

THE COMPANIES ACTS 1908 to 1917

203365

and

THE COMPANIES ACTS 1948 to 1980

**A PRIVATE COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION OF  
NORTHERN RACING LTD**

- 1 The Name of the Company is "Northern Racing LTD"
- 2 The Registered Office of the Company will be situate in England
- 3 The Objects for which the Company is established are
  - (a) To carry on the business of Racecourse Proprietors and promoters and managers of Race meetings and sports competitions of every kind and to acquire, lay out, and prepare, improve, use, develop and maintain any lands for the running of horse races, steeplechases or races of any other kinds, and for playing games of cricket, bowls, golf, lawn tennis, polo, or any other pastime, sport or amusements, recreation or entertainment, and to construct, alter, or adopt grand or other stands, marquees, booths, stables, paddocks, refreshment rooms, pavilions, dressing rooms, or other buildings of any kind and to conduct, hold, and promote, agricultural, horse, flower, and other shows and exhibitions, and otherwise utilise the Company's properties and rights, and to give and contribute towards prizes, cups, stakes, and other rewards
  - (b) As the first operation of the Company to acquire certain property forming part of the Piercefield Park Estate situate at Chepstow in the County of Monmouth and with a view thereto to enter into and carry into effect (either with or without modification) an Agreement which has already been prepared and engrossed and is expressed to be made between Henry Hastings Clay of the one part and the Company of the other part a copy whereof has for the purposes of identification been endorsed with the signature of Mr G L B Francis, a Solicitor of the Supreme Court
  - (c) To acquire and establish and carry on any clubs, hotels, inns, public houses, and other conveniences, and to carry on the business of hotel, inn, and public house owners, keepers or managers, licensed victuallers, caterers or refreshment purveyors
  - (d) To carry on the business of farmers, market gardeners, hay and straw dealers, fruit and flower growers and dealers, land and estate owners and agents, builders, decorators, painters, plumbers, carriers, tobacconists, coach, cab, carriage and motor car proprietors, motor garage proprietors, job masters, and dealers in live and dead stock, and caterers for public amusements
  - (e) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property
  - (f) To purchase or by other means acquire any freehold, or other property for any estate or interest whatever, and any rights, privileges, or easements over or in

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respect of any property, and any real or personal property or rights whatsoever which may be necessary for, or may be conveniently used with, or may enhance the value of any other property of, the Company

- (g) To build, construct, maintain, alter, enlarge, pull down, and remove or replace any buildings, offices, works, roads, railways, machinery, engines, walls, fences, banks, dams, sluices, or watercourses and to clear sites for the same, or to join with any person, firm, or company in doing any of the things aforesaid, and to work, manage, and control the same or join with others in so doing
- (h) To purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere, any patent, patent rights, brevets d'invention, licences, protections, and concessions, which may appear likely to be advantageous or useful to the Company, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to spend money in experimenting upon and testing and in improving any patents, inventions, or rights, which the Company may acquire or propose to acquire
- (i) To acquire and undertake the whole or any part of the business, goodwill, and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorized to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept by way of consideration for any of the acts or things aforesaid, or property acquired, any shares, debentures, debenture stock, or securities that may be agreed upon, and to hold and retain or sell, mortgage, and deal with any shares, debentures, debenture stock, or securities so received
- (j) To improve, manage, cultivate, develop, exchange, let on lease or otherwise mortgage, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company
- (k) To invest and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined
- (l) To lend and advance money or give credit to such persons, firms and companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company, and to give guarantees or become security for any such persons, firms or companies
- (m) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of Debentures or Debenture Stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised, or owing by mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake
- (n) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments
- (o) To apply for, promote, and obtain any Act of Parliament, Provisional Order, or License of the Board of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests

- (p) To enter into any arrangements with any Governments or authorities (supreme, municipal, local, or otherwise) or any Corporations, companies or persons that may seem conducive to the Company's objects or any of them, and to obtain from any such Government, Authority, Corporation, Company, or persons, any charters, contracts, decrees, rights, privileges, and concessions which the Company may think desirable, and to carry out, exercise, and comply with any such charters, contracts, decrees, rights, privileges, and concessions
- (q) To subscribe for, take, purchase, or otherwise acquire and hold shares or other interest in or securities of any other company having objects altogether or in part similar to those of this Company or carrying on business capable of being conducted so as directly or indirectly to benefit this Company
- (r) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors, or others
- (s) To remunerate any person, firm or company, rendering services to this Company, whether by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or in part, or otherwise
- (t) To pay all or any expenses incurred in connection with the formation, promotion, and incorporation of the Company or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares, debentures, debenture stock, or securities of this Company
- (u) To support and subscribe to, or guarantee money for any charitable or public object, or any exhibition, and any institution, society, or club, which may be for the benefit of the Company, or its employees or may be connected with any town or place where the Company carries on business, to give pensions, gratuities or charitable aid to any person or persons who may have served the Company, or to the wives, children or other relatives, of such persons, to make payments towards insurance, and to form and contribute to provident and benefit funds for the benefit of any persons employed by the Company
- (v) To promote any other company for the purpose of acquiring all or any of the property or undertaking any of the liabilities of this Company, or of undertaking any business or operations which may appear likely to assist or benefit this Company or to enhance the value of any property or business of this Company, and to place, or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares or securities of any such Company as aforesaid
- (w) To sell or otherwise dispose of the whole or any part of the undertaking of the Company, either together or in portions for such consideration as the Company may think fit, and in particular for shares, debentures, debenture stock, or securities of any company purchasing the same
- (x) To distribute among the members of the Company in kind, any property of the Company, and in particular any shares, debentures, debenture stock, or securities of other companies belonging to this Company or of which this Company may have power of disposing
- (y) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them

4 And it is hereby declared that the word "Company" in this Clause shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and the intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such

paragraph, be independent main objects, and that none of them shall be deemed to be merely subsidiary or auxiliary to the objects mentioned in the first paragraph of this clause or be in anywise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company

- 5 The liability of the Members is limited
- 6 The share capital of the Company is £150,000 divided into 150,000 shares of £1 each. The Company has power from time to time to increase or reduce its capital and to issue shares in the original or increased capital as ordinary, preferred or deferred shares and to attach to any class or classes of such shares any preferences, rights, privileges, or conditions or to subject the same to any restrictions or limitations. Provided that no dividend at a rate exceeding ten per centum per annum (which may be cumulative) shall be paid on the capital for the time being paid up on any shares in the original or any increased capital without the previous consent of the Stewards for the time being of the *Jockey Club*, and all surplus profits or income shall be applied solely towards the promotion of the objects of the Company as set forth in the Memorandum of Association

**THE COMPANIES ACTS, 1908 TO 1917**  
**and**  
**THE COMPANIES ACT 1985**  
**A PRIVATE COMPANY LIMITED BY SHARES**

**NEW**  
**ARTICLES OF ASSOCIATION**  
**OF NORTHERN RACING LTD<sup>1</sup>**

*(adopted by special resolution passed on 19th Sept 2007-*



**COMPANY NUMBER. 203365**

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<sup>1</sup> The Company's name was changed to Northern Racing PLC on 4 June 2004

Company number  
203365

THE COMPANIES ACTS, 1908 TO 1917

and

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

NORTHERN RACING LTD

(adopted by special resolution passed on 19<sup>th</sup> Sept 2007

PRELIMINARY

**1 Exclusion of Table A**

Neither the regulations in Table A in the First Schedule to the Companies (Consolidation) Act, 1908 nor the regulations in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 shall apply to the Company

**2 Definitions and interpretation**

2.1 In these articles, unless the context requires otherwise

"the Act"	means the Companies Act 1985 as amended or replaced from time to time,
"address"	means, in relation to electronic communications, includes any number or address used for the purpose of such communications, without limitation,
"these articles"	means these articles of association, as altered from time to time, and the expression "this article" shall be construed accordingly,
"the board"	Means the board of directors for the time being of the Company,
"clear days"	Means, in relation to the period of a notice, that period excluding the day when the notice is given deemed to be given and the day for which it is given or on which it is to take effect,
"committee"	means a committee of the board,

<b>"communication"</b>	Has the same meaning as in the Electronic Communications Act 2000,
<b>"director"</b>	means a director for the time being of the Company,
<b>"electronic communication"</b>	has the same meaning as in the Electronic Communications Act 2000,
<b>"financial institution"</b>	means any financial institution as that expression is defined in section 185 of the Act,
<b>"the holder"</b>	in relation to any share means the member whose name is entered on the register as the holder of that share,
<b>"the office"</b>	means the registered office for the time being of the Company,
<b>"Paid up"</b>	means paid up or credited as paid up,
<b>"person entitled by transmission"</b>	means a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the register,
<b>"the register"</b>	means the register of members of the Company
<b>"the seal"</b>	means any common seal of the Company,
<b>"the secretary"</b>	means the secretary of the Company or, if there are joint secretaries, any of the joint secretaries of the Company and includes an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the secretary of the Company, and
<b>"the Statutes"</b>	means the Act and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Act

