

**James Fisher and Sons  
Public Limited Company  
Company No. 00211475**

**RESOLUTIONS APPROVED BY SHAREHOLDERS AT THE ANNUAL  
GENERAL MEETING OF THE COMPANY HELD ON 1<sup>ST</sup> MAY 2008**

At the meeting of the members of James Fisher and Sons Public Limited Company (the "Company") held on Thursday 1<sup>st</sup> May 2008 the following resolutions were passed

The following ordinary resolution was passed

**Resolution No. 7  
- Directors Authority**

That the directors of the Company be and are hereby generally and unconditionally authorised for the purposes of Section 80 of the Companies Act 1985 (the 1985 Act) to exercise all the powers of the Company to allot relevant securities (as defined in the said section) up to an aggregate nominal amount of £4,142,898 such authority to expire at the conclusion of the next Annual General Meeting of the Company, but to be capable of previous revocation and variation from time to time by the Company in general meeting provided that the Company may make any offer or agreement before the expiry of this authority that would or might require relevant securities to be allotted after this authority has expired and the directors may allot relevant securities in pursuance of any such offer or agreement as if this authority had not expired

The following special resolutions were passed

**Special Resolution No. 8  
- Share Issue**

That the directors be and they are hereby empowered pursuant to Section 95 of the Companies Act 1985, to allot equity securities (within the meaning of Section 94 of that Act) for cash pursuant to the authority conferred by Resolution 7 above or by way of a sale of treasury shares as if Section 89(1) of that Act did not apply to any such allotment provided that this power shall be limited to



- i) the allotment of equity securities in connection with a rights issue, open offer or other offer of securities in favour of the holders of ordinary shares on the register of members at such record dates as the directors may determine and other persons entitled to participate therein where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them on any such record date, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatever, and
- ii) the allotment (otherwise than pursuant to sub-paragraph (i) above) to any person or persons of equity securities up to an aggregate nominal amount of £621,434,

and shall expire upon the expiry of the general authority conferred by Resolution 7 above, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired

**Special Resolution No. 9**  
**- Purchase of Own Shares**

That the Company be and is hereby generally and unconditionally authorised for the purposes of section 166 of the 1985 Act to make one or more market purchases (within the meaning of section 163(3) of that Act) on the London Stock Exchange of up to a maximum aggregate of 2,400,000 ordinary shares of 25p each in the capital of the Company at a price per share of not less than 25p and not more than 105 per cent of the average of the middle market quotations for such an ordinary share as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day of purchase,

unless previously renewed, revoked or varied, such authority will expire at the close of the next Annual General Meeting of the Company, save that the Company may purchase ordinary shares at any later date where such purchase is pursuant to any contract or contracts made by the company before the expiry of this authority

**Special Resolution No.10**

**- Amend Articles of Association** That the Articles of Association, contained in the document produced to the meeting and signed by the Chairman for the purpose of identification, be approved and adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of association, with effect from the conclusion of the 2008 Annual General Meeting

I hereby certify that the above is a true and fair extract of the minutes of the Annual General Meeting of James Fisher and Sons PLC held on 1<sup>st</sup> May 2008

A handwritten signature in black ink, consisting of stylized loops and a wavy line extending to the right.

J J B Tyler  
Company Secretary

**Company No. 00211475**

**THE COMPANIES ACTS 1985 and 2006**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**OF**

**JAMES FISHER AND SONS PUBLIC LIMITED COMPANY**

**Incorporated the 28th day of January, 1926**

**(as amended by Special Resolution passed on 3 May 2007)**

**(as amended by Special Resolution passed on 1 May 2008)**

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Company No. 00211475

**THE COMPANIES ACTS 1985 and 2006**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**OF**

**JAMES FISHER AND SONS PUBLIC LIMITED COMPANY**

**(as amended by Special Resolution passed on 3 May 2007)**

**(as amended by Special Resolution passed on 1 May 2008)**

**PRELIMINARY**

**1     Interpretation**  
**(A)   In the articles**

**"the 1985 Act"** means the Companies Act 1985 to the extent in force from time to time,

**"the 2006 Act"** means the Companies Act 2006 to the extent in force from time to time,

**"the Acts"** means the 1985 Act and the 2006 Act,

**"articles"** means these articles of association as amended from time to time,

**"auditors"** means the auditors of the Company,

**"board"** means the board of directors of the Company or the directors present or deemed to be present at a duly convened meeting of the directors at which a quorum is present,

**"business day"** means a day (not being a Saturday or Sunday) on which clearing banks are open for business in London,

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

**"company"** includes any body corporate (not being a corporation sole) or association of persons, whether or not a company within the meaning of the Acts,

**"director"** means, unless the context otherwise requires, a director of the Company,

**"dividend"** includes bonus,

**"electronic address"** means any number or address used for the purposes of sending or receiving notices, documents or information by electronic means,

**"electronic form"** has the same meaning as in the 2006 Act,

**"electronic means"** has the same meaning as in the 2006 Act,

**"entitled by transmission"** means, in relation to a share, entitled as a consequence of the death or bankruptcy of a member or of another event giving rise to a transmission of entitlement by operation of law,

**"executed"** includes, in relation to a document, execution under hand or under seal or by another method permitted by law,

**"holder"** means, in relation to a share, the member whose name is entered in the register as the holder of that share,

**"London Stock Exchange"** means the International Stock Exchange of the United Kingdom and the Republic of Ireland Limited,

**"member"** means, unless the context otherwise requires, a member of the Company,

**"office"** means the registered office of the Company,

**"paid", "paid up" and "paid-up"** include credited as paid or paid up,

**"recognised person"** means a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange which is designated for the purposes of section 185(4) of the 1985 Act,

**"register"** means, unless the context otherwise requires, the register of members kept pursuant to section 352 of the 1985 Act,

**"seal"** means, unless the context otherwise requires, the common seal of the Company or any official or securities seal that the Company may have or may be permitted to have under the Acts,

**"secretary"** means the secretary of the Company and includes any assistant or deputy secretary and a person appointed by the board to perform the duties of the secretary, and

- (B) Words and expressions contained in these articles which are not defined in paragraph 1 1 have, unless the contrary is indicated, the same meaning as in the Acts, but excluding any statutory modification to the Acts not in force at the date of adoption of these articles
- (C) Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution shall also be effective for that purpose
- (D) The headings in the articles shall not affect the interpretation of the articles

## **2 Table A not to apply**

No regulations contained in any statute or subordinate legislation, including the regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (as amended), apply as the regulations or articles of association of the Company

## SHARE CAPITAL

### 3 Authorised capital

The authorised share capital of the Company at the date of adoption of these articles is £16,680,000 divided into 100,000 3 5 per cent, cumulative preference shares of £1 each (the “**preference shares**”) and 66,320,000 ordinary shares of 25p each (the “**ordinary shares**”) with the following respective rights -

