or
  - 104.2.3 in any case, to such person and to such address as the holder or joint holders may direct by notice given to the Company.
- 104.3 Without limiting article 104.1.3, payment by means of a relevant system may include the Company or any person on its behalf sending 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. In this article 104.3, "cash memorandum account" means an account so designated by the Operator of the relevant system.

**105. Risk and discharge of Company**

Every cheque or warrant sent in accordance with these articles shall be sent at 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 104. Payment of a cheque or warrant by the bank on which it was drawn or the transfer of funds by a bank or other funds transfer system or, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system shall be a good discharge to the Company.

**106. Receipts of joint holders**

Any person registered as a joint holder of any share or who is entitled jointly to a share in consequence of a transmission event may give an effective receipt for any dividend or other money payable or property distributable in respect of the share.

**107. Scrip dividends**

- 107.1 The board may, with the authority of an ordinary resolution of the Company, offer any holders of any particular class of shares (excluding the Company as holder of treasury shares) the right to elect to receive further shares of that class or ordinary shares, in each case credited as fully paid instead of cash in respect of all (or some part) of any dividend specified by the ordinary resolution (a scrip dividend) in accordance with the following provisions of this article.
- 107.2 The ordinary resolution may specify a particular dividend (whether or not declared) or may specify all or any dividends payable within a specified period expiring no later than five years after the date of the ordinary resolution. Any such offer shall, where practicable, be made prior to or contemporaneously with the announcement of the dividend in question and any related information as to the Company's profits for the relevant financial period or part of it.
- 107.3 The basis of allotment shall be decided by the board so that, as nearly as possible, the value of the further shares of the relevant class (including any fractional entitlement) is equal to the amount of the cash dividend which would otherwise have been paid (disregarding any associated tax credit).
- 107.4 For such purpose the value of each further share shall be the average of the middle market quotations of a share of the relevant class derived from the AIM section of the Daily Official List of the London Stock Exchange on each of the first five consecutive business days on which such shares are quoted "ex dividend" or shall be calculated in such other manner as may be determined by the ordinary resolution.
- 107.5 The board shall, after deciding the basis of allotment, give notice to the members of their right of election and specifying the procedure to be followed in order to make the election. The board is not required to give notice to a member who has previously made, and has not revoked, an earlier election to receive shares in lieu of all future dividends, but instead shall send him a reminder that he has made such an election, indicating how that election may be revoked in time for the dividend then proposed to be paid.
- 107.6 The dividend (or that part of it) in respect of which an election for a scrip dividend has been made shall not be paid and instead further shares of the relevant class shall be allotted in accordance with the election. For such purpose the board shall capitalise a sum equal to the aggregate nominal amount of the shares to be allotted out of such sums as are available for the purpose as the board may consider appropriate and shall apply the same in paying up in full the shares for such allotment.
- 107.7 The further shares so allotted shall rank *pari passu* in all respects with the fully paid shares of the same class then in issue, save only as regards participation in the relevant dividend.
- 107.8 The board may do all acts and things as it considers necessary or expedient to give effect to any such capitalisation, with full power to the board to make such provisions as

it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The board may authorise any person to enter into, on behalf of all the members interested, an agreement with the Company providing for such capitalisation and incidental matters and any agreement made under such authority shall be effective and binding on all concerned.

107.9 To the extent that the entitlement of the holder of shares in respect of any dividend is less than the value of one new share of the relevant class (as determined for the basis of any scrip dividend) the board may also 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.

107.10 Notwithstanding articles 107.1-107.9, the board may at any time prior to payment of any specific dividend decide that the dividend shall be payable wholly in cash and that all elections made in respect of that dividend shall be disregarded. The dividend shall be payable wholly in cash if the ordinary share capital of the Company ceases to be admitted to trading on AIM at any time before the due date of issue of the additional shares or if trading is suspended and not reinstated by the date immediately preceding the due date of such issue.

107.11 The board may decide that the right of election shall not be made available to any members with registered addresses in any territory where, in the opinion of the board, this would be unlawful or compliance with local laws or regulations would be unduly onerous.

#### 108. **Retention and forfeiture of dividends**

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

108.2 The board may retain dividends payable upon shares in respect of which any person is, under the provisions as to the transmission of shares contained in articles 17-19, entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

108.3 Without prejudice to article 108.5, all unclaimed dividends or other money payable on, or in respect of, a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed. The payment of any unclaimed dividend or other money payable on, or in respect of, a share into a separate account shall not constitute the Company a trustee in respect of it.