**2 2 In these articles, unless the context requires otherwise**

- (a) words and expressions defined in the Act or, if not defined in the Act, in any other of the Statutes (in each case as in force on the date of adoption of these articles) have the same meaning in these articles except that the word 'company' includes any body corporate,
- (b) any reference elsewhere in these articles to any statute or statutory provision includes a reference to any modification or re-enactment of it for the time being in force,
- (c) words importing the singular number include the plural number and vice versa, words importing one gender include every gender and words importing persons include individuals, bodies corporate and unincorporated associations,
- (d) any reference to writing includes a reference to any method of reproducing words in legible form,
- (e) any reference to doing something by electronic means includes doing it by an electronic communication,
- (f) any reference to a signature or to something being signed or executed includes an electronic signature or other means of verifying the authenticity of an electronic communication which the board may from time to time approve, a signature printed or reproduced by mechanical or other means or any stamp or other distinctive marking made by or with the authority of the person required to sign the document to indicate it is approved by such person,
- (g) any reference to a document being sealed or executed under seal or under the common seal of any body corporate (including the Company) or any similar expression includes a reference to its being executed in any other manner which has the same effect as if it were executed under seal,
- (h) any reference to a meeting shall not be taken as requiring more than one person to be present in person if any quorum requirement can be satisfied by one person,
- (i) any reference to a show of hands includes such other method of casting votes as the board may from time to time approve, and

**2 3** Subject to the provisions of the Statutes, a special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required and a special resolution shall be effective for any purpose for which an extraordinary resolution is required under these articles

**2 4** Headings to these articles are for convenience only and shall not affect the construction or interpretation of these articles

## **Share Capital**

### **3 Authorised share capital**

The authorised share capital of the Company at the date of adoption of these articles is £25,000,000 divided into 100,000,000 ordinary shares of 25p each



#### **4 Rights attached to shares**

Subject to the provisions of the Statutes and to the rights conferred on the holders of any other shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution determine or, if no such resolution is in effect or so far as the resolution does not make specific provision, as the board may decide

#### **5 Redeemable shares**

Subject to the provisions of the Statutes, any share may be issued on terms that it is to be redeemed or is liable to be redeemed at the option of the Company or the holder

#### **6 Unissued shares**

Subject to the provisions of the Statutes, these articles and any resolution of the Company, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the board which may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of them to such persons, at such times, for such consideration and generally on such terms as the board may decide

#### **7 Authority to allot relevant securities**

The Company may from time to time pass an ordinary resolution authorising, in accordance with section 80 of the Act, the board to exercise all the powers of the Company to allot relevant securities (as defined for the purposes of that section) and

- (a) on the passing of the resolution the board shall be generally and unconditionally authorised to allot relevant securities (as defined for the purposes of that section) up to the nominal amount specified in the resolution, and
- (b) unless previously revoked the authority shall expire on the day specified in the resolution (not being more than five years after the date on which the resolution is passed),

but any authority given under this article shall allow the Company, before the authority expires, to make an offer or agreement which would or might require relevant securities to be allotted after it expires

#### **8 Dis-application of pre-emption rights**

Subject to the board being generally authorised to allot relevant securities in accordance with section 80 of the Act, the Company may from time to time resolve by a special resolution that the board be given power to allot equity securities for cash and, on the passing of the special resolution, the board shall have power to allot (pursuant to that authority) equity securities for cash as if section 89(1) of the Act did not apply to the allotment, but that power shall be limited to the allotment of equity securities having a nominal amount not exceeding in aggregate the sum specified in the special resolution and unless previously revoked that power shall (if so provided in the special resolution) expire on the date specified in the special resolution. The Company may, before the power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires

## VARIATION OF RIGHTS

### 9 Variation of rights

- 9 1 Whenever the capital of the Company is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares in issue may from time to time (whether or not the Company is being wound up) be varied in such manner as those rights may provide or (if no such provision is made) either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the authority of an extraordinary resolution passed at a separate general meeting of the holders of those shares
- 9 2 All the provisions of these articles relating to general meetings of the Company shall apply *mutatis mutandis* to every such separate general meeting, except that
- (a) the quorum at any such meeting (other than an adjourned meeting) shall be two persons at least holding or representing by proxy not less than one-third in nominal amount of the issued shares of the class excluding any shares of that class held as treasury shares,
  - (b) at an adjourned meeting the quorum shall be one person holding shares of the class or his proxy,
  - (c) every holder of shares of the class shall be entitled on a poll to one vote in respect of every share of the class held by him, and
  - (d) a poll may be demanded by any one holder of shares of the class whether present in person or by proxy
- 9 3 Unless otherwise expressly provided by these articles or 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 *pari passu* with them or by the purchase or redemption by the Company of any of its own shares

## SHARE CERTIFICATES

### 10 Issue of share certificates

- 10 1 A person whose name is entered in the register (other than a financial institution in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) as the holder of any shares shall be entitled (unless the conditions of issue otherwise provide) to receive one certificate for those shares, or one certificate for each class of those shares and, if he transfers part of the shares represented by a certificate in his name to receive a new certificate for the balance of those shares
- 10 2 In the case of joint holders, the Company shall not be bound to issue more than one certificate for all the shares in any particular class registered in their joint names, and delivery of a certificate for a share to any one of the joint holders shall be sufficient delivery to all
- 10 3 A share certificate may be issued under seal or signed by at least one director and the secretary or by at least two directors. A share certificate shall specify the number and class of the shares to which it relates

and the amount or respective amounts paid up on the shares. Any certificate so issued shall, as against the Company, be *prima facie* evidence of title of the person named in that certificate to the shares comprised in it

- 10 4 A share certificate may be delivered either by handing it personally or by despatching it to the holder (or, in the case of joint holders, to the first named in the register of such joint holders) or to an agent of the holder, and any share certificate so despatched shall be sent at the risk of the holder

## **11 Charges for and replacement of share certificates**

- 11 1 Except as expressly provided to the contrary in these articles, no fee shall be charged for the issue of a share certificate
- 11 2 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 issued
- 11 3 If any member surrenders for cancellation a certificate representing shares held by him and requests the Company to issue two or more certificates representing those shares in such proportions as he may specify, the board may, if it thinks fit, comply with the request on payment of such fee (if any) as the board may decide
- 11 4 If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, it may be replaced free of charge on compliance with such conditions as to evidence, indemnity and security for such indemnity as the board may think fit and on payment of any exceptional expenses of the Company incidental to its investigation of the evidence and preparation of the indemnity and security and, if damaged or defaced, on delivery up of the old share certificate
- 11 5 In the case of joint holders of a share, a request for a new share certificate under any of the preceding paragraphs of this article may be made by any one of the joint holders unless the certificate is alleged to have been lost, stolen or destroyed

## **LIEN**

### **12 Lien on partly paid shares**

- 12 1 The Company shall have a first and paramount lien on every share (not being a fully paid share) in the circumstances and to the extent permitted by section 150(2) of the Act for all amounts payable to the Company (whether presently or not) in respect of that share. The Company's lien shall extend to every amount payable in respect of that share
- 12 2 The board may at any time either generally or in any particular case waive any lien that has arisen or declare any share to be wholly or partly exempt from the provisions of this article. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien (if any) on that share

### **13 Enforcement of lien by sale**

- 13 1 The Company may sell any share subject to a lien in such manner as the board may decide if an amount payable on the share is due and is not paid within 14 clear days after a notice has been given to the holder or any person entitled by transmission to the share demanding payment of that amount and giving notice of intention to sell in default
- 13 2 To give effect to any sale under this article, the board may authorise a person to transfer the share sold to, or as directed by, the purchaser. The purchaser shall not be bound to see to the application of the purchase money nor shall the title of the new holder to the share be affected by any irregularity in or invalidity of the proceedings relating to the sale
- 13 3 The net proceeds of the sale, after payment of the costs, shall be applied in or towards satisfaction of the amount due and any residue shall (subject to a like lien for any amounts not presently due as existed on the share before the sale), on surrender of the certificate for the shares sold, be paid to the holder or person entitled by transmission to the share immediately before the sale

## **CALLS ON SHARES**

### **14 Calls**

- 14 1 Subject to the terms of allotment, the board may from time to time make calls on the members in respect of any moneys unpaid on their shares (whether in respect of nominal amount of the shares or by way of premium) and each member shall (subject to the Company giving to him at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be revoked or postponed as the board may decide. A person on whom a call is made shall remain liable for it notwithstanding the subsequent transfer of the share in respect of which the call is made
- 14 2 Any call may be made payable in one sum or by instalments and shall be deemed to be made at the time when the resolution of the board authorising that call is passed
- 14 3 The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of that share

### **15 Interest on calls**

If a call is not paid before or on the due date for payment, the person from whom it is due shall pay interest on the amount unpaid, from the due date for payment to the date of actual payment, at such rate as the board may decide together with all expenses that may have been incurred by the Company by reason of such non-payment, but the board may waive payment of the interest and expenses wholly or in part

### **16 Sums due on allotment treated as calls**

A sum which by the terms of allotment of a share is payable on allotment, or at a fixed time, or by instalments at fixed times, shall for all purposes of these articles be deemed to be a call duly made and payable on the date or dates fixed for payment and, in case of non-payment, the provisions of these articles shall apply as if that sum had become payable by virtue of a call

## **17 Power to differentiate**

On any issue of shares the board may make arrangements for a difference between the allottees or holders of the shares in the amounts and times of payment of calls on their shares

## **18 Payment of calls in advance**

If it thinks fit, the board may receive all or any part of the moneys payable on a share beyond the sum actually called up on it if the holder is willing to make payment in advance and, on any moneys so paid in advance, may (until they would otherwise be due) pay interest at such rate as may be agreed between the board and the member paying the sum in advance

## **FORFEITURE OF SHARES**

### **19 Notice if call or instalment not paid**

- 19 1 If the whole or any part of any call or instalment remains unpaid on any share after the due date for payment, the board may give a notice to the holder requiring him to pay so much of the call or instalment as remains unpaid, together with any accrued interest
- 19 2 The notice shall state a further day, being not less than 14 clear days from the date of the notice, on or before which, and the place where, payment required by the notice is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the share in respect of which the call was made or instalment is payable will be liable to be forfeited
- 19 3 The board may accept a surrender of any share liable to be forfeited