- (i) subject to the rights for the time being attached to any shares in any increased capital to be hereafter created in accordance with the articles, the holders of the preference shares are entitled to receive out of the profits of the Company determined to be distributed in respect of any year or other financial period a fixed cumulative preferential dividend at the rate of 3 5 per cent, per annum net on the amounts paid up or credited as paid up on the preference shares held by them respectively, such dividend to be payable in priority to any dividend on the ordinary shares. After payment of such dividend any balance of profits determined to be distributed in respect of any year or other financial period shall be distributed amongst the holders of the ordinary shares in proportion to the amounts paid up on such ordinary shares held by them respectively,
- (ii) subject to the rights for the time being attached to any shares in any increased capital to be hereafter created in accordance with the articles in a winding up the holders of the preference shares are to be entitled to receive in full out of the assets of the Company available for distribution amongst the members in priority to the claims of the holders of the ordinary shares repayment of the capital paid up on such preference shares held by them respectively, with all arrears and accruals of the fixed cumulative preferential dividend payable on such shares, whether earned or declared or not up to the commencement of the winding up, but to no further right to participate in the profits or assets of the Company. Subject as aforesaid the surplus assets of the Company available for distribution amongst the members after such payments to the holders of the preference shares shall belong to and be divided amongst the holders of the ordinary shares in proportion to the capital paid up or credited as paid up on the ordinary shares held by them respectively, and
- (iii) no shares ranking in priority to or pari passu with the preference shares shall be created or issued except with the sanction of a special resolution passed at a separate meeting of the holders of the preference shares convened and held in accordance with the provisions of article 66

### 4 Allotment

- (A) Subject to the Acts and relevant authority of the Company in general meeting required by the articles and the Acts, the board has general and unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of unissued shares (whether forming part of the original or any increased capital), or rights to subscribe for or convert any security into shares, to such persons, at such times and on such terms and conditions as the board may decide but no share may be issued at a discount
- (B) The board may at any time after the allotment of a share but before a person has been entered in the register as the holder of the share recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on the terms and conditions the board thinks fit

5 Power to attach rights

Subject to the Acts and to the rights attached to existing shares, new shares may be allotted or issued with or have attached to them such special rights or restrictions as the Company may by ordinary resolution decide

6 Redeemable shares

Subject to the Acts and to the rights attached to existing shares, shares may be issued on terms that they are to be redeemed or, at the option of the Company or the holder, are liable to be redeemed

7 Variation of rights

- (A) Subject to the Acts, the rights attached to a class of shares may be varied whether or not the Company is being wound up (i) in such manner (if any) as may be provided by those rights, or (ii) in the absence of provision, either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with the articles, but not otherwise
- (B) The rights attached to a class of shares are not, unless otherwise expressly provided in the rights attaching to those shares, deemed to be varied by the creation or issue of further shares ranking pari passu with or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the Acts and article 37

8 Commission

The Company may exercise all powers conferred or permitted by the Acts of paying commission or brokerage. Subject to the Acts, commission or brokerage may be satisfied by the payment of cash or the allotment of fully or partly-paid shares or the grant of an option to call for an allotment of shares or by any combination of these methods

9 Trusts not recognised

Except as ordered by a court of competent jurisdiction or as required by law, the Company shall not recognise a person as holding a share on trust and is not bound by or otherwise compelled to recognise (even if it has notice of it) an equitable, contingent, future, partial or other claim to or interest in a share other than an absolute right in the holder to the whole of the share

## SHARE CERTIFICATES

10 Right to certificate

- (A) Subject to the Acts and the requirements of the London Stock Exchange, a person (except a recognised person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) on becoming the holder of a share is entitled, unless the terms of issue of the shares provide otherwise, without charge, to have issued to him within two months after allotment or lodgement of a transfer, one certificate for all the shares of a class registered in his name or, in the case of shares of more than one class being

registered in his name, to a separate certificate for each class of shares

- (B) Where a member (other than a recognised person) transfers part of his shares comprised in a certificate he is entitled, without charge, to one certificate for the balance of shares retained by him
- (C) The Company is not bound to issue more than one certificate for shares held jointly by two or more persons and delivery of a certificate to one joint holder is sufficient delivery to all joint holders
- (D) A certificate shall specify the number and class and the distinguishing numbers (if any) of the shares in respect of which it is issued and the amount paid up on the shares. It shall be issued under a seal, which may be affixed to or printed on it, or in such other manner having the same effect as if issued under a seal as the board may approve

#### 11 Replacement certificates

- (A) Where a member holds two or more certificates for shares of one class, the board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate
- (B) At the request of a member, the board may cancel a certificate and issue two or more in its place (representing shares in such proportions as the member may specify), on surrender of the original certificate and on payment of such reasonable sum as the board may decide
- (C) Where a certificate is worn out, defaced, lost or destroyed, the board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out-of-pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity and security as the board may decide, and on surrender of the original certificate (where it is worn out or defaced)

### LIEN

#### 12 Company's lien on shares not fully paid

- (A) The Company has a first and paramount lien on every share (other than a fully-paid share) registered in the name of a member (whether solely or jointly with another person) for an amount payable in respect of the share, whether the due date for payment has arrived or not. The lien applies to all dividends from time to time declared or other amounts payable in respect of the share
- (B) The board may either generally or in a particular case declare a share to be wholly or partly exempt from the provisions of this article. Unless otherwise agreed with the transferee, the registration of a transfer of a share operates as a waiver of the Company's lien (if any) on that share

#### 13 Enforcement of lien by sale

- (A) For the purpose of enforcing the lien, the board may sell shares subject to the lien in such manner as it may decide, if the due date for payment of the relevant amounts has arrived and payment is not made within 14 clear days after the service of a notice in writing (stating, and demanding payment of, the amounts and giving notice of the intention to sell in default of payment) on the member concerned (or to a person entitled by transmission to the shares)



- (B) To give effect to a sale, the board may authorise a person to execute an instrument of transfer of shares in the name and on behalf of the holder of or the person entitled by transmission to the shares to the purchaser or his nominee. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity in or invalidity of the proceedings connected with the sale.

14 Application of proceeds of sale

The net proceeds of a sale effected under the previous article, after payment of the costs of the sale, shall be applied by the Company in or towards satisfaction of the amount in respect of which the lien exists. Any residue shall (on surrender to the Company for cancellation of the certificate for the shares sold, or the provision of any indemnity (with or without security) as to any lost or destroyed certificate required by the board and subject to a like lien for amounts not presently payable as existed on the shares before the sale) be paid to the member or a person entitled by transmission to the shares immediately before the sale.

### **CALLS ON SHARES**

15 Calls

Subject to the terms of allotment of shares, the board may make calls on members in respect of amounts unpaid on the shares or a class of shares held by them respectively (whether in respect of nominal value or a premium) and not payable on a date fixed by or in accordance with the terms of issue. Each member shall (on receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company the amount called as required by the notice. A call may be made payable by instalments and may, at any time before receipt by the Company of an amount due, be revoked or postponed in whole or in part as the board may decide. A call is deemed made at the time when the resolution of the board authorising it is passed. A person on whom a call is made remains liable to pay the amount called despite the subsequent transfer of the share in respect of which the call is made. The joint holders of a share are jointly and severally liable for payment of a call in respect of that share.