108.4 The Company shall not be obliged to send any dividends or other sums payable in respect of a share to the holder of that share if such a payment sent by the Company to that person in accordance with article 104 is returned undelivered or left uncashed or, if

sent by means of any electronic payment, has failed (whether by way of a funds transfer system or otherwise) in each case on at least two consecutive occasions, or, following one such occasion, if reasonable enquiries have failed to establish the new address for that person or, with respect to a payment to be made by a funds transfer system, a new account for that purpose. The entitlement conferred on the Company by this article in respect of any member shall cease if the member notifies the Company of an address or, where payment is to be made by a funds transfer system, details of the account, to be used for that purpose.

108.5 Any dividend unclaimed after a period of 12 years from the date when it became due for payment shall, if the board so resolves, be forfeited and shall cease to remain owing by the Company.

**109. Dividends in specie**

109.1 The Company may, upon the recommendation of the board, by ordinary resolution direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets including (without limitation) of paid up shares or debentures of another company.

109.2 Where any difficulty arises with respect to such distribution, the board may settle the difficulty as it thinks fit including (without limitation) by:

109.2.1 issuing fractional certificates or appointing any person to sell and transfer any fractions or disregarding fractions altogether;

109.2.2 fixing the value for distribution of such specific assets or any part of them;

109.2.3 deciding that cash payments shall be made to any members on the basis of the value so fixed in order to ensure equality of distribution; and

109.2.4 vesting any such specific assets in trustees on such trusts for the persons entitled to the dividend as the board may think fit.

**CAPITALISATION OF PROFITS AND RESERVES**

**110. Capitalisation of reserves**

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

110.1.1 resolve to capitalise any undistributed profits not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or other fund of the Company (including share premium account and capital redemption reserve, if any);

110.1.2 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;

110.1.3 apply such sum on their behalf either in or towards paying up the amounts, if any, then 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 provided that:

- (i) the share premium account, the capital redemption reserve and any sum not available for distribution in accordance with the Statutes may only be applied in paying up unissued shares to be allotted credited as fully paid; and
- (ii) where the amount capitalised is applied in paying up in full unissued shares, the Company may also participate in the distribution in relation to any treasury shares (notwithstanding that no dividend may be paid in respect of treasury shares) and the proportionate entitlement of the members will be adjusted accordingly taking account of the nominal amounts of the treasury shares;

110.1.4 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, or otherwise deal with such sum as directed by the resolution; and

110.1.5 resolve that any shares so allotted to any member other than the Company as holder of treasury shares in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividend only to the extent that the latter shares rank for dividend.

110.2 The board may do all acts and things it considers necessary or expedient to give effect to such capitalisation. Where any difficulty arises in respect of any distribution of any capitalised reserve or other sum, the board may settle the difficulty as it thinks fit and in particular may make provision in the case of shares or debentures becoming distributable in fractions including for payment in cash or otherwise or for fractional entitlements to be disregarded or accrue to the Company rather than the member concerned.

110.3 The board may also authorise any person to execute, on behalf of all the persons entitled to share in the distribution, an agreement with the Company providing for such capitalisation and any matters incidental to it, and any such agreement shall be binding on all such persons.

## **RECORD DATES**

### **111. Record dates for dividends and distributions**

111.1 Notwithstanding any other provisions of these articles, but without prejudice to any rights attached to any shares, the Company or the board may by resolution specify a date

(record date) as the date at the close of business by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made.

- 111.2 In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made.

## **CERTIFICATES**

### **112. Issue of share certificates**

- 112.1 Except as provided in article 112.3, every person whose name is entered in the register as the holder of any certificated shares is entitled, without payment, to one certificate for all the certificated shares of each class held by him. If he transfers a part of his holding of the shares represented by a certificate, or elects to hold part in uncertificated form, he shall be entitled to a certificate for the balance of his holding of certificated shares.

- 112.2 Every share certificate shall be issued by the Company in such manner as the board may decide (which may include use of the seal or securities seal or, in the case of shares on a branch register, an official seal for use in the relevant territory and/or facsimile signatures by one or more directors or the secretary or other person authorised to sign the certificate on behalf of the Company). Each certificate shall specify the number, class and distinguishing numbers (if any) of the shares 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.