### **20 Forfeiture on non-compliance with notice**

- 20 1 If the requirements of a notice given under the preceding article are not complied with, any share in respect of which the notice was given may (at any time before the payment required by the notice is made) be forfeited by a resolution of the board. The forfeiture shall include all dividends declared and other moneys payable in respect of the forfeited share and not actually paid before the forfeiture
- 20 2 If a share is forfeited, notice of the forfeiture shall be given to the person who was the holder of the share or (as the case may be) the person entitled to the share by transmission, and an entry that notice of the forfeiture has been given, with the relevant date, shall be made in the register, but no forfeiture shall be invalidated by any omission to give such notice or to make such entry

### **21 Power to annul forfeiture or surrender**

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 upon payment of all calls and interest due on or incurred in respect of the share and on such further conditions (if any) as it thinks fit

## **22 Disposal of forfeited or surrendered shares**

- 22 1 Every share which is forfeited or surrendered shall become the property of the Company and (subject to the provisions of the Statutes) may be sold, re-allotted or otherwise disposed of, upon such terms and in such manner as the board shall decide, either to the person who was before the forfeiture the holder of the share or to any other person and whether with or without all or any part of the amount previously paid up on the share being credited as so paid up. The board may for the purposes of a disposal authorise a person to transfer the forfeited or surrendered share to, or in accordance with the directions of, any person to whom the same has been disposed of.
- 22 2 A statutory declaration by a director or the secretary that a share has been forfeited or surrendered on a specified date shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts stated in it and shall (subject to the execution of any necessary transfer) constitute a good title to the share. The person to whom the share has been disposed of shall not be bound to see to the application of the consideration for the disposal (if any) nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings connected with the forfeiture, surrender, sale, re-allotment or disposal of the share.

## **23 Arrears to be paid notwithstanding forfeiture or surrender**

A person any of whose shares have been forfeited or surrendered shall cease to be a member in respect of the forfeited or surrendered share and shall surrender to the Company for cancellation any certificate for the share forfeited or surrendered, but shall remain liable (unless payment is waived in whole or in part by the board) to pay to the Company all moneys payable by him on or in respect of that share at the time of forfeiture or surrender, together with interest from the time of forfeiture or surrender until payment at such rate as the board shall decide, in the same manner as if the share had not been forfeited or surrendered. He shall also be liable to satisfy all the claims and demands (if any) which the Company might have enforced in respect of the share at the time of forfeiture or surrender. No deduction or allowance shall be made for the value of the share at the time of forfeiture or surrender or for any consideration received on its disposal.

## **TRANSFERS OF SHARES**

### **24 Right to transfer shares**

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.

### **25 Transfers of shares**

- 25 1 An instrument of transfer of a share may be in any usual form or in any other *form* which the board may approve and shall be signed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee.
- 25 2 The board may, in its absolute discretion and without giving any reason for its decision, refuse to register any instrument of transfer of a share.

- (a) which is not fully paid up, or
- (b) on which the Company has a lien

25 3 The board may also refuse to register any instrument of transfer of a share unless

- (a) left at the office, or at such other place as the board may decide, for registration,
- (b) duly stamped (if required), and
- (c) (except in the case of a transfer by a financial institution or in any other circumstance where a certificate has not been issued in respect of the share) accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the board may reasonably require to prove the title of the intending transferor or his right to transfer the shares

25 4 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 in relation to such transfer) be returned to the person presenting it

## **26 Other provisions relating to transfers**

26 1 No fee shall be charged for registration of a transfer or other document or instruction relating to or affecting the title to any share

26 2 The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect of the share

26 3 The board may refuse to register any transfer unless it is in respect of only one class of shares

26 4 Nothing in these articles shall preclude the board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person

26 5 The registration of the transfer of any shares or of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the board may decide, except that the registration of the transfer of any shares or class of shares which are for the time being participating securities may only be suspended as permitted by the Statutes

26 6 Unless otherwise agreed by the board in any particular case, the maximum number of persons who may be entered on the register as joint holders of a share is four

## **27 Notice of refusal**

If the board refuses to register a transfer of a share it shall, within two months after the date on which the instrument of transfer was lodged give to the transferee notice of the refusal

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## **TRANSMISSION OF SHARES**

## **28 Transmission on death**

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

## **29 Election of person entitled by transmission**

A person becoming entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to a transmission by operation of law may, on producing such evidence as the board may require and subject as provided in this article, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the holder of the share. If he elects to be registered himself, he shall give notice to the Company to that effect. If he elects to have another person registered, he shall transfer the share to that person. All the provisions of these articles relating to the transfer of shares shall apply to the notice or transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or transfer was given or executed by the member

## **30 Rights of person entitled by transmission**

- 30 1 A person becoming entitled to a share in consequence of a death or bankruptcy or of any other event giving rise to a transmission by operation of law shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the share and shall have the same rights in relation to the share as he would have if he were the holder except that until he becomes the holder, he shall not be entitled in respect of the share to attend or vote at any general meeting of the Company or any separate general meeting of the holders of any class of shares in the Company
- 30 2 The board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and, if after 90 days the notice has not been complied with, the board may withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with

## **ALTERATION OF SHARE CAPITAL**

### **31 Power to increase, consolidate, sub-divide and cancel shares**

- 31 1 The Company may from time to time by ordinary resolution
- (a) increase its share capital by the creation of new shares of such amount as the resolution prescribes,
  - (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares,
  - (c) sub-divide its shares, or any of them, into shares of smaller amount, but so that the proportion between the amount paid up and the amount (if any) not paid up on each reduced share shall be



the same as it was in the case of the share from which the reduced share is derived, and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others, and

- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled

31 2 If as a result of any consolidation and division or sub-division of shares any members would become entitled to fractions of a share, the board may deal with the fractions as it thinks fit and in particular the board may

- (a) (on behalf of those members) aggregate and sell the shares representing the fractions 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), or
- (b) subject to the provisions of the Statutes, allot to a member credited as fully paid by way of capitalisation of any reserve or account of the Company such number of shares as rounds up his holding to a number which, following consolidation and division or sub-division, leaves a whole number of shares

31 3 For the purpose of a sale under sub-article 31 2(a), the board may authorise a person to transfer the shares to, or as directed by, the purchaser, who shall not be bound to see to the application of the purchase money and the title of the new holder to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale

## **32 Power to reduce capital**

Subject to the provisions of the Statutes, and to any rights conferred on the holders of any class of shares, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way

## **PURCHASE OF OWN SHARES**

### **33 Power to purchase own shares**

Subject to the provisions of the Statutes, and to any rights conferred on the holders of any class of shares, the Company may by special resolution purchase all or any of its shares of any class, including any redeemable shares

## **GENERAL MEETINGS**

### **34 Annual general meetings**

34 1 The board shall convene and the Company shall hold annual general meetings in accordance with the requirements of the Statutes

34 2 All business transacted at an annual general meeting other than routine business shall be deemed to be special business. Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say

- (a) declaring dividends,

- (b) considering and/or adopting the accounts, the reports of the directors and auditors and other documents required to be attached or annexed to the accounts,
- (c) appointing auditors,
- (d) appointing or re-appointing directors to fill vacancies arising at the meeting on retirement or under article 64 1 or otherwise,
- (e) settling the remuneration of the directors and the auditors or determining the manner in which the remuneration is to be settled, and
- (f) considering and/or approving any report on the remuneration of directors

### **35 Extraordinary general meetings**

- 35 1 All general meetings other than annual general meetings shall be called extraordinary general meetings
- 35 2 The board may convene an extraordinary general meeting whenever it thinks fit
- 35 3 An extraordinary general meeting may also be convened in accordance with article 75
- 35 4 An extraordinary general meeting shall also be convened by the board on the requisition of members pursuant to the provisions of the Statutes or, in default, may be convened by such requisitionists, as provided by the Statutes
- 35 5 The board shall comply with the provisions of the Statutes, regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company

### **36 Separate general meetings**

Subject to these articles (in particular, article 9) and to any rights for the time being attached to any class of shares in the Company, the provisions of these articles relating to general meetings of the Company (including, for the avoidance of doubt, provisions relating to the proceedings at general meetings or to the rights of any person to attend or vote or be represented at general meetings or to any restrictions on these rights) shall apply *mutatis mutandis* in relation to every separate general meeting of the holders of any class of shares in the Company

## **NOTICE OF GENERAL MEETINGS**

### **37 Length and form of notice**

- 37 1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution of which special notice is required by the Statutes or a resolution appointing any

person (other than a retiring director) as a director shall be called by not less than 21 clear days' notice. Subject to the provisions of the Statutes, all other extraordinary general meetings shall be called by not less than 14 clear days' notice.

37 2 The notice shall specify the place, day and time of the meeting, and the general nature of the business to be transacted.

37 3 Notice of every general meeting shall be given to all members other than any who, under the provisions of these articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditors (or, if more than one, each of them) and to each director.

#### **38 Omission or non-receipt of notice**

The accidental omission to give notice of a general meeting to, or the non-receipt of notice by, any person entitled to receive the notice shall not invalidate the proceedings of that meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

#### **39 Quorum**

39 1 No business shall be transacted at any general meeting unless the requisite quorum is present when the meeting proceeds to business.

39 2 Except as otherwise provided by these articles, two members present in person or by proxy and entitled to vote shall be a quorum.