16 Power to differentiate

The board may make arrangements on the allotment or issue of shares for a difference between the allottees or holders in the amounts and times of payment of a call on their shares.

17 Interest on calls

If the whole of the amount called is not paid on or before the date fixed for payment, the person by whom it is payable shall pay interest on the unpaid amount at such rate as may be fixed by the terms of allotment of the share or, if no rate is fixed, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent per annum) as the board may decide, from and including the date fixed for payment until but excluding the date of actual payment and all costs, charges and expenses incurred by the Company by reason of the non-payment. The board may waive payment of the interest in whole or in part.

18 Payment in advance

The board may, if it thinks fit, receive from a member all or part of the amounts uncalled and unpaid on shares held by him. A payment in advance of calls extinguishes to the extent of the payment the liability of the member on the shares in respect of which it is made. The Company may pay interest on the amount paid in advance, or on so much of it as from time to time exceeds the amount called on the shares in respect of which the payment in advance

has been made, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent per annum) as the board may decide

19 Amounts due on allotment treated as calls

An amount which becomes payable in respect of a share on allotment or on a date fixed pursuant to the terms of allotment (whether in respect of nominal value or a premium) or as an instalment of a call, is deemed to be a call. In case of nonpayment, the provisions of the articles as to payment of interest and costs, charges and expenses, forfeiture or otherwise apply as if that amount has become payable by virtue of a call

## **FORFEITURE**

20 Notice if call not paid

If a member fails to pay the whole of a call or an instalment of a call on or before the date fixed for payment, the board may serve notice on the member or on a person entitled by transmission to the share in respect of which the call was made demanding payment, on a date not less than 14 clear days from the date of the notice, of the amount of the call outstanding and any interest that may have accrued on it and all costs, charges and expenses incurred by the Company by reason of the non-payment. The notice shall state (i) the place where payment is to be made, and (ii) that if the notice is not complied with the share in respect of which the call was made will be liable to be forfeited

21 Forfeiture for non-compliance

If the notice referred to in the previous article is not complied with, a share in respect of which it is given may, at any time before payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture includes all dividends declared or other amounts payable in respect of the forfeited share and not paid before the forfeiture. The forfeiture of a share shall involve the extinction, at the time of forfeiture, of all interests in and all claims and demands against the Company in respect of the share and all other rights and interests incidental thereto unless provided to the contrary in the articles or the Acts

22 Notice after forfeiture

When a share has been forfeited, the Company shall serve notice of the forfeiture on the person who was before forfeiture the holder of the share or the person entitled by transmission to the share but no forfeiture is invalidated by an omission to give notice. An entry of the fact and date of forfeiture shall be made in the register

23 Disposal of forfeited shares

- (A) Until cancelled in accordance with the Acts, a forfeited share and all rights attaching to it are deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before the forfeiture the holder or to another person, on such terms and in such manner as the board may decide. Where for this purpose a forfeited share is to be transferred, the board may authorise a person to execute an instrument of transfer of the share to the transferee. The Company may receive the consideration (if any) for the share on its disposal and may register the transferee as the holder of the share
- (B) The board may before a forfeited share has been cancelled, sold, re-allotted or otherwise disposed of annul the forfeiture on such conditions as it thinks fit

- (C) A statutory declaration by a director or the secretary that a share has been forfeited on the date stated in the declaration is conclusive evidence of the facts stated in the declaration against all persons claiming to be entitled to the share. The declaration (subject if necessary to the execution of an instrument of transfer) constitutes good title to the share and the person to whom the share is disposed of is not bound to see to the application of the consideration (if any). His title to the share is not affected by an irregularity in or invalidity of the proceedings connected with the forfeiture or disposal.

24 Arrears to be paid notwithstanding forfeiture

A person whose share has been forfeited ceases on forfeiture to be a member in respect of it and shall surrender to the Company for cancellation the certificate for the forfeited share or shares. He remains liable to pay, and shall immediately pay to the Company, all calls, interest, costs, charges and expenses owing in respect of the share at the time of forfeiture, with interest, from the time of forfeiture until payment, at such rate as may be fixed by the terms of allotment of the share or, if no rate is fixed, at the rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent, per annum) as the board may decide. The board may if it thinks fit enforce payment without allowance for the value of the share at the time of forfeiture or for consideration received on disposal.

25 Surrender

The board may accept the surrender of a share liable to be forfeited and in that case references in the articles to forfeiture include surrender.

### UNTRACED SHAREHOLDERS

26 Power of sale

- (A) The Company is entitled to sell a share if

- (i) for a period of not less than 12 years before the date of publication of the advertisements referred to in paragraph (A)(ii) (or, if published on two different dates, the first date) (the "relevant period"), and during the relevant period the Company has paid at least three cash dividends (whether interim or final), (a) no cheque, order or warrant sent by the Company by post in a pre-paid envelope addressed to the holder of the share, or to the person entitled by transmission to the share, at his address on the register or other last-known address given by the member or other person has been cashed, and (b) no communication has been received by the Company from the member or person entitled by transmission (in his capacity as member or person entitled by transmission),
- (ii) on expiry of the relevant period the Company has given notice of its intention to sell the share by advertisement in a leading daily newspaper and in a newspaper circulating in the area of the address referred to in paragraph (A)(i),
- (iii) the Company has not during a further period of three months after the date of the advertisements referred to in paragraph (A) (ii) (or the later advertisement if the advertisements are published on different dates) and before the exercise of the power of sale received a communication from the member or person entitled by transmission (in his capacity as member or person entitled by transmission), and
- (iv) the Company has first given notice in writing to the Quotations Department of the London Stock Exchange of its intention to sell the share.

- (B) In addition to the power of sale conferred by paragraph (A), if during the relevant period or a further period ending on the date when all the requirements of paragraphs (A)(i) to (iv) have been satisfied an additional share has been issued in right of that held at the beginning of, or previously so issued during, those periods and all the requirements of paragraphs (A)(i) to (iv) have been satisfied in respect of the additional share, the Company is entitled to sell the additional share
- (C) To give effect to a sale pursuant to paragraphs (A) or (B), the board may authorise a person to execute an instrument of transfer of the share in the name and on behalf of the holder of, or the person entitled by transmission to, the share to the purchaser or his nominee, The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity or invalidity in the proceedings connected with the sale of the share

27 Application of proceeds of sale

The Company shall account to the member or other person entitled by transmission to the share for the net proceeds of sale by carrying all amounts received on sale to a separate account. The Company is deemed to be a debtor and not a trustee in respect of those amounts for the member or other person. Amounts carried to the separate account may either be employed in the business of the Company or invested as the board may think fit. No interest is payable on those amounts and the Company is not required to account for money earned on them.

## TRANSFER OF SHARES

28 Form of transfer

A member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in another form approved by the board, and the instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register in respect of it.