- 112.3 The Company need not issue more than one certificate for shares held jointly by more than one person. Delivery by or on behalf of the Company of a certificate to one joint holder shall be a sufficient delivery to all of them. No certificate shall be issued in respect of any shares held by a market nominee.

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

- 113.1 Any two or more certificates representing shares of any one class held by any member may, at his request, be cancelled and a single new certificate for all such shares issued in lieu without charge.

- 113.2 If any member surrenders a share certificate representing shares held by him for cancellation and requests the Company to issue two or more certificates representing such shares in such proportions as he may specify, the board may, if it thinks fit, comply with such request on payment of such fee (if any) as the board may decide.

- 113.3 If a share certificate is damaged, defaced, worn out, or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder on request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions (if any) as to evidence, indemnity

and security for such indemnity, and the payment of any expenses of the Company in connection with the request, as the board thinks fit.

- 113.4 In the case of joint holders of a share any such request may be made by any one of the joint holders.

## **CALLS ON SHARES**

### **114. Power to make calls**

The board may make calls on the members in respect of any money unpaid on their shares, whether in respect of the nominal value of the shares or any premium (subject always to the terms of allotment of those shares). Each member shall (subject to being given at least 14 days' notice specifying the time or times and place of payment) pay to the Company, the amount called on his shares as required by the notice. A call may be required to be paid in instalments and may be revoked or postponed by the board in whole or in part at any time before receipt by the Company of the payment due under it. A person upon whom a call is made shall remain liable for it notwithstanding the subsequent transfer of the share in respect of which the call was made.

### **115. Time when call made**

A call shall be deemed to have been made at the time when the resolution of the board authorising that call is passed.

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

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

### **117. Failure to pay call**

- 117.1 If a sum called in respect of a share is not paid before or on the due date for payment, the person from whom the sum is due shall pay interest on the sum from the due date for payment to the date of actual payment at the rate fixed by the terms of the allotment of the share or, if no rate is fixed, the rate decided by the board (which shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under part 2 of the Bank of England Act 1998), and all expenses incurred by the Company by reason of such non-payment, but the board may, in any case or cases, waive payment of such interest and expenses, wholly or in part.
- 117.2 No dividend, or other payment or distribution, in respect of any such share shall be paid or distributed and no other rights, which would otherwise normally be exercisable in accordance with these articles by a holder of fully paid shares, may be exercised by the holder of any share so long as any such amount, or any interest, costs, charges or expenses payable in accordance with this article 117 in relation to that share, remains unpaid.

**118. Other sums due on shares**

Any sum which by the terms of allotment of a share becomes payable on allotment or at any fixed date shall, for the purposes of these articles, be deemed to be a call duly made and payable on the date fixed for payment. In the case of non-payment, the provisions of these articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become due and payable by virtue of a call.

**119. Power to differentiate**

On any issue of shares the board may make arrangements to differentiate between the holders of the shares as to the amount of calls to be paid and the times of payment.

**120. Payments of calls in advance**

The board may, if it thinks fit, accept from any member willing to advance it all or any part of the money uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish that amount of the liability on the shares in respect of which it is made. The Company may pay interest on the money received (until it would but for such advance become payable) at such rate as may be agreed between the member paying the sum and the board. No sum paid up in advance of calls shall entitle the holder of the share in respect of which that sum has been paid to any portion of a dividend, or other payment or distribution, declared in respect of any period before the date on which the sum would, but for such payment, become payable.

**FORFEITURE, SURRENDER AND LIEN**

**121. Notice on failure to pay a call**

121.1 If the whole or any part of any call or instalment of a call remains unpaid after the due date for payment, the board may give notice to the person from whom it is due requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued on it and any costs, charges and expenses incurred by the Company by reason of such non-payment.

121.2 The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made. The notice shall state that, in the event of non-payment in accordance with the notice, the share on which the call was made or instalment is payable will be liable to be forfeited.

**122. Forfeiture for non-compliance**

122.1 If a notice given under article 121 is not complied with, any share to which that notice relates may, at any time before the payment required by that notice has been made, be forfeited by a resolution of the board. The forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited share and not actually paid

or distributed before forfeiture. The board may accept a surrender of any share liable to be forfeited.