39 3 If within 15 minutes (or such longer time not exceeding one hour as the chairman of the meeting in his absolute discretion may decide to wait) from the time fixed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or, if that day is a holiday, to the next business day) and at the same time and place as the original meeting, or, subject to sub-article 39 1, to such other day, and at such other time and place, as the board may decide.

39 4 If at an adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, the meeting shall be dissolved.

#### **40 Security**

The board may make any security arrangements which it considers appropriate relating to the holding of a general meeting of the Company or a separate general meeting of the holders of any class of shares of the Company, including, without limitation, arranging for any person attending a meeting to be searched and for items of personal property which may be taken into a meeting to be restricted. A director or the secretary may refuse entry to a meeting to any person who refuses to comply with any such arrangements and may eject from a meeting any person who causes the proceedings to become disorderly.

## **41 Chairman**

At each general meeting, the chairman of the board or, if he is absent or unwilling, the deputy chairman (if any) of the board or (if more than one deputy chairman is present and willing) the deputy chairman who has been longest in such office or, if no deputy chairman is present and willing, one of the other directors who is appointed for the purpose by the board or (failing appointment by the board) by the members present, shall preside as chairman of the meeting. If no director is present within 15 minutes after the time fixed for holding the meeting or, if none of the directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

## **42 Directors' right to attend and speak**

Whether or not he is a member, a director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares of the Company.

## **43 Accommodation of persons at meeting**

43 1 If it appears to the chairman of the meeting that the place of the meeting specified in the notice convening the meeting is inadequate to accommodate all persons entitled and wishing to attend, the meeting is duly constituted and its proceedings are valid if (in addition to the other provisions of these articles relating to general meetings being satisfied) the chairman of the meeting is satisfied that facilities are available (whether by electronic means or otherwise) to ensure that each such person who is unable to be accommodated at the place of the meeting is able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak.

43 2 Each person present at each place in person or by proxy and entitled to vote shall be counted in the quorum for, and shall be entitled to vote at, the meeting. The meeting is deemed to take place at the place at which the chairman of the meeting is present.

## **44 Resolutions and amendments**

44 1 Subject to the provisions of the Statutes, a resolution may only be put to the vote at a general meeting if the chairman of the meeting in his absolute discretion decides that the resolution may properly be regarded as within the scope of the meeting.

44 2 In the case of a resolution to be proposed as a special or extraordinary resolution no amendment may be made, at or before the time at which the resolution is put to the vote, to the form of the resolution as set out in the notice of meeting, except to correct a patent error or as may otherwise be permitted by law.

44 3 In the case of a resolution to be proposed as an ordinary resolution no amendment may be made, at or before the time at which the resolution is put to the vote, unless

- (a) in the case of an amendment to the form of the resolution as set out in the notice of meeting, notice of the intention to move the amendment is received at the office no later than 48 hours before the time fixed for the holding of the relevant meeting, or

- (b) in any case, the chairman of the meeting in his absolute discretion otherwise decides that the amendment or amended resolution may properly be put to the vote

The giving of notice under sub-paragraph (a) above shall not prejudice the power of the chairman of the meeting to rule the amendment out of order

- 44 4 With the consent of the chairman of the meeting, a person who proposes an amendment to a resolution may withdraw it before it is put to the vote

- 44 5 If the chairman of the meeting rules a resolution or an amendment to a resolution admissible or out of order (as the case may be), the proceedings of the meeting or on the resolution in question shall not be invalidated by any error in his ruling. Any ruling by the chairman of the meeting in relation to a resolution or an amendment to a resolution shall be final and conclusive

## **45 Adjournment**

- 45 1 With the consent of any general meeting at which a quorum is present the chairman of the meeting may (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place or without specification of a time or place

- 45 2 In addition, the chairman of the meeting may at any time without the consent of the meeting adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place if, in his opinion, it would facilitate the conduct of the business of the meeting to do so

- 45 3 Nothing in this article shall limit any other power vested in the chairman of the meeting to adjourn the meeting

- 45 4 Whenever a meeting is adjourned for 30 days or more or for an indefinite period, at least 14 clear days' notice of the adjourned meeting shall be given in the same manner as in the case of the original meeting but otherwise no person shall be entitled to any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting

- 45 5 No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place

## **46 Method of voting and demand for a poll**

- 46 1 At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (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) a poll is demanded by

- (a) the chairman of the meeting, or

- (b) at least five members present in person or by proxy having the right to vote on the resolution, or

- (c) a member or members present in person or by proxy or, in the case of a member which is a corporation, by a duly authorised representative of that corporation and representing in aggregate not less than one-tenth 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 held as treasury shares), or
- (d) a member or members present in person or by proxy or, in the case of a member which is a corporation, by a duly authorised representative of that corporation and holding shares in the Company conferring the right to vote on the resolution on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any voting rights attached to any shares held as treasury shares),

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself

46 2 No poll may be demanded on the appointment of a chairman of the meeting

46 3 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and the demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made

46 4 Unless a poll is demanded (and the demand is not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried (whether unanimously, by a particular majority or otherwise), or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of that fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution

46 5 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded

46 6 If a poll is demanded (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days after the meeting), at such place and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members)

46 7 A poll demanded on a question of adjournment shall be taken at the meeting without adjournment

46 8 It shall not be necessary (unless the chairman of the meeting otherwise directs) for notice to be given of a poll whether taken at or after the meeting at which it was demanded

46 9 On a poll votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way

46 10 The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded

## **47 Chairman's casting vote**

In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, as the case may be, shall be entitled to an additional or casting vote in addition to any other vote or votes to which he may be entitled

## **VOTES OF MEMBERS**

### **48 Voting rights**

48 1 Subject to the provisions of these articles and to any special rights or restrictions as to voting for the time being attached to any shares

(a) on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member, shall have one vote, and

(b) on a poll, every member who is present in person or by proxy shall have one vote for every share of which he is the holder

48 2 For the purposes of determining which persons are entitled to attend and vote at any 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 vote at the meeting. Changes to entries on the register after the time so specified shall be disregarded in determining the rights of any person to attend and vote at the meeting, notwithstanding any provisions in the Statutes or these articles to the contrary

48 3 For the avoidance of doubt, the Company itself is prohibited (to the extent specified by the Act) from exercising any rights to attend or vote at meetings in respect of any shares held by it as treasury shares

### **49 Representation of corporations**

Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meeting of the Company or of any class of members of the Company and the representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member present at the meeting in person, including (without limitation) power to vote on a show of hands or on a poll and to demand or concur in demanding a poll. The board or any director or the secretary may (but shall not be bound to) require evidence of the authority of any such representative

### **50 Votes of joint holders**

If more than one of the joint holders of a share tenders a vote on the same resolution, whether personally or by proxy, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote(s) of the other joint holder(s), and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the relevant share

## **51 Votes of members incapable of managing their affairs**

A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, *curator bonis* or other person in the nature of a receiver or *curator bonis* appointed by that court, and the receiver, *curator bonis* or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the board of the authority of the person claiming the right to vote must be received at or delivered to the office (or such other address as may be specified for the receipt or delivery of proxy appointments) not later than the last time by which a proxy appointment must be received or delivered in order to be valid for use at the meeting or adjourned meeting or on the holding of the poll at or on which that person proposes to vote and, in default, the right to vote shall not be exercisable.

## **52 Voting rights suspended where sums overdue**

Unless the board otherwise decides, a member shall not be entitled to vote, either in person or by proxy, at any general meeting or at any separate general meeting of the holders of any class of shares in the Company in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid.

## **53 Objections to admissibility of votes**

No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting or poll at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting or poll shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

## **PROXIES**

### **54 Proxies**

- 54 1 A proxy need not be a member of the Company and a member may appoint more than one proxy to attend on the same occasion.
- 54 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.
- 54 3 The appointment of a proxy shall only be valid for the meeting mentioned in it and any adjournment of that meeting (including on any poll demanded at the meeting or any adjourned meeting).

### **55 Appointment of proxy**

- 55 1 The appointment of a proxy may be in such form as is usual or common or in such other form as the board may from time to time approve and shall



- (a) be signed by the appointor, or his duly authorised agent, or, if the appointor is a corporation, shall either be executed under its common seal or be signed by some agent or officer authorised for that purpose. The signature need not be witnessed,
- (b) be deemed to include the power to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit, and
- (c) unless the contrary is stated therein be valid as well for any adjournment of the meeting as for the meeting to which it relates

## **56 Receipt of proxy**

### **56 1 A proxy appointment**

- (a) must be received at such address as may be specified in the notice convening the meeting or in any other information issued by the Company in relation to the meeting (or, if no such address is specified, at the office) at least 48 hours before the time fixed for holding the meeting at which the appointee proposes to vote, or
- (b) in the case of a poll taken more than 48 hours after it is demanded or in the case of an adjourned meeting to be held more than 48 hours after the time fixed for holding the original meeting, must be received at such address as may be specified in the notice convening the meeting or in any other information issued by the Company in relation to the poll or meeting (or, if no such address is specified, at the office) at least 24 hours before the time fixed for the taking of the poll or, as the case may be, the time fixed for holding the adjourned meeting, or
- (c) in the case of a poll which is not taken at the meeting at which it is demanded but is taken 48 hours or less after it is demanded, or in the case of an adjourned meeting to be held 48 hours or less after the time fixed for holding the original meeting, must either be received by the chairman of the meeting or the secretary or any director at the meeting at which the poll is demanded or, as the case may be, at the original meeting, or be received at such address and by such time as the chairman of the meeting may direct at the meeting at which the poll is demanded or, as the case may be, at the original meeting