29 Right to refuse registration

- (A) Subject to article 67, the board may, in its absolute discretion, refuse to register the transfer of a share or renunciation of a renounceable letter of allotment unless all of the following conditions are satisfied
  - (i) it is in respect of a share which is fully paid,
  - (ii) it is in respect of a share on which the Company has no lien,
  - (iii) it is in respect of only one class of shares,
  - (iv) it is in favour of a single transferee or renouncee or not more than four joint transferees or renouncees,
  - (v) it is duly stamped (if required), and
  - (vi) it is delivered for registration to the office or such other place as the board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person where a certificate has not been issued, or in the case of a renunciation) and such other evidence as the board may reasonably

require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so

- (B) If the board refuses to register the transfer of a share it shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee together with reasons for the refusal. The board shall send to the transferee such further information about the reasons for the refusal as the transferee may reasonably request. An instrument of transfer which the board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it. All instruments of transfer which are registered may, subject to article 143, be retained by the Company.

30 Fees on registration

No fee may be charged by the Company for registering the transfer of a share or the renunciation of a renounceable letter of allotment or other document relating to or affecting the title to a share or the right to transfer it or for making any other entry in the register.

## TRANSMISSION OF SHARES

31 On death

- (A) The Company may recognise only the personal representatives of a deceased member as having title to a share held by that member alone or to which he alone was entitled. In the case of a share held jointly by more than one person, the Company may recognise only the survivor or survivors as being entitled to it.
- (B) Nothing in the articles releases the estate of a deceased member from liability in respect of a share which has been solely or jointly held by him.

32 Election of person entitled by transmission

- (A) A person becoming entitled by transmission to a share may, on production of any evidence the board may require, elect either to be registered as a member or to have a person nominated by him registered as a member.
- (B) 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 execute an instrument of transfer of the share to that person. All the provisions of the articles relating to the transfer of shares apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event giving rise to a transmission of entitlement had not occurred.
- (C) The board may give notice requiring a person to make the election referred to in article 32(A). If that notice is not complied with within 60 days the board may withhold payment of all dividends and other amounts payable in respect of the share until notice of election has been made.

33 Rights on transmission

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share cease. The person entitled by transmission may, however, give a good discharge for dividends and other amounts payable in respect of the share and, subject to

articles 32 and 122, has the rights to which he would be entitled if he were the holder of the share. The person entitled by transmission is not, however, before he is registered as the holder of the share, entitled in respect of it to receive notice of or exercise rights conferred by membership in relation to meetings of the Company or a separate meeting of the holders of a class of shares.

## **ALTERATION OF SHARE CAPITAL**

### **34     Increase, consolidation, sub-division and cancellation**

The Company may by ordinary resolution

- (i)     increase its share capital by a sum to be divided into shares of an amount prescribed by the resolution,
- (ii)    consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares,
- (iii)   subject to the Acts, sub-divide all or any of its shares into shares of a smaller amount and may by the resolution decide that the shares resulting from the subdivision have amongst themselves a preference or other advantage or be subject to a restriction, and
- (iv)    cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by a person and diminish the amount of its share capital by the amount of the shares so cancelled

### **35     Fractions**

Whenever as the result of consolidation and division or sub-division of shares members become entitled to fractions of a share, the board may on behalf of the members deal with the fractions as it thinks fit. In particular, the board may

- (i)     sell fractions of a share to a person (including, subject to the Acts, to the Company) for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion amongst the persons entitled (except that if the amount due to a person is less than £3, or such other sum as the board may decide, the sum may be retained for the benefit of the Company). To give effect to a sale the board may authorise a person to execute an instrument of transfer of shares to the purchaser or his nominee and may cause the name of the purchaser or his nominee to be entered in the register as the holder of the shares. The purchaser is not bound to see to the application of the purchase money and the title of the transferee to the shares is not affected by an irregularity or invalidity in the proceedings connected with the sale, or
- (ii)    subject to the Acts, issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or subdivision, leaves a whole number of shares (such issue being deemed to have been effected immediately before consolidation or sub-division, as the case may be). The amount required to pay up those shares may be capitalised as the board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to

article 129 In relation to the capitalisation the board may exercise all the powers conferred on it by article 129 without an ordinary resolution of the Company

36 Reduction of capital

Subject to the Acts, the Company may by special resolution reduce its share capital, capital redemption reserve and share premium account in any way

37 Purchase of own shares

Subject to the Acts, the Company may purchase shares of any class (including redeemable shares) in any way If at the date proposed for approval of the proposed purchase there are in issue shares of a class entitling the holders to convert into shares of another class, no purchase may take place unless it has been sanctioned by a special resolution passed at a separate meeting (or meetings if there are two or more classes) of the holders of that class of convertible shares

### GENERAL MEETINGS

38 Annual general meeting

The Company shall hold annual general meetings, which shall be convened by the board, in accordance with the Acts

39 Extraordinary general meeting

All general meetings of the Company other than annual general meetings are called extraordinary general meetings

40 Convening of extraordinary general meeting

The board may convene an extraordinary general meeting whenever it thinks fit The board must convene an extraordinary general meeting immediately on receipt of a requisition from members in accordance with the Acts and in default a meeting may be convened by requisitionists as provided in the Acts At a meeting convened on a requisition or by requisitionists no business may be transacted except that stated by the requisition or proposed by the board

41 Length and form of notice

(A) Subject to the provisions of the Acts, an annual general meeting and all other general meetings of the Company shall be called by at least such minimum period of notice as is prescribed under the Acts

(B) Subject to the Acts, and although called by shorter notice than that specified in paragraph (A), a general meeting is deemed to have been duly called if it is so agreed

(i) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting, and

(ii) in the case of another meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right

(C) The notice of meeting shall specify

- (i) whether the meeting is an annual general meeting or an extraordinary general meeting,
  - (ii) the place, the date and the time of the meeting,
  - (iii) in the case of special business, the general nature of that business,
  - (iv) if the meeting is convened to consider a special resolution, the intention to propose the resolution as such, and
  - (v) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to exercise all or any of his rights to attend and to speak and to vote at the meeting of the Company, that a member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him, that on a poll, a proxy can vote instead of him, and that a proxy need not also be a member
- (D) The notice of meeting shall be given to the members (other than any who, under the provisions of the articles or restrictions imposed on shares, are not entitled to receive notice), to the directors and to the auditors

42 Omission to send notice

The accidental omission to send a notice of meeting or, in cases where it is sent out with the notice, an appointment of proxy to, or the non-receipt of either by, a person entitled to receive it, or the failure to give notice due to circumstances beyond the Company's control, does not invalidate the proceedings at a general meeting

43 Electronic address in notice

Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting

44 Special business

All business transacted at a general meeting is deemed special except the following business at an annual general meeting

- (i) the receipt and consideration of the annual accounts, the directors' report and auditors' report on those accounts,
- (ii) the appointment of directors and other officers in place of those retiring by rotation or otherwise ceasing to hold office,
- (iii) the declaration of dividends, and
- (iv) the appointment of the auditors (when special notice of the resolution for appointment is not required by the Acts) and the fixing, or determination of the manner of the fixing, of their remuneration



## PROCEEDINGS AT GENERAL MEETINGS

### 45 Quorum

- (A) No business may be transacted at a general meeting unless a quorum is present. The absence of a quorum does not prevent the appointment of a chairman in accordance with the articles, which is not treated as part of the business of the meeting.
- (B) The quorum for a general meeting is for all purposes two members present in person or by proxy or a duly authorized representative of a corporation which is a member and entitled to vote (including for this purpose two persons who are proxies or corporate representatives of the same member).