- 122.2 A person all or any of whose shares have been forfeited or surrendered shall cease to be a member and shall lose all rights as member in respect of those shares and shall surrender any certificate for those shares to the Company for cancellation.

**123. Notice of forfeiture**

When any share has been forfeited, notice of the forfeiture shall be given to the holder of the share or, as the case may be, the person entitled to the share by transmission. An entry of such notice having been given, and of the date of the forfeiture, shall be made in the register. Failure to give such notice or to make such entry shall not invalidate any forfeiture.

**124. Annulment of forfeiture**

The board may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender. It may do so on such terms as it may decide.

**125. Disposal of forfeited shares**

A share so forfeited or surrendered shall become the property of the Company and may (subject to the Statutes) be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder of the share or to any other person on such terms and in such manner as the board shall decide. This can be with or without a credit for all or any part of the amount previously paid on the share. Where, for the purposes of its disposal, a forfeited or surrendered share held in certificated form is to be transferred to any person, the board may appoint any person to execute an instrument of transfer of the share to or in accordance with the directions of that person. Where, for the purpose of its disposal, a forfeited or surrendered share held in uncertificated form is to be transferred to any person, the board may exercise any of the Company's powers under article 5.3. The Company may receive the consideration given for the share on its disposal.

**126. Liability following forfeiture**

A person any of whose shares have been forfeited or surrendered shall remain liable to pay to the Company all money which, at the date of forfeiture or surrender, was payable by him to the Company in respect of the shares. He must pay interest on such money at the rate at which interest was payable on it before the forfeiture or surrender or, if no interest was payable, at the rate decided by the board (which shall not exceed 15 per cent. per annum), from the date of forfeiture or surrender until payment. The board may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or waive payment in whole or in part.

**127. Lien on partly paid shares**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all money payable (whether or not due) in respect of that share. The lien shall extend to all dividends and other payments or distributions payable or distributable in respect of the relevant share. The board may waive any lien which has arisen and may declare any share to be exempt, wholly or partially, from the provisions of this article.

**128. Enforcement of lien by sale**

The Company may sell any share on which it has a lien and on which an amount is then payable in such manner as the board decides. However, the Company cannot do so until 14 days after a notice demanding payment of the amount payable, and giving notice of the intention to sell in default, has been given to the holder of the share or the person entitled to it by reason of a transmission event. To give effect to that sale, the board may appoint any person to transfer the share sold to, or in accordance with the directions of, the buyer.

**129. Application of proceeds of sale**

The net proceeds of the sale, after payment of the Company's costs associated with the sale, shall be applied in or towards satisfaction of the amount in respect of which the lien exists. Any residue shall (subject to a like lien for debts or liabilities not then payable but which existed on the share prior to the sale) on surrender to the Company for cancellation of the certificate (if any) in respect of the share sold, be paid to the person entitled to the share immediately before the sale.

**130. Evidence of forfeiture or lien**

A statutory declaration by a director or the secretary of the Company that a share has been forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in the declaration as against all persons claiming to be entitled to the share. The declaration shall (subject if necessary to the relevant transfer being made) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

**UNTRACEABLE MEMBERS**

**131. Power to dispose of shares of untraced members**

131.1 The Company may sell, in such manner as the board decides and at the best price reasonably obtainable, any share held by a member or to which a person is entitled by transmission if:

- 131.1.1 the share has been in issue for at least the previous 12 years and during that period at least three cash dividends have become payable in respect of the share and have been sent by the Company in a manner authorised by these articles;
  - 131.1.2 during that period of 12 years no cash dividend payable in respect of the share has been claimed, no cheque or warrant or other payment for an amount payable in respect of the share has been cashed or otherwise paid and no communication has been received by the Company from the member or person;
  - 131.1.3 the Company has, at the end of that period, published advertisements in at least one leading national newspaper and one newspaper circulating in the area in which the last known address of the member (or person entitled by transmission to the share) or the address at which notices may be given under these articles is located, in each case giving notice of its intention to sell the share; and
  - 131.1.4 the Company has not, during a further period of three months after the publication of those advertisements and prior to the sale of the share, received any communication in respect of the share from the member or person entitled by transmission.
- 131.2 The Company shall also be entitled to sell, in the manner provided for in article 131.1, any share (additional share) issued on or before the date of publication of the first of any advertisements under article 131.1 in right of any share to which that article applies (or in right of any share to which this article 131.2 applies) if the conditions in articles 131.1.2 to 131.1.4 are satisfied in relation to the additional share (but as if references to a period of 12 years were references to a period beginning on the date of allotment of the share and ending on the date of publication of the first advertisements referred to above).
- 131.3 To give effect to any sales under this article the board may:
- 131.3.1 where the shares are held in certificated form, appoint any person to execute, as transferor, an instrument of transfer of the shares to, or in accordance with the directions of, the buyer;
  - 131.3.2 where the shares are held in uncertificated form, do all acts and things it considers necessary or expedient to effect the transfer of the shares to or in accordance with the directions of the buyer.
- 131.4 The buyer shall not be bound to see the application of the purchase money; nor shall the title of the new holder to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