**56 2** In the case of a proxy appointment signed by an agent of a member who is not a corporation, there must also be received, in the manner set out in sub-article 56 1, the authority under which the appointment is signed or a copy of it certified in such manner as shall be specified in the notice of the relevant meeting or in any other information issued by the Company in relation to the relevant meeting, or such other information as shall be so specified

**56 3** In the case of a proxy appointment signed by an officer or other agent of a corporation, the board may also require there to be received, in the manner set out in sub-article 56 1, the authority under which the appointment is signed or a copy of it certified in such manner as shall be specified in the notice of the relevant meeting or in any other information issued by the Company in relation to the relevant meeting, or such other authorities or information as shall be so specified

**56 4** A proxy may be appointed by electronic communication to such address as may be notified by or on behalf of the Company for that purpose, or by any other lawful means from time to time authorised by the directors. Any means of appointing a proxy which is authorised by or under this sub-article 56 4 shall be subject to any terms, limitations, conditions or restrictions that the directors may from time to time prescribe

- 56 5 The appointment of a proxy and any authority under which it is executed or a copy of the authority certified notari ally or in some other way approved by the directors may in the case of an appointment contained in an electronic communication, where an address has been specified by the Company for the purpose of receiving a proxy by electronic communications
- (i) in the notice convening the meeting,
  - (ii) in any instrument of proxy sent out by the Company in relation to the meeting, or
  - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting, be received at that address not later than the time specified in article 56 1
- 56 6 The board may, but shall not be bound to, require such further evidence as it thinks fit of the authenticity and integrity of any signature on a proxy appointment and, if the signatory is an agent or, where the appointor is a corporation, an *officer*, of his authority
- 56 7 The board may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required by this article has not been received in accordance with the requirements of this article
- 56 8 Subject to sub-article 56 7, if the proxy appointment and any of the information required by this article are not received in accordance with the requirements of this article, the appointee shall not be entitled to vote in respect of the shares in question
- 56 9 If two or more valid but differing proxy appointments are received in respect of the same share for use at the same meeting or on the same poll, the one which is last received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the other(s) as regards that share and if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share
- 56 10 The accidental omission to send an appointment of proxy or the non-receipt of such appointment by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting

## **57 Notice of revocation of authority**

A vote given or poll demanded by proxy or by a representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll or, subject to sub-article 48 2, (until entered in the register) the transfer of the share in respect of which the appointment of the relevant person was made, unless notice of the termination was received at the office (or at such other address at which the proxy appointment was duly received) at least six hours before the time fixed for holding the relevant meeting or adjourned meeting (or, in the case of a poll not taken on the same day as the meeting or adjourned meeting, before the time fixed for the taking of the poll)

## **DIRECTORS**

### **58 Number of directors**

The directors (other than alternate directors) shall not, unless otherwise determined by an ordinary resolution of the Company, be less than two nor more than 12 in number

**59 Directors need not be members**

A director need not be a member of the Company

**60 Age of directors**

No person shall be disqualified from being appointed a director, and no director shall be required to vacate that office, by reason only of the fact that he has attained the age of 70 years or any other age, nor shall it be necessary by reason of his age to give special notice under the Statutes of any resolution

**APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

**61 Power of the Company to appoint directors**

61 1 Subject to the provisions of these articles, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not exceed any maximum number fixed by or in accordance with these articles

61 2 No person (other than a director retiring by rotation or otherwise) shall be appointed or re-appointed a director at any general meeting unless

(a) he is recommended by the board, or

(b) not less than seven nor more than 42 days before the date appointed for the meeting there has been given to the Company, by a member entitled to vote at the meeting (not being the person proposed), notice of his intention to propose a resolution for the appointment of that person, stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors and a notice executed by that person of his willingness to be appointed

**62 Separate resolutions for appointment of each director**

Every resolution of a general meeting for the appointment of a director shall relate to one named person and a single resolution for the appointment of two or more persons shall be void, unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being cast against it

**63 Power of the board to appoint directors**

The board may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not exceed any maximum number fixed by or in accordance with these articles

## **64 Retirement of directors**

- 64 1 At each annual general meeting any director who has been appointed by the board since the previous annual general meeting and any director selected to retire by rotation shall retire from office
- 64 2 A retiring director shall be eligible for re-appointment and (unless he is removed from office or his office is vacated in accordance with these articles) shall retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost
- 64 3 If the Company, at any meeting at which a director retires by rotation or otherwise, does not fill the office vacated by such director, the retiring director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost

## **65 Selection of directors to retire by rotation**

- 65 1 In selecting the directors who are to retire by rotation at an annual general meeting, any director who has been appointed by the board since the previous annual general meeting shall be disregarded
- 65 2 At each annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third (but in any event not less than one-third), shall retire from office but so that if there are fewer than three directors who are subject to retirement by rotation, one shall retire
- 65 3 The directors to retire by rotation at each annual general meeting shall include any director who wishes to retire and not to offer himself for re-appointment and otherwise shall be the directors who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot
- 65 4 The names of the directors to retire by rotation shall be stated in the notice of the annual general meeting or in any communication accompanying the notice. The directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the board at the start of business on the date of the notice convening the annual general meeting and 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
- 65 5 Notwithstanding articles 65 1 to 65 4 (inclusive), each director shall retire in any event and shall be eligible for re-election at the annual general meeting held in the third calendar year (or, in the case of any director who has been in office as a non-executive director for more than nine years consecutively, at the annual general meeting held in the next calendar year) following his last appointment election or re-election at any general meeting of the Company held after the date of adoption of these articles

## **66 Removal of directors**

- 66 1 The Company may by extraordinary resolution, or by ordinary resolution of which special notice has been given in accordance with the Statutes, remove any director before his period of office has expired notwithstanding anything in these articles or in any agreement between him and the Company

- 66 2 A director may also be removed from office by giving him notice to that effect signed by or on behalf of all the other directors, being not less than three in number
- 66 3 Any removal of a director under this article shall be without prejudice to any claim which such director may have for damages for breach of any contract of service between him and the Company

## **67 Vacation of office of director**

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

- (a) he is prohibited by law from being a director, or
- (b) he becomes bankrupt or he makes any arrangement or composition with his creditors generally, or
- (c) he is, or may be, suffering from mental disorder and in relation to that disorder either he is admitted to hospital for treatment or an order is made by a court (whether in the United Kingdom or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs and, in either case, the board resolves that his office be vacated, or
- (d) for more than six consecutive months he is absent (whether or not an alternate director attends in his place), without special leave of absence from the board, from meetings of the board held during that period and the board resolves that his office be vacated, or
- (e) he gives to the Company notice of his wish to resign, in which event he shall vacate that office on the receipt of that notice by the Company or at such later time as is specified in the notice

## **68 Executive directors**

- 68 1 The board may from time to time appoint one or more directors to hold any executive office under the Company (including that of chief executive or managing director) for such period (subject to the provisions of the Statutes) and on such terms as it may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract of service between the director and the Company
- 68 2 The remuneration of a director appointed to any executive office shall be fixed by the board and may be by way of salary, commission, participation in profits or otherwise, and either in addition to or inclusive of his remuneration as a director
- 68 3 A director appointed as chief executive or managing director shall automatically cease to hold that office if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company. A director appointed to any other executive office shall not automatically cease to hold that office if he ceases to be a director unless the contract or any resolution under which he holds office expressly states that he shall, in which case that cessation shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company

- 68 4 If any director retires at a general meeting of the Company but is re-appointed by or deemed to be re-appointed at the meeting at which his retirement took effect, his appointment under this article shall continue to operate after the meeting as if he had not retired
- 68 5 The board may, at any time and from time to time, appoint any person (not being a director) to any executive position or employment under the Company having a title or designation which includes the word "director" and may terminate any such appointment. 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

## **ALTERNATE DIRECTORS**

### **69 Appointment of alternate directors**

- 69 1 Each director may appoint another director or any other person who is willing to act as his alternate 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 a majority of the directors or a resolution of the board
- 69 2 Each director (other than an alternate director) at any time by notice in writing signed by him and deposited at the office or delivered at a meeting of the directors (or otherwise sent using electronic means to an address (if any) provided for that purpose by the Company) may appoint to the office of an alternate director either another director or any other person willing to act (subject to sub-article 69) and may at any time terminate such appointment
- 69 3 An alternate director shall be entitled to receive notice of all meetings of the board and of all meetings of committees of which the director appointing him is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointor as a director, and for the purposes of the proceedings at the meeting the provisions of these articles shall apply as if he were a director
- 69 4 Every person acting as an alternate director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these articles relating to directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of the director appointing him. An alternate director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director
- 69 5 Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director, but he shall count as only one for the purpose of determining whether a quorum is present
- 69 6 Any person appointed as an alternate director shall vacate his office as alternate director if the director by whom he has been appointed vacates his office as director (otherwise than by retirement at a general meeting of the Company at which he is re-appointed) or removes him by notice in writing or by electronic means to an address provided for the purpose by the Company (if any) under Article 109 2 to the Company or on the happening of any event which, if he is or were a director, causes or would cause him to vacate that office, or if by a written statement signed by him left at the office (or by statement sent using electronic means to an address (if any) provided for the purpose by the Company under Article 109 2), he shall resign such appointment

## **REMUNERATION, EXPENSES AND PENSIONS**

### **70 Remuneration of directors**

The directors (other than any director who for the time being holds an executive office or employment with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as directors such fees not exceeding in aggregate £250,000 per annum (or such larger sum as the Company may, by ordinary resolution, determine) as the directors may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally. Any fee payable under this article shall be distinct from any remuneration or other amounts payable to a director under other provisions of these articles and shall accrue from day to day.