### 46 Procedure if quorum not present

- (A) If a quorum is not present within five minutes (or such longer period as the chairman in his absolute discretion thinks fit) from the time fixed for the start of the meeting or if during the meeting a quorum ceases to be present, the meeting, if convened by or on the requisition of members, is dissolved. In any other case it stands adjourned to such time (being not less than 14 days nor more than 28 days later) and place as the chairman (or, in default, the board) decides.
- (B) At an adjourned meeting the quorum is as in accordance with article 45(B). If a quorum is not present within five minutes (or such longer period as the chairman in his absolute discretion thinks fit) from the time fixed for the start of the meeting or if during the meeting a quorum ceases to be present, the adjourned meeting is dissolved.
- (C) The Company shall give not less than seven clear days' notice of any meeting adjourned for the lack of a quorum and the notice shall state the quorum requirement.

### 47 Chairman

The chairman (if any) of the board or, in his absence, the deputy chairman (if any) shall preside as chairman at a general meeting. If there is no chairman or deputy chairman, or if at a meeting neither is present within five minutes after the time fixed for the start of the meeting, or neither is willing to act, the directors present shall select one of their number to be chairman, and if only one director is present and willing to act, he shall be chairman. In default, the members present in person and entitled to vote shall choose one of their number to be chairman.

### 48 Director's right to attend and speak

A director is entitled to attend and speak at any general meeting and at a separate meeting of the holders of a class of shares or debentures whether or not he is a member.

### 49 Power to adjourn

- (A) The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn a meeting from time to time and from place to place or for a period not exceeding 25 days.
- (B) Without prejudice to any other power which he may have under the provisions of the articles or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place for a period not exceeding 25

days if he is of the opinion that it has become necessary to do so in order (i) to secure the proper and orderly conduct of the meeting, or (ii) to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting, or (iii) to ensure that the business of the meeting is properly disposed of, or (iv) to protect the safety of any person attending the meeting

50 Notice of adjourned meeting

Without prejudice to article 46(C), whenever a meeting is adjourned for 21 days or more at least seven clear days' notice specifying the place, the date and time of the adjourned meeting and the general nature of the business to be transacted shall be given to the members (other than any who, under the provisions of the articles or restrictions imposed on any shares, are not entitled to receive notice), the directors and the auditors. Except in these circumstances, and subject to article 46(C), it is not necessary to give notice of an adjourned meeting or of the business to be transacted at the adjourned meeting

51 Business at adjourned meeting

No business may be transacted at an adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place

52 Accommodation of members at meeting

If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting is duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able (i) to participate in the business for which the meeting has been convened, and (ii) to hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere, and (iii) to be heard and seen by all other persons present in the same way

## VOTING

53 Method of voting

- (A) At a general meeting, a resolution put to the vote of the meeting is decided by a show of hands unless (before or immediately after the declaration of the result of the show of hands) a poll is duly demanded
- (B) Subject to the Acts, a poll may be demanded on any question by
- (i) the chairman of the meeting, or
  - (ii) the directors, or
  - (iii) not less than five members present in person or by proxy and entitled to vote, or
  - (iv) a member or members present in person or by proxy representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting (excluding any voting rights attached to any shares in the Company held as treasury shares), or

- (v) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any voting rights attached to any shares in the Company held as treasury shares)

A demand by a proxy is deemed to be a demand by the member appointing the proxy

- (C) Unless a poll is demanded and the demand is not subsequently withdrawn, a declaration by the chairman that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, and an entry in respect of such declaration in the book containing the minutes of proceedings, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

#### 54 Procedure on a poll

- (A) If a poll is properly demanded, it shall be taken in such manner as the chairman of the meeting directs. He may appoint scrutineers, who need not be members, and decide how and when the result of the poll is to be declared. The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll is demanded.
- (B) A poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on another question shall be taken at such time and place as the chairman decides, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the demand).
- (C) No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- (D) The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made. In the case of a poll demanded before the declaration of the result of a show of hands, the meeting shall continue as if the demand has not been made.
- (E) The demand for a poll (other than on the election of the chairman of the meeting or on a question of adjournment) does not prevent the meeting continuing for the transaction of business other than the question on which a poll has been demanded.
- (F) On a poll, every member (whether present in person or by proxy) has one vote for every share of which he is the holder. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

#### 55 Votes of members

- (A) Subject to special terms as to voting on which shares have been issued, or a suspension or abrogation of voting rights pursuant to the articles, on a show of hands at a general meeting every member present in person has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll every member (whether present in person or by proxy) has one vote for every 25p of nominal amount of ordinary shares held by him and one vote for every £1.00 in nominal amount of preference shares held by him.

- (B) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority is determined by the order in which the names of the holders stand in the register
- (C) A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or other person may vote by proxy if evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is delivered to the office (or at another place specified in accordance with the articles for the delivery of appointments of proxy) within the time limits prescribed by the articles for the delivery of appointments of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable

56 Casting vote

In the case of an equality of votes the chairman has, on a show of hands and on a poll, a casting vote in addition to a vote to which he is entitled as a member

57 Restriction on voting rights for unpaid calls etc

Unless the board otherwise decides, no member is entitled in respect of a share held by him to be present or to vote, either in person or by proxy, at a general meeting or at a separate meeting of the holders of class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll, if a call or other amount due and payable in respect of the share is unpaid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non-payment

58 Voting by proxy

- (A) An instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the board) executed by the appointor or his duly constituted attorney or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign
- (B) The directors may allow an appointment of proxy to be sent or supplied in electronic form subject to any conditions or limitations as the directors may specify, and where the Company has given an electronic address in any appointment of proxy or invitation to appoint a proxy, any document or information relating to proxies for the meeting (including any document necessary to show the validity of, or otherwise relating to, an appointment of proxy, or notice of the termination of the authority of a proxy) may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting
- (C) An appointment of proxy is deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote on a resolution or amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given, as the proxy thinks fit
- (D) A proxy need not be a member

- (E) A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. References in these articles to an appointment of proxy include references to an appointment of multiple proxies.
- (F) When two or more valid but differing appointments of proxy are delivered for the same share for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share.
- (G) Deposit of an appointment of proxy does not prevent a member attending and voting in person at the meeting or an adjournment of the meeting or on a poll.
- (H) An appointment of proxy is (unless the contrary is stated in it) valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. An appointment of proxy is valid for 12 months from the date of execution.
- (I) Subject to the Acts, the board may at the expense of the Company send or make available appointments of proxy or invitations to appoint a person or one of a number of persons as proxy to all (and not to some only) the persons entitled to receive notice of and to vote at a meeting by post or by electronic means or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the directors or any other person. If sent the instrument shall provide for three-way voting on all resolutions set out in the notice of meeting. The accidental omission, or the failure due to circumstances beyond the Company's control, to send or make available such an appointment of proxy or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

#### 59 Deposit of proxy

An appointment of proxy, and (if required by the board) a power of attorney or other authority under which it is executed or a copy of it notanally certified or certified in some other way approved by the board, shall be

- (i) in the case of an appointment of proxy in hard copy form, be received at the Office or such other place in the United Kingdom as is specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote, or
- (ii) in the case of an appointment of proxy in electronic form, be received at the electronic address specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote, or
- (iii) in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid not less than 24 hours (or such shorter time as the directors may determine) before the time appointed for the taking of the poll.