**132. Sale procedure and application of proceeds**

132.1 The Company shall be indebted to the person entitled to the share at the date of sale for an amount equal to the net proceeds of sale. However, no trust shall be created and no interest shall be payable in respect of the proceeds of sale pending payment of the net proceeds of sale to such person and the proceeds may be used in the Company's business or invested in such a way as the board may decide.

132.2 No interest shall be payable in respect of the net proceeds and the Company shall not be required to account for any money earned on the net proceeds.

**ACCOUNTS**

**133. Accounts**

No member (in his capacity as such) shall have any right of inspecting any accounting records or any other book or document of the Company except as conferred by law or ordered by a court of competent jurisdiction or authorised by the board.

**134. Summary of financial statements**

Where permitted by the Statutes, the Company may send a summary financial statement in the form specified by the Statutes to the persons who would otherwise be entitled to be sent a copy of the Company's full annual accounts and reports.

**AUDITORS**

**135. Validity of acts of auditors**

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

**NOTICES AND COMMUNICATIONS**

**136. Notices in writing**

Any notice, document or information to be given to or by any person under these articles (other than a notice calling a meeting of the board) shall be in writing, except where otherwise expressly stated in these articles or provided in the Statutes.

**137. Notices and communications to the Company**

137.1 Except where otherwise expressly stated in these articles or agreed (or deemed to have been agreed in accordance with the Act) by the Company, any notice, document or information to be given to the Company under these articles shall be in hard copy form or (if the Company agrees or is deemed by the Act to have agreed) in electronic form. Any such notice, document or information shall:

- 137.1.1 if sent by electronic means, be sent or supplied to such address (if any) specified by the Company for the purpose (or deemed by the Act to have been so specified); and
- 137.1.2 if sent otherwise than by electronic means, be sent or supplied to such address (if any) specified by the Company for the purpose or to the office, by posting a pre-paid envelope containing the notice, document or information to that address or by leaving the notice, document or information at that address.
- 137.2 Section 1147 of the Act shall not apply to documents or information sent to the Company for the purposes of the Companies Acts or these articles.

**138. Notices and communications by the Company**

- 138.1 Subject to the Statutes and any other provisions of these articles, any notice, document or information to be given, sent or supplied by the Company to a member or any other person may (in the Company's discretion) be given, sent or supplied by any means allowed for by and in accordance with the Act including, without limitation, in hard copy form, in electronic form or by means of a website. This applies whether or not such communication is authorised or required to be sent or supplied by the Companies Acts or otherwise.
- 138.2 A member whose address on the register is not within the United Kingdom and who gives to the Company a postal address within the United Kingdom at which notices, documents or information may be given or sent to him shall be entitled to have any notice, document or information given or sent to him at that address. Otherwise a member whose registered address is not within the United Kingdom shall not be entitled to receive any notice, document or information from the Company even if he has supplied an address for the purpose of receiving notices, documents or information by electronic means. Any notice of a general meeting of the Company which is in fact sent or purports to be sent to such member shall be ignored for the purposes of determining the validity of proceedings at such meeting.
- 138.3 The board may at any time issue, endorse or adopt terms and conditions relating to the use of electronic communications for the giving or sending of notices, documents or other information by the Company to members or persons entitled by transmission and by members or persons entitled by transmission to the Company. Without limitation, the board may designate mechanisms for validating notices, documents and other information given or sent to the Company and any such notice, document or information not so validated by use of such mechanisms shall be deemed not to have been received by the Company.
- 138.4 Proof that an envelope containing a notice, document or information was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was given. Proof that a notice, document or information sent by electronic means was properly addressed shall be conclusive evidence that the notice, document

or information was given. A notice, document or information sent by the Company to a member by post shall be deemed to be given or delivered:

- 138.4.1 if sent by first class or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class or special delivery post from an address in another country to another address in that other country, on the day following that on which the notice, document or information was posted;
  - 138.4.2 if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the notice, document or information was posted; and
  - 138.4.3 in any other case, on the second day following that on which the notice, document or information was posted.
- 138.5 A notice, document or information sent or supplied by the Company to a member by electronic means shall be deemed given or delivered to the member on the day following that on which the notice, document or information was sent to the member. Such notice, document or information shall be deemed given by the Company to the member on that day notwithstanding that the Company becomes aware that the member has failed to receive it for any reason and notwithstanding that the Company subsequently sends a copy of such notice, document or information by post to the member.
- 138.6 A notice, document or information sent or supplied by the Company by means of a website shall be deemed given or delivered to the intended recipient:
- 138.6.1 when the material is first made available on the website; or
  - 138.6.2 if later, when the recipient is given (or, in accordance with this article 138, is deemed to have been given) notification of the fact that the material is available on the website.

Such notice, document or information shall be deemed given by the Company to the member on that day notwithstanding that the Company becomes aware that the member has failed to receive it for any reason and notwithstanding that the Company subsequently sends a copy of such notice, document or information by post to the member.

### 139. **Notice to joint holders**

- 139.1 In the case of joint holdings, all notices, documents and information shall be given or sent to the joint holder whose name appears first in the register and this shall be sufficient delivery to all the joint holders in their capacity as such. Except as otherwise provided in these articles, anything which needs to be agreed or specified in relation to any notice, document or information to be given to joint holders can be agreed or

specified by any one of the joint holders. The agreement or specification of the holder named first in the register will prevail. For the purposes of this article, a joint holder having no registered address in the United Kingdom and not having given a postal address within the United Kingdom at which notices may be given to him shall be disregarded.

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

A notice, document or information may be given, sent or supplied by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member or other transmission event by giving, sending or supplying it in any manner authorised by these articles for the giving, sending or supplying of a notice, document or information to a member. The notice, document or information shall be addressed to the persons claiming to be so entitled by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any other appropriate description at the address, if any, in the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Any notice, document or information given, sent or supplied to such persons in this way shall be deemed to be sufficiently given, sent or supplied to all persons interested in the share (whether jointly with or as claimants through or under them). Until an address has been supplied for the purposes of this article, a notice, document or information may be given, sent or supplied in any manner in which it might have been given, sent or supplied if the death, bankruptcy or other transmission event had not occurred (whether or not the Company has notice of the death, bankruptcy or other transmission event).

**141. Disruption of postal services**

If there is a suspension or curtailment of postal services within the United Kingdom or some part of the United Kingdom, the board may decide that notice of any general meeting need only be given to:

141.1 the directors;

141.2 the Company's auditors;

141.3 those members to whom notice to convene the general meeting can validly be sent by electronic means; and

141.4 those members to whom notice to convene the general meeting can validly be sent by means of a website and to whom notification as to the availability of the notice of meeting on a website can validly be sent by electronic means.

In any such case the Company shall also:

141.5 advertise the notice in at least one newspaper with a national circulation;

141.6 make the notice available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment of the meeting; and

141.7 send or supply by post either a confirmatory copy of the notice to those members who would otherwise have received the notice in hard copy form or a confirmatory notification of the availability of the notice on a website, in the case of any members to whom notice to convene a general meeting can validly be sent by means of a website but to whom notification of the availability of the notice of meeting on the website cannot validly be sent by electronic means, if at least seven clear days before the meeting the sending or supply of notices and other documents by post to addresses throughout the United Kingdom has again become practicable.

**142. Deemed notice**

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

**143. Successors in title bound by notice to predecessor**

Every person who becomes entitled to a share shall be bound by any notice (other than a notice given under section 793 of the Act) in respect of that share which, before his name is entered in the register, was given to the person from whom he derives his title.

**144. Notification of publication of notices on a website**

Except when the subject or context otherwise requires, in articles 138.1, 138.2, 138.3, 138.4, 138.5, 139 and 140 references to a notice include without limitation references to any notification required by the Statutes in relation to the publication of any notices or other documents on a website.