### **71 Special remuneration**

71.1 The board may grant special remuneration to any director who performs any special or extra services to or at the request of the Company.

71.2 Such special remuneration may be paid by way of lump sum, salary, commission, participation in profits or otherwise as the board may decide in addition to any remuneration payable under or pursuant to any other of these articles.

### **72 Expenses**

A director shall be paid out of the funds of the Company all reasonable travelling, hotel and other expenses properly incurred by him in and about the discharge of his duties, including his expenses of travelling to and from meetings of the board, committee meetings, general meetings and separate meetings of the holders of any class of shares of the Company. Subject to any guidelines and procedures established from time to time by the board, a director may also be paid out of the funds of the Company all expenses incurred by him in obtaining professional advice in connection with the affairs of the Company or the discharge of his duties as a director.

### **73 Pensions and other benefits**

The board may exercise all the powers of the Company to pay, provide or procure the grant of pensions or other retirement or superannuation benefits and death, disability or other benefits, allowances or gratuities to any person who is or has been at any time a director of the Company or in the employment or service of the Company or of any company which is or was a subsidiary undertaking of or associated with the Company or of the predecessors in business of the Company or any such subsidiary undertaking or associated company or the relatives or dependents of any such person. For that purpose, the board may procure the establishment and maintenance of, or participate in, or contribute to, any non-contributory or contributory pension or superannuation fund, scheme or arrangement and pay any insurance premiums.

## **POWERS OF THE BOARD**

## **74 General powers of the board to manage Company's business**

- 74 1 The business of the Company shall be managed by the board which may exercise all the powers of the Company, subject to the provisions of the Statutes, the memorandum of association, these articles and any ordinary resolution of the Company. No ordinary resolution or alteration of the memorandum of association or these articles shall invalidate any prior act of the board which would have been valid if the resolution had not been passed or the alteration had not been made.
- 74 2 The powers given by this article shall not be limited by any special authority or power given to the board by any other article or any resolution of the Company.

## **75 Power to act notwithstanding vacancy**

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

## **76 Provisions 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 subsidiary undertakings 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 or the cessation of its business.

## **77 Power to borrow money**

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 and assets (both present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

## **DELEGATION OF THE BOARD'S POWERS**

### **78 Delegation to individual directors**

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 as it thinks fit and may revoke or vary all or any of them, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

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### **79 Delegation to committees**

- 79 1 The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee consisting of such person or persons (whether directors or not) as it thinks fit, provided that the



majority of the members of the committee are directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are directors. The board may make any such delegation on such terms and conditions as it thinks fit and may revoke or vary any such delegation and discharge any committee wholly or in part, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may be imposed on it by the board.

- 79 2 The proceedings of a committee with two or more members shall be governed by any regulations imposed on it by the board and (subject to such regulations) by the provisions of these articles regulating the proceedings of the board so far as they are capable of applying.

## **80 Delegation to local boards**

- 80 1 The board may establish any local or divisional board or agency for managing any of the affairs of the Company whether in the United Kingdom or elsewhere and may appoint any persons to be members of a local or divisional board, or to be managers or agents, and may fix their remuneration.
- 80 2 The board may delegate to any local or divisional board, manager or agent any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members of any local or divisional board or any of them to fill any vacancies and to act notwithstanding vacancies.
- 80 3 Any appointment or delegation under this article may be made on 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 delegation, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

## **81 Powers of attorney**

The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company on such terms (including terms as to remuneration) as it may decide and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate). The board may remove any person appointed under this article and may revoke or vary the delegation, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

## **DIRECTORS' INTERESTS**

### **82 Directors' interests and voting**

- 82 1 Subject to the provisions of the Statutes, a director shall not be disqualified by his office from entering into any contract with the Company, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Company or as vendor, purchaser or otherwise. Subject to the interest of the director being duly declared, a contract entered into by or on behalf of the Company in which any director is in any way interested shall not be liable to be avoided, nor shall any director so interested be liable to account to the Company for any benefit resulting from the contract, by reason of the director holding that office or of the fiduciary relationship established by his holding that office.

82 2 A director may 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 provisions of 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 other provision of these articles

82 3 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 may be interested and shall not be liable to account to the Company for any benefit received by him as a member or director of, or holder of any other office or place of profit under, or his other interest in, that company

82 4 The board may cause the voting rights conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of that other company to be exercised in such manner in all respects as it thinks fit (including the exercise of voting rights in favour of any resolution appointing the directors or any of them as directors or officers of the other company or voting or providing for the payment of any benefit to the directors or officers of the other company)

82 5 A director may act by himself or 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

82 6 The board may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office insurance against any liability incurred by him in respect of any act or omission in the actual or purported discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his holding of a relevant office, and for this purpose "relevant office" means that of director, officer or employee in relation to the Company or any company which is or was a subsidiary undertaking of or associated with the Company or any predecessor in business of the Company or any such subsidiary undertaking or associated company, or that of trustee of any pension fund or retirement, death or disability scheme for the benefit of any employee of the Company or any such subsidiary undertaking or associated company

82 7 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract with the Company shall declare the nature of his interest at the board meeting at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first board meeting after he knows that he is or has become so interested For the purposes of this article, a general notice given to the board by a director to the effect that

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

(b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him,

shall be deemed to be a sufficient declaration of interest under this article in relation to any such contract but no such notice shall be effective unless either it is given at a board meeting or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given

82 8 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 its terms), or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, those proposals may

be divided and a separate resolution may be put in relation to each director and in that case each of the directors concerned (if not otherwise debarred from voting under this article) shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment (including fixing or varying its terms) or the termination of his own appointment

82 9 A director shall also not vote or be counted in the quorum at a meeting in relation to any resolution relating to any contract or arrangement or other proposal in which he has an interest which (together with any interest of any connected person) is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply and a director may vote and be counted in the quorum in respect of any resolution concerning any one or more of the following matters

- (a) any contract 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,
- (b) the giving of any guarantee, security or indemnity in respect of
  - (i) 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
  - (ii) 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 (either alone or jointly with others) under a guarantee or indemnity or by the giving of security,
- (c) any issue or offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings 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,
- (d) any contract concerning any other company in which he and any connected persons do not to his knowledge hold an interest in shares (within the meaning of sections 198 to 211 of the Act) representing one per cent or more of any class of the equity share capital of that company or of the voting rights available to members of that company,
- (e) any arrangement for the benefit of employees of the Company or any of its subsidiary undertakings which does not accord to him any privilege or benefit not generally accorded to the employees to whom the arrangement relates,
- (f) the purchase, funding and/or maintenance of insurance which the Company is empowered to purchase, fund and/or maintain for the benefit of directors or for the benefit of persons including directors against liability, default, breach of duty or breach of trust in relation to the Company,
- (g) any proposal concerning the grant of an indemnity to any director or officer of the Company which the directors are empowered to give under sub-article 117 1, and
- (h) any proposal concerning the provision to any director or officer of the Company of funds to meet expenditure incurred or to be incurred by him in defending criminal or civil proceedings against him or in connection with any application under any of the provisions mentioned in section 337A(2) of the Act or otherwise enabling any such person to avoid incurring that expenditure in each case under which he may benefit

For the purposes of this paragraph a person is a "connected person" in relation to a director if that person is deemed to be connected with that director within the meaning of section 346 of the Act

- 82 10 In the case of an alternate director, an interest of his appointor shall be treated as an interest of the alternate in addition to any interest which the alternate otherwise has
- 82 11 If any question arises at any meeting as to the materiality of an interest of a director (other than the chairman of the meeting) or as to the entitlement of any director (other than the chairman of the meeting) to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting and his ruling in relation to the director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned, so far as known to him, has not been fairly disclosed. If any question shall arise in respect of the chairman of the meeting and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be decided by a resolution of the board (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman, so far as known to him, has not been fairly disclosed
- 82 12 In this article references to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract
- 82 13 The Company may by ordinary resolution suspend or relax the provisions of this article to any extent or ratify any contract not duly authorised by reason of a contravention of this article

## **PROCEEDINGS OF THE BOARD**

### **83 Board meetings**

The board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A director at any time may, and the secretary at the request of a director at any time shall, summon a board meeting

### **84 Notice of board meetings**

- 84 1 Notice of a board meeting may be given to a director personally or by word of mouth or given in writing or by electronic means to him at such address as he may from time to time specify for this purpose (or if he does not specify an address, at his last known address). A director may waive notice of any meeting either prospectively or retrospectively
- 84 2 A director absent or intending to be absent from the United Kingdom may request the directors that notices of meetings of directors shall during his absence be sent to him at his last known address or any other address (including an address for electronic communications) given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting of directors to any director who is for the time being absent from the United Kingdom if no such request is made or if the address given to the Company for the purpose of this article is outside the United Kingdom and he has not provided an address for the purpose of electronic communications. Where such address is outside the United Kingdom notice may be sent by electronic communications but the Company shall not be obliged to give the director a longer period of notice than he would have been entitled to had he been present in the United Kingdom

### **85 Quorum**

The quorum necessary for the transaction of the business of the board may be fixed by the board and, unless so fixed at any other number, shall be two. Subject to the provisions of these articles, any director

who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no other director objects and if otherwise a quorum of directors would not be present

## **86 Chairman or deputy chairman to preside**

86 1 The board may appoint a chairman and one or more deputy chairman or chairmen and may at any time revoke any such appointment