An appointment of proxy which is not, or in respect of which the authority or copy thereof is not, received or delivered in a manner so permitted shall be invalid. The directors may

- (v) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any voting rights attached to any shares in the Company held as treasury shares)

A demand by a proxy is deemed to be a demand by the member appointing the proxy

- (C) Unless a poll is demanded and the demand is not subsequently withdrawn, a declaration by the chairman that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, and an entry in respect of such declaration in the book containing the minutes of proceedings, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

#### 54 Procedure on a poll

- (A) If a poll is properly demanded, it shall be taken in such manner as the chairman of the meeting directs. He may appoint scrutineers, who need not be members, and decide how and when the result of the poll is to be declared. The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll is demanded.
- (B) A poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on another question shall be taken at such time and place as the chairman decides, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the demand).
- (C) No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- (D) The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made. In the case of a poll demanded before the declaration of the result of a show of hands, the meeting shall continue as if the demand has not been made.
- (E) The demand for a poll (other than on the election of the chairman of the meeting or on a question of adjournment) does not prevent the meeting continuing for the transaction of business other than the question on which a poll has been demanded.
- (F) On a poll, every member (whether present in person or by proxy) has one vote for every share of which he is the holder. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

#### 55 Votes of members

- (A) Subject to special terms as to voting on which shares have been issued, or a suspension or abrogation of voting rights pursuant to the articles, on a show of hands at a general meeting every member present in person has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll every member (whether present in person or by proxy) has one vote for every 25p of nominal amount of ordinary shares held by him and one vote for every £1.00 in nominal amount of preference shares held by him.

- (B) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority is determined by the order in which the names of the holders stand in the register
- (C) A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or other person may vote by proxy if evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is delivered to the office (or at another place specified in accordance with the articles for the delivery of appointments of proxy) within the time limits prescribed by the articles for the delivery of appointments of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable

56 Casting vote

In the case of an equality of votes the chairman has, on a show of hands and on a poll, a casting vote in addition to a vote to which he is entitled as a member

57 Restriction on voting rights for unpaid calls etc.

Unless the board otherwise decides, no member is entitled in respect of a share held by him to be present or to vote, either in person or by proxy, at a general meeting or at a separate meeting of the holders of class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll, if a call or other amount due and payable in respect of the share is unpaid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non-payment

58 Voting by proxy

- (A) An instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the board) executed by the appointor or his duly constituted attorney or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign
- (B) The directors may allow an appointment of proxy to be sent or supplied in electronic form subject to any conditions or limitations as the directors may specify, and where the Company has given an electronic address in any appointment of proxy or invitation to appoint a proxy, any document or information relating to proxies for the meeting (including any document necessary to show the validity of, or otherwise relating to, an appointment of proxy, or notice of the termination of the authority of a proxy) may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting
- (C) An appointment of proxy is deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote on a resolution or amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given, as the proxy thinks fit
- (D) A proxy need not be a member

- (E) A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. References in these articles to an appointment of proxy include references to an appointment of multiple proxies.
- (F) When two or more valid but differing appointments of proxy are delivered for the same share for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share.
- (G) Deposit of an appointment of proxy does not prevent a member attending and voting in person at the meeting or an adjournment of the meeting or on a poll.
- (H) An appointment of proxy is (unless the contrary is stated in it) valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. An appointment of proxy is valid for 12 months from the date of execution.
- (I) Subject to the Acts, the board may at the expense of the Company send or make available appointments of proxy or invitations to appoint a person or one of a number of persons as proxy to all (and not to some only) the persons entitled to receive notice of and to vote at a meeting by post or by electronic means or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the directors or any other person. If sent the instrument shall provide for three-way voting on all resolutions set out in the notice of meeting. The accidental omission, or the failure due to circumstances beyond the Company's control, to send or make available such an appointment of proxy or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

#### 59 Deposit of proxy

An appointment of proxy, and (if required by the board) a power of attorney or other authority under which it is executed or a copy of it notorally certified or certified in some other way approved by the board, shall be

- (i) in the case of an appointment of proxy in hard copy form, be received at the Office or such other place in the United Kingdom as is specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote, or
- (ii) in the case of an appointment of proxy in electronic form, be received at the electronic address specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote, or
- (iii) in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid not less than 24 hours (or such shorter time as the directors may determine) before the time appointed for the taking of the poll.

An appointment of proxy which is not, or in respect of which the authority or copy thereof is not, received or delivered in a manner so permitted shall be invalid. The directors may



specify in the notice convening the meeting that in determining the time for delivery of proxies pursuant to this article, no account shall be taken of any part of a day that is not a working day

60 When votes by proxy valid though authority revoked

A vote given or poll demanded by a proxy or authorised representative of a company is valid despite termination of his authority unless notice of termination is received by the Company at the office (or other place specified for depositing the appointment of proxy) not later than would be permitted by the time-limit specified by article 59 for the deposit of an appointment of proxy in respect of the meeting or adjourned meeting (at which the vote is to be given) or of the poll to be taken

**CORPORATE REPRESENTATIVE**

- 61 Subject to the provisions of the Acts, a company which is a member may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at a meeting or at a separate meeting of the holders of a class of shares. The company is for the purposes of the articles deemed to be present in person at a meeting if a person or persons so authorised is present at it. All references to attendance and voting in person shall be construed accordingly. A director, the secretary or other person authorised for the purpose by the secretary may require the representative or representatives to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers

**OBJECTIONS TO AND ERROR IN VOTING**

- 62 No objection may be made to the qualification of any person voting at a general meeting or on a poll or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting or at the time the poll is taken (if not taken at the meeting or adjourned meeting) at which the vote objected to is tendered or at which the error occurs. An objection properly made in due time shall be referred to the chairman of the meeting and only invalidates the result of the voting if, in the opinion of the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman is conclusive and binding on all concerned

**AMENDMENTS TO RESOLUTIONS**

63 Amendments to special and ordinary resolutions

- (A) A special resolution may be amended by ordinary resolution if -
- (i) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (ii) the amendment does not go beyond what is necessary to correct a clear error in the resolution
- (B) An ordinary resolution may be amended if -
- (i) written notice of the terms of the proposed amendment and of the intention to move the amendment have been delivered to the Company at the office at least 48 hours before the time for holding the meeting or the adjourned meeting at which the ordinary resolution in question is proposed and the proposed amendment does not, in the reasonable opinion of the chairman, materially alter the scope of the resolution, or

- (ii) the chairman of the meeting, in his absolute discretion, decides that the proposed amendment may be considered or voted on

64 Withdrawal and ruling amendments out of order

With the consent of the chairman, an amendment may be withdrawn by its proposer before it is voted on. If an amendment proposed to a resolution under consideration is ruled out of order by the chairman of the meeting the proceedings on the substantive resolution are not invalidated by an error in his ruling.