**145. Statutory requirements**

Nothing in these articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

**146. Record dates for notices and voting**

146.1 For the purposes of giving notices of meetings or other documents or information, the Company may determine the persons entitled to receive such notices, documents or information by reference to the register at the close of business on a date determined by it, which may not be more than 15 days before the date that the notice of the meeting or other document or information is sent. No change in the register after that date shall invalidate the giving of the notice, document or information and the Company shall not be obliged to send such notice, document or information to any person by reason of a change to the register after that date.

146.2 For the purposes of determining which persons are entitled to attend and/or vote at a general meeting, and how many votes such persons may cast, the Company may specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register in order to have the

right to attend and/or vote at the meeting. In calculating the period mentioned in this article 146.2, no account shall be taken of any part of a day that is not a working day.

## **AUTHENTICATION**

### **147. Authentication of documents**

Any director or the secretary or any person appointed by the board or by a duly authorised committee for the purpose shall have power to authenticate any documents affecting the constitution of the Company, any resolutions of 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 of or extracts from them as true copies or extracts. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the board or any committee which is certified in accordance with this article shall be conclusive evidence in favour of a person dealing with the Company and relying on that document that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

## **WINDING UP**

### **148. Liquidator may distribute in specie**

If the Company is being wound up (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may, with the authority of a special resolution and any other sanction required by the Statutes:

- 148.1 divide among the members in specie the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for that purpose value any assets and determine how such division shall be carried out as between the members or different classes of members; and/or
- 148.2 vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit but so that no member shall be compelled to accept any assets in respect of which there is any liability.

## **INDEMNITY, FUNDING OF DEFENCE PROCEEDINGS AND INSURANCE**

### **149. Indemnity and funding of defence proceedings**

149.1 Subject to the provisions of, and so far as may be consistent with, the Statutes:

- 149.1.1 every director and other officer (other than an auditor) of the Company shall be indemnified out of the assets of the Company against all liabilities attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any associated company of the Company in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers other than:

149.1.1.1 any liability incurred to the Company or any of its associated companies; and

149.1.1.2 any liability of the kind referred to in section 234(3) of the Act;

149.1.2 where the Company or any of its associated companies is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act), the board may exercise all the powers of the Company to indemnify any director or former director of that company against all liabilities incurred by him in connection with that company's activities as trustee of the occupational pension scheme, to the fullest extent permitted by law; and

149.1.3 the board may exercise all the powers of the Company to provide any director or former director of the Company or of its holding Company with funds to meet expenditure incurred or to be incurred by him of the kind referred to in sections 205(1)(a) and 206(a) of the Act and otherwise take any action to enable any such director or former director to avoid incurring such expenditure, to the fullest extent permitted by law.

149.2 Section 256 of the Act shall apply in determining whether companies are associated for the purposes of this article 149.

149.3 The indemnity in article 149.1.1 is without prejudice to any other indemnity to which a director or other officer of the Company or any of its associated companies may be entitled.

## 150. **Insurance**

150.1 Subject to the Statutes, and without prejudice to article 149, the board may exercise all the powers of the Company to purchase and maintain insurance for, or for the benefit of, any person who is or was at any time:

150.1.1 a director or other officer of any Relevant Company (as defined in article 150.2); or

150.1.2 a trustee of any pension fund or retirement, death or disability scheme for the benefit of any employee of any Relevant Company or of any employees' share scheme in which employees of any such Relevant Company are interested,

including (without limitation) insurance against any liability referred to in articles 149.1.1 or 149.1.2 attaching to him in relation to any Relevant Company, or any such pension fund, retirement or other scheme or employees' share scheme.

150.2 In this article 150, "Relevant Company" means the Company or any other undertaking which is or was at any time:

150.2.1 the parent undertaking of the Company; or

150.2.2 a subsidiary undertaking of the Company or of such parent undertaking; or

150.2.3 otherwise associated with the Company or any such parent or subsidiary undertaking or any predecessor in business of the Company or of any such parent or subsidiary undertaking.

151. **General powers of the company not limited**

The powers given by articles 149 and 150 shall not limit any general powers of the Company to grant indemnities, purchase and maintain insurance or provide funds (whether by way of loan or otherwise) to any person in connection with any legal or regulatory proceedings or applications for relief.