86 2 The chairman, or failing him any deputy chairman (the longest in office taking precedence if more than one is present), shall, if present and willing, preside at all meetings of the directors but, if no chairman or deputy chairman has been appointed, or if he is not present within five minutes after the time fixed for holding the meeting or is unwitting to act as chairman of the meeting, the directors present shall choose one of their number to act as chairman of the meeting

## **87 Competence of board meetings**

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

## **88 Voting**

Questions arising at any board meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote

## **89 Board meetings at more than one place**

89 1 A board meeting may consist of a conference between directors some or all of whom are in different places provided that each director is able to participate in the business of the meeting whether directly, by telephone or by any other electronic means which enables him

(a) to hear each of the other participating directors addressing the meeting, and

(b) if he so wishes, to address all of the other participating directors simultaneously

89 2 A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of directors required to form a quorum, subject to the provisions of article 75

89 3 A meeting held in this way is deemed to take place at the place where the largest group of participating directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates

## **90 Resolutions without meetings**

A resolution which is signed or approved by all the directors entitled to vote on that resolution shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted. The resolution may be contained in one document or electronic communication or in several documents or electronic communications in like form, each signed or approved by one or more of the directors concerned. For the purpose of this article

- (a) the signature or approval of an alternate director (if any) shall suffice in place of the signature of the director appointing him, and
- (b) the approval of a director or alternate director shall be given in writing or by electronic means

## **91 Validity of acts of directors in spite of formal defect**

All acts *bona fide* done by a meeting of the board, or of a committee, or by any person acting as a director or a member of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the board or committee or of the person so acting, or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and qualified to be a director and had continued to be a director or member of the committee and had been entitled to vote

## **92 Minutes**

The board shall cause minutes to be made in books kept for the purpose

- (a) of all appointments of officers made by the board,
- (b) of the names of all the directors present at each meeting of the board and of any committee, and
- (c) of all resolutions and proceedings of all meetings of the Company and of any class of members, and of the board and of any committee

## **SECRETARY**

### **93 Secretary**

The secretary shall be appointed by the board for such term, at such remuneration and on such conditions as it thinks fit, and the board may remove from office any person so appointed (without prejudice to any claim for damages for breach of any contract between him and the Company)

## **SEAL**

### **94 Seal**

- 94 1 The Company may exercise the powers conferred by the Statutes with regard to having official seals and those powers shall be vested in the board
- 94 2 The board shall provide for the safe custody of every seal of the Company
- 94 3 A seal shall be used only by the authority of the board or a duly authorised committee but that authority may consist of an instruction or approval given in writing or by electronic means by a majority of the directors or of the members of a duly authorised committee
- 94 4 The board may determine who shall sign any instrument to which a seal is applied, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with
- 94 5 Unless otherwise decided by the board
- (a) certificates for shares, debentures or other securities of the Company issued under seal need not be signed, and
  - (b) every other instrument to which a seal is applied shall be signed by at least one director and the secretary or by at least two directors

## **DIVIDENDS**

### **95 Declaration of dividends by the Company**

Subject to the provisions of the Statutes, the Company may, by ordinary resolution, declare a dividend to be paid to the members, according to their respective rights and interests in the profits, and may fix the time for payment of such dividend, but no dividend shall exceed the amount recommended by the board. For the avoidance of doubt, no dividend shall be payable to the Company itself in respect of any shares held by it as treasury shares (except to the extent permitted by the Act)

### **96 Payment of fixed and interim dividends**

The board may pay such interim dividends as appear to the board to be justified by the financial position of the Company and may also pay any dividend payable at a fixed rate at intervals settled by the board whenever the financial position of the Company, in the opinion of the board, justifies its payment. If the board acts in good faith, none of the directors shall incur any liability to the holders of shares conferring preferred rights for any loss such holders may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights

## **97 Calculation and currency of dividends**

97 1 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this article as paid up on the share,
- (b) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, and
- (c) dividends may be declared or paid in any currency

97 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 shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved

## **98 Method of payment**

98 1 The Company may pay any dividend or other sum payable in respect of a share

- (a) by cheque or dividend warrant payable to the holder (or, in the case of joint holders, the holder whose name stands first in the register in respect of the relevant share) or to such other person as the holder (or, in the case of joint holders, all the joint holders) may notify to the Company for the purpose, or
- (b) by a bank or other funds transfer system or by such other electronic means to such account as the holder (or, in the case of joint holders, all the joint holders) may notify to the Company for the purpose, or
- (c) in such other way as may be agreed between the Company and the holder (or, in the case of joint holders, all the joint holders)

98 2 Any such cheque or dividend warrant may be sent by post to the registered address of the holder (or, in the case of joint holders, to the registered address of the holder whose name stands first in the register in respect of the relevant share) or to such other address as the holder (or, in the case of joint holders, all the joint holders) may notify to the Company for the purpose

98 3 Every cheque or dividend warrant is sent, and payment in any other way is made, at the risk of the person or persons entitled to it and the Company will not be responsible for any sum lost or delayed when it has sent or transmitted the sum in accordance with these articles. Clearance of a cheque or dividend warrant or transmission of funds through a bank or other funds transfer system or by such other electronic means as is permitted by these articles shall be a good discharge to the Company



- 98 4 Any joint holder or other person jointly entitled to any share may give an effective receipt for any dividend and other sum paid in respect of the share
- 98 5 Any dividend or other sum payable in respect of any share may be paid to a person or persons entitled by transmission to that share as if he or they were the holder or joint holders of that share and his address (or the address of the first named of two or more persons jointly entitled) noted in the register were the registered address

## **99 Dividends not to bear interest**

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

## **100 Calls or debts may be deducted from dividends**

The board may deduct from any dividend or other moneys payable to any person (either alone or jointly with another) on or in respect of a share all such sums as may be due from him (either alone or jointly with another) to the Company on account of calls or otherwise in relation to shares of the Company

## **101 Unclaimed dividends, etc.**

All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the board for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years after having become due for payment shall be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee in respect of it

## **102 Uncashed dividends**

- (a) a payment for a dividend or other sum payable in respect of a share sent by the Company to the person entitled to it in accordance with these articles is left Uncashed or is returned to the Company and, after reasonable enquiries, the Company is unable to establish any new address or, with respect to a payment to be made by a funds transfer system, a new account, for that person, or
- (b) such a payment is left uncashed or returned to the Company on two consecutive occasions, the Company shall not be obliged to send any dividends or other sums payable in respect of that share to that person until he notifies the Company of an address or, where the payment is to be made by a funds transfer system, details of the account, to be used for the purpose

### **103 Dividends in specie**

- 103 1 With the authority of an ordinary resolution of the Company and on the recommendation of the board, payment of any dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company
- 103 2 Where any difficulty arises in regard to the distribution, the board may settle the difficulty as it thinks fit and, in particular, may issue fractional certificates or ignore fractions, fix the value for distribution of the specific assets or any part of them, determine that cash payments be made to any members on the basis of the value so fixed in order to secure equality of distribution and vest any of the specific assets in trustees on such trusts for the persons entitled to the dividend as the board may think fit

## **CAPITALISATION OF RESERVES**

### **104 Capitalisation of reserves**

- 104 1 The board may, with the authority of an ordinary resolution of the Company
- (a) resolve to capitalise any sum standing to the credit of any reserve or account of the Company (including any share premium account and capital redemption reserve) or any sum standing to the credit of the profit and loss account not required for the payment of any preferential dividend (whether or not it is available for distribution), and
  - (b) appropriate that sum as capital to the holders of ordinary shares in proportion to the nominal amount of the ordinary share capital held by them respectively and apply that sum on their behalf in paying up in full any unissued shares or debentures of the Company of a nominal amount equal to that sum and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions or in paying up the whole or part of any amounts which are unpaid in respect of any issued shares in the Company held by them respectively, or otherwise deal with such sum as directed by the resolution, provided that the share premium account and 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 up
- 104 2 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 such provisions as it thinks fit in the case of shares or debentures becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of fractional entitlements accrues to the Company rather than to the members concerned) or ignore fractions, fix the value for distribution of any fully paid up shares or debentures, determine that cash payments be made to any members on the basis of the value so fixed in order to secure equality of distribution, and vest any shares or debentures in trustees on such trusts for the persons entitled to share in the distribution as the board may think fit
- 104 3 The board may also authorise any person to sign on behalf of the persons entitled to share in the distribution a contract for the acceptance by those persons of the shares or debentures to be allotted to them credited as fully paid under a capitalisation and any such contract shall be binding on all those persons

### **105 Capitalisation of reserves - employees' share schemes**

105 1 This article (which is without prejudice to the generality of the provisions of the immediately preceding article) applies

- (a) where a person is granted pursuant to an employees' share scheme a right to subscribe for shares in the Company in cash at a subscription price less than their nominal value, and
- (b) where, pursuant to an employees' share scheme, the terms on which any person is entitled to subscribe in cash for shares in the Company are adjusted as a result of a capitalisation issue, rights issue or other variation of capital so that the subscription price is less than their nominal value

105 2 In any such case the board

- (a) shall transfer to a reserve account a sum equal to the deficiency between the subscription price and the nominal value of the shares (the "cash deficiency") from the profits or reserves of the Company which are available for distribution and not required for the payment of any preferential dividend, and
- (b) subject to sub-article 105 4, shall not apply that reserve account for any purpose other than paying up the cash deficiency upon the allotment of those shares