### MEMBERS' WRITTEN RESOLUTIONS

- 65 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present is as effective as if it had been passed at a general meeting duly convened and held. A member signifies his agreement to a resolution in writing when the company receives in hard copy form or in electronic form from him (or from someone acting on his behalf) an authenticated document identifying the resolution to which it relates and indicating his agreement to the resolution. If the resolution in writing is described as a special resolution, it has effect accordingly.

### CLASS MEETINGS

- 66 Subject to the 2006 Act, a separate meeting for the holders of a class of shares shall be convened and conducted as nearly as possible in the same way as an extraordinary general meeting, except that
- (i) no member, other than a director, is entitled to notice of it or to attend unless he is a holder of shares of that class,
  - (ii) no vote may be given except in respect of a share of that class,
  - (iii) the quorum at the meeting is two persons present in person holding or representing by proxy at least one-third in nominal value of the issued shares of that class,
  - (iv) the quorum at an adjourned meeting is two persons holding shares of that class who are present in person or by proxy, and
  - (v) a poll may be demanded in writing by a member present in person or by proxy and entitled to vote at the meeting and on a poll each member has one vote for every share of that class of which he is the holder.

### FAILURE TO DISCLOSE INTERESTS IN SHARES

67

- (A) Where notice is served by the Company under section 793 of the 2006 Act (a “**section 793 notice**”) on a member, or another person appearing to be interested in shares held by that member and the member or other person has failed in relation to any shares (the “**default shares**”, which expression includes any shares issued after the date of the section 793 notice in right of those shares) to give the Company the information required within the

prescribed period from the date of the section 793 notice, the following sanctions apply, unless the board otherwise decides

- (i) the member is not entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll, and
- (ii) where the default shares represent at least 0.25 per cent, in nominal value of the issued shares of their class
  - (a) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member is not entitled to elect, pursuant to article 128, to receive shares instead of a dividend, and
  - (b) no transfer of any of the default shares held by the member shall be registered unless the transfer is an excepted transfer or
    - (1) the member is not himself in default in supplying the information required, and
    - (2) the member proves to the satisfaction of the board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer

(B) The sanctions under paragraph (A) cease to apply seven days after the earlier of

- (i) receipt by the Company of notice of an expected transfer, but only in relation to the shares transferred, and
- (ii) receipt by the Company, in a form satisfactory to the board, of all the information required by the section 793 notice

(C) Where, on the basis of information obtained from a member in respect of a share held by him, the Company issues a section 793 notice to another person, it shall at the same time send a copy of the section 793 notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of paragraph (A)

(D) For the purposes of this article 67

- (i) a person, other than the member holding a share, is treated as appearing to be interested in that share if the member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested
- (ii) “interested” is construed as it is for the purpose of section 793 of the 2006 Act,
- (iii) reference to a person having failed to give the Company the information required by a section 793 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular,

- (iv) the "prescribed period" means 14 days
- (v) an "excepted transfer" means, in relation to shares held by a member
  - (a) a transfer pursuant to acceptance of a take-over offer for the Company (within the meaning of section 974 of the 2006 Act) or
  - (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or another stock exchange outside the United Kingdom on which shares in the capital of the Company are normally traded, or
  - (c) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares
- (E) Nothing in this article shall limit the powers of the Company under section 794 of the 2006 Act or any other powers of the Company whatsoever

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

##### **68 Power of the Company to appoint directors**

Subject to the articles, the Company may by ordinary resolution appoint a person who is willing to act to be a director, either to fill a vacancy or as an addition to the board, but the total number of directors may not exceed a maximum number fixed in accordance with the articles

##### **69 Power of the board to appoint directors**

Without prejudice to the power of the Company to appoint a person to be a director pursuant to the articles, the board may appoint a person who is willing to act as a director, either to fill a vacancy or as an addition to the board, but the total number of directors may not exceed a maximum number fixed in accordance with the articles. A director appointed in this way may hold office only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting. He is not required, and is not taken into account in determining the number of directors who are, to retire by rotation at the meeting

##### **70 Appointment of executive directors**

- (A) Subject to the Acts, the board may appoint one or more of its body to hold employment or executive office (including that of managing director) with the Company for such term (subject to the Acts) and subject to paragraph (B) of this article on any other conditions the board thinks fit. The board may revoke or terminate an appointment, without prejudice to a claim for damages for breach of contract
- (B) Any contract of employment entered into by any member of the board with the Company or any of its subsidiaries which is for a period of more than one year during which the employment cannot be terminated without compensation by the Company by notice of one year or less shall require prior approval by an ordinary resolution of the Company

71 Eligibility of new directors

No person other than a director retiring (by rotation or otherwise) may be appointed or reappointed a director at a general meeting unless

- (i) he is recommended by the board, or
- (ii) not less than seven nor more than 42 days before the date fixed for the meeting, notice has been given to the Company by a member (other than the person to be proposed) qualified to vote at the meeting of the intention to propose that person for appointment or reappointment. The notice shall (a) state the particulars which would, if the proposed director were appointed or reappointed, be required to be included in the Company's register of directors, (b) be accompanied by notice given by the proposed director of his willingness to be appointed or reappointed, and (c) be lodged at the office

72 Voting on resolution for appointment

A resolution for the appointment of two or more persons as directors by a single resolution is void unless an ordinary resolution that the resolution for appointment is proposed in this way has first been agreed to by the meeting without a vote being given against it

73 Retirement by rotation

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 but not exceeding one-third, shall retire from office. If there are fewer than three directors who are subject to retirement by rotation, one shall retire from office

74 Directors subject to retirement

Subject to the Acts and the articles, the directors to retire by rotation at an annual general meeting exclude a director holding the office of managing director pursuant to article 70 and include, so far as necessary to obtain the number required, first, a director who wishes to retire and not offer himself for reappointment, and, second, those directors who have been longest in office since their last appointment or reappointment. As between two or more who have been in office an equal length of time, the director to retire shall, in default of agreement between them, be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined on the basis of the composition of the board at the start of business on the date of the notice convening the annual general meeting, disregarding a change in the number or identity of the directors after that time but before the close of the meeting

75 Position of retiring director

A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be reappointed. If he is not reappointed or deemed reappointed, he may retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting

76 Deemed reappointment

At a general meeting at which a director retires by rotation the Company may fill the vacancy and, if it does not do so, the retiring director is, if willing, deemed reappointed unless it is

expressly resolved not to fill the vacancy or a resolution for the reappointment of the director is put to the meeting and lost

77 Removal by ordinary resolution

In addition to any power of removal conferred by the Acts, the Company may by ordinary resolution remove a director before the expiration of his period of office (without prejudice to a claim for damages for breach of contract) and may (subject to the articles) by ordinary resolution appoint another person who is willing to act to be a director in his place. A person appointed in this way is treated, for the purposes of determining the time at which he or another director is to retire, as if he had become a director on the date on which the person in whose place he is appointed was last appointed or reappointed a director

78 Vacation of office by director

- (A) Without prejudice to the provisions for retirement (by rotation or otherwise) contained in the articles, the office of a director is vacated if
- (i) he resigns by notice delivered to the secretary at the office or tendered at a board meeting,
  - (ii) he ceases to hold his qualification as a director or does not obtain the same within the prescribed time,
  - (iii) he ceases to be a director by virtue of a provision of the Acts, is removed from office pursuant to the articles or becomes prohibited by law from being a director,
  - (iv) he becomes bankrupt, has an interim receiving order made against him, makes an arrangement or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act,
  - (v) an order is made by a court of competent jurisdiction on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his affairs or he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, under the Mental Health (Scotland) Act 1984 and the board resolves that his office be vacated,
  - (vi) both he and his alternate director appointed pursuant to the provisions of the articles (if any) are absent, without the permission of the board, from board meetings for six consecutive months and the board resolves that his office be vacated, or
  - (vii) he is removed from office by notice addressed to him, at his last-known address and signed by all his co-directors (without prejudice to a claim for damages for breach of contract)
- (B) A resolution of the board declaring a director to have vacated office under the terms of this article is conclusive as to the fact and grounds of vacation stated in the resolution

## ALTERNATE DIRECTORS

### 79 Appointment

(A) A director (other than an alternate director) may by notice delivered to the secretary at the office, or in any other manner approved by the board, appoint as his alternate director

(i) another director, or

(ii) another person approved by the board and willing to act

No appointment of an alternate director who is not already a director is effective until his consent to act as a director in the form prescribed by the Acts has been received at the office

(B) An alternate director need not be a member

### 80 Revocation of appointment

A director may by notice delivered to the secretary at the office revoke the appointment of his alternate director and, subject to the provisions of the preceding article, appoint another person in his place. If a director ceases to hold the office of director or if he dies, the appointment of his alternate director automatically ceases. If a director retires but is reappointed at the meeting at which his retirement takes effect, a valid appointment of an alternate director which was in force immediately before his retirement continues to operate after his reappointment as if he has not retired. The appointment of an alternate director ceases on the happening of an event which, if he were a director otherwise appointed, would cause him to vacate office.

### 81 Participation in board meetings

An alternate director is, if he gives the Company an address in the United Kingdom at which notices may be served on him, entitled to receive notice of all meetings of the board and all committees of the board of which his appointor is a member and, in the absence from those meetings of his appointor, to attend and vote at the meetings and to exercise all the powers, rights, duties and authorities of his appointor. A director acting as alternate director has a separate vote at meetings of the board and committees of the board for each director for whom he acts as alternate director but he counts as only one for the purpose of determining whether a quorum is present.

### 82 Responsibility

A person acting as an alternate director is an officer of the Company, is alone responsible to the Company for his acts and defaults, and is not deemed to be the agent of his appointor.

## REMUNERATION, EXPENSES AND PENSIONS

### 83 Directors' fees

Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the directors (but not alternate directors) for their services as directors such amount of aggregate fees as the board decides (not exceeding £200,000 per annum or such larger amount as the Company may by ordinary resolution decide). The aggregate fees shall be

divided among the directors in such proportions as the board decides or, if no decision is made, equally. A fee payable to a director pursuant to this article is distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of the articles and accrues from day to day.

84 Additional remuneration

A director who, at the request of the board, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the board may decide.

85 Expenses

A director is entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director, including expenses incurred in attending meetings of the board or of committees of the board or general meetings or separate meetings of the holders of a class of shares or debentures.

86 Remuneration and expenses of alternate directors

An alternate director is not entitled to a fee from the Company for his services as an alternate director. The fee payable to an alternate director is payable out of the fee payable to his appointor and consists of such portion (if any) of the fee as he agrees with his appointor. The Company shall, however, repay to an alternate director expenses incurred by him in the performance of his duties if the Company would have been required to repay the expenses to him under the preceding article had he been a director.

87 Remuneration of executive director

The salary or remuneration of a director appointed to hold employment or executive office in accordance with the articles may be a fixed sum of money, or wholly or in part governed by business done or profits made, or as otherwise decided by the board, and may be in addition to or instead of a fee payable to him for his services as director pursuant to the articles.

## **POWERS AND DUTIES OF THE BOARD**

88 Powers of the board

Subject to the Acts, the memorandum of association of the Company and the articles and to directions given by special resolution of the Company, the business of the Company is managed by the board which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the memorandum of association or of the articles and no direction given by the Company invalidates a prior act of the board which would have been valid if the alteration had not been made or the direction had not been given. The provisions of the articles giving specific powers to the board do not limit the general powers given by this article.

89 Powers of directors being less than minimum required number

If the number of directors is less than the minimum prescribed by the articles or decided by the Company by ordinary resolution, the remaining director or directors may act only for the purposes of appointing an additional director or directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If no director or directors is or are able or willing to act, two members may convene a general



meeting for the purpose of appointing directors. An additional director appointed in this way holds office (subject to the articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting.

90 Powers of executive directors

The board may delegate to a director holding executive office (including a managing director) any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the director. The board may at any time revoke the delegation or alter its terms and conditions.

91 Delegation to committees

The board may delegate any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit to a committee consisting of one or more directors and (if thought fit) one or more other persons, but only if a majority of the members of the committee are directors or alternate directors. No resolution of a committee is effective unless a majority of those present when it is passed are directors or alternate directors. In particular, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the committee. The board may at any time revoke the delegation or alter its terms and conditions or discharge the committee in whole or in part. Where a provision of the articles refers to the exercise of a power, authority or discretion by the board and that power, authority or discretion has been delegated by the board to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

92 Local management

The board may establish local or divisional boards or agencies for managing the affairs of the Company in a specified locality, either in the United Kingdom or elsewhere, and may appoint persons to be members of a local or divisional board or agency, and may fix their remuneration. The board may delegate to a local or divisional board or agency any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, the board may grant the power to sub-delegate, may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the local or divisional board or agency and may authorise the members of a local or divisional board or agency (or any of them) to fill a vacancy or to act despite a vacancy. The board may at any time revoke or alter the terms and conditions of the appointment or delegation. Subject to terms and conditions imposed by the board, the proceedings of a local or divisional board or agency with two or more members are governed by those articles that regulate the proceedings of the board, so far as applicable.

93 Power of attorney

The board may by power of attorney or otherwise appoint a person to be the agent of the Company and may delegate to that person any of its powers, authorities and discretions for such purposes, for such time and on such terms and conditions (including as to remuneration) as it thinks fit. In particular, the board may grant the power to sub-delegate and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the agent. The board may at any time revoke or alter the terms and conditions of the appointment or delegation.

94 Associate directors

The board may appoint a person (not being a director) to an office or employment having a designation or title including the word 'director' or attach to an existing office or employment that designation or title and may terminate the appointment or use of that designation or title. The inclusion of the word 'director' in the designation or title of an office or employment does not imply that the person is, or is deemed to be, or is empowered to act as, a director for any of the purposes of