105 3 Whenever the Company is required to allot shares pursuant to such a right to subscribe, the board shall (subject to the provisions of the Statutes) appropriate to capital out of the reserve account an amount equal to the cash deficiency applicable to those shares, apply that amount in paying up the deficiency on the nominal value of those shares and allot those shares credited as fully paid to the person entitled to them

105 4 If any person ceases to be entitled to subscribe for shares as described above, the restrictions on the reserve account shall cease to apply in relation to such part of the account as is equal to the amount of the cash deficiency applicable to those shares

105 5 No right shall be granted under any employees' share scheme under sub-article 105 1(a) and no adjustment shall be made as mentioned in sub-article 105 2(b) unless there are sufficient profits or reserves of the Company available for distribution and not required for the payment of any preferential dividend to permit the transfer to a reserve account in accordance with this article of an amount sufficient to pay up the cash deficiency applicable to the shares concerned

## **UNTRACED MEMBERS**

### **106 Sale of shares of untraced members**

106 1 The Company may sell, in such manner as the board may decide and at the best price it considers to be reasonably obtainable at that time, any share of a member, or any share to which a person is entitled by transmission, if

- (a) during a period of 12 years at least three cash dividends have become payable in respect of the share to be sold and have been sent by the Company in accordance with these articles,
- (b) during that period of 12 years no cash dividend payable in respect of the share has been claimed, no cheque or dividend warrant has been cashed, no dividend has been satisfied by means of a

funds transfer system, by such other electronic means or by any other means of payment permitted under these articles, and no communication has been received by the Company from the member or the person entitled by transmission to the share,

- (c) on or after the expiry of that period of 12 years the Company has published advertisements both in a national newspaper and in a 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 in accordance with these articles is located, in each case giving notice of its intention to sell the share, and
- (d) during the period of three months following the publication of those advertisements and after that period until the exercise of the power to sell the share, the Company has not received any communication from the member or the person entitled by transmission to the share

106 2 The Company's power of sale shall extend to any further share which, on or before the date of publication of the first of any advertisement pursuant to sub-article 106 1(c)), is issued in right of a share to which sub-article 106 1 applies (or in right of any share to which this sub-article 106 2 applies) if the conditions set out in sub-articles 106 1(b) to 106 1(d) are satisfied in relation to the further share (but as if the references to a period of 12 years were references to a period beginning on the date of allotment of the further share and ending on the date of publication of the first of the advertisements referred to above)

106 3 To give effect to any sale, the board may authorise a person to transfer the share to, or as directed by, the purchaser. The board shall be entitled to register such transfer notwithstanding that no certificate representing the share shall be produced. The purchaser shall not be bound to see to the application of the purchase money nor shall the title of the new holder to the share be affected by any irregularity in or invalidity of the proceedings relating to the sale.

## **107 Application of proceeds of sale**

The Company shall account to the person entitled to the share at the date of sale for a sum equal to the net proceeds of sale and shall be deemed to be his debtor, and not a trustee for him, in respect of them. Pending payment of the net proceeds of sale to such person, the proceeds may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the board may from time to time decide. No interest shall be payable in respect of the net proceeds of sale and the Company shall not be required to account for any moneys earned on the net proceeds.

## **ACCOUNTS**

### **108 Accounting records**

108 1 The board shall cause accounting records of the Company to be kept in accordance with the provisions of the Statutes.

108 2 No member (as such) shall have any right of inspecting any account, book or document of the Company, except as conferred by law or authorised by the board or by an ordinary resolution of the Company.

## **NOTICES**

## **109 Form of notices**

- 109 1 Except where otherwise expressly stated, any notice to be given to or by any person under these articles shall be in writing or, to the extent permitted by the Statutes and subject to sub-article 109 2, contained in an electronic communication
- 109 2 The board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as it thinks fit for verifying the authenticity or integrity of any such electronic communication. A notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the board

## **110 Manner of giving notices, etc.**

- 110 1 A notice in writing, document or other communication may be given by the Company to, or served by the Company on, any member entitled to receive such notice either personally or by sending it through the post addressed to the member at his registered address or by leaving it at that address
- 110 2 Subject to the provisions of the Statutes, a notice, document or other communication may be given by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a website and notifying the member concerned, in such manner as he may from time to time authorise, that it has been so published
- 110 3 In the case of joint holders of a share, any notice, document or other communication given or served by the Company in any manner permitted by these articles to the joint holder who is named first in the register in respect of the joint holding shall be deemed to be given to all other holders of the share
- 110 4 A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address but, unless he does so, shall not be entitled to receive any notice from the Company except to the extent that the Company intends to give a notice using electronic communications and the member has notified the Company of an address for that purpose
- 110 5 If on three consecutive occasions notices have been sent in either or a combination of the following circumstances
- (a) through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, or
  - (b) using electronic communications to any member at his address notified to the Company for that purpose but have failed to be transmitted

such member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing to the office a new registered address or address within the United Kingdom for the service of notices or, in so far as the Company intends to send any notice or other document using electronic communications and the member has consented to the giving or delivery of that notice or other document by electronic communications, an address for that purpose or, to the extent that paragraph (b) applies, a new address for that purpose

## **111 Notice by advertisement**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national newspaper. In any such case, the Company shall send confirmatory copies of the notice by post to those members to whom notice cannot be given by electronic means if at least six clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

## **112 When notices, etc. are deemed given**

- 112 1 Any notice in writing, document or other communication, if sent by first class post, shall be deemed to have been given on the day following that on which the envelope containing it is put into the post, or, if sent by second class post, shall be deemed to have been given on the second day following that on which the envelope containing it is put into the post, and in proving that a notice, document or other communication has been given it shall be sufficient to prove that the letter, envelope or wrapper containing the notice, document or other communication was properly addressed, prepaid and put into the post.
- 112 2 Any notice in writing, document or other communication not sent by post but left at a registered address or address at which a notice, document or other communication may be given shall be deemed to have been given on the day it was so left.
- 112 3 Any notice, document or other communication, if sent by electronic means (including through any Relevant System), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company.
- 112 4 Where notice is given by way of newspaper advertisement, such notice shall be deemed to have been given to each member or person entitled to receive it at noon on the day when the advertisement appears or, if it appears on different days, at noon on the first of the days when it appears.
- 112 5 A member present, either in person or by proxy, at any meeting of the Company or class of members of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which the meeting was convened.
- 112 6 Every person who becomes entitled to a share shall be bound by every notice (other than a notice in accordance with section 212 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 to the share.

## **113 Record date for giving notices, etc**

- 113 1 For the purposes of giving notices of meetings, documents or other communications, whether under section 370(2) of the Act, any other Statute, a provision in these articles or any other instrument, the Company may determine that persons entitled to receive such notices, documents or other communications are those persons entered on the register at the close of business on a day determined by it.
- 113 2 The day determined by the Company under this article may not be more than 15 days before the day that the notice of the meeting, document or other communication was given.

## **114 Notice to person entitled by transmission**

Where a person is entitled by transmission to a share, any notice or other communication shall be given to him, as if he were the holder of that share and his address noted in the register were his registered address. In any other case, any notice or other communication given to any member pursuant to these articles shall, notwithstanding that the member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the Company has notice of the death, bankruptcy or other event, be deemed to have been properly given in respect of any share registered in the name of that member as sole or joint holder.

## **DESTRUCTION OF DOCUMENTS**

### **115 Destruction of documents**

115 1 The board may authorise or arrange the destruction of documents held by the Company as follows

- (a) at any time after the expiration of six years from the date of registration, all instruments of transfer of shares and all other documents transferring or purporting to transfer shares or representing or purporting to represent the right to be registered as the holder of shares on the faith of which entries have been made in the register,
- (b) at any time after the expiration of one year from the date of cancellation, all registered share certificates which have been cancelled,
- (c) at any time after the expiration of two years from the date of recording them, all dividend mandates and notifications of change of address, and
- (d) at any time after the expiration of one year from the date of actual payment, all paid dividend warrants and cheques

115 2 It shall conclusively be presumed in favour of the Company that

- (a) every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made,
- (b) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,
- (c) every share certificate so destroyed was a valid certificate duly and properly cancelled,
- (d) every other document mentioned in sub-article 115 1 so destroyed was a valid and effective document in accordance with the particulars of it recorded in the books and records of the Company, and
- (e) every paid dividend warrant and cheque so destroyed was duly paid

115 3 The provisions of sub-article 115 2 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant

115 4 Nothing in this article shall be construed as imposing on the Company or the board any liability in respect of the destruction of any document earlier than as stated in sub-article 115 1 or in any other circumstances in which liability would not attach to the Company or the board in the absence of this article

115 5 References in this article to the destruction of any document include references to its disposal in any manner

## WINDING UP

### 116 Powers to distribute in specie

If the Company is in liquidation, the liquidator may, with the authority of an extraordinary resolution of the Company and any other authority required by the Statutes

- (a) divide among the members (excluding the Company itself to the extent that it is a member by virtue only of its holding any shares as treasury shares) *in specie* the whole or any part of the assets of the Company and, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members, or
- (b) vest the whole or any part of the assets in trustees on such trusts for the benefit of members as the liquidator, with the like authority, shall think fit but no member shall be compelled to accept any assets on which there is any liability

## INDEMNITY

### 117 Indemnity of officers

- 117 1 Subject to the provisions of and so far as may be permitted by the Statutes but without prejudice to any indemnity to which he may otherwise be entitled, every Director, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred or to be incurred by him in the execution and discharge of his duties or in relation to them and the Directors may exercise all the powers of the Company to grant those indemnities including, without limitation, any indemnity which constitutes a qualifying third party indemnity provision within the meaning of s309B of the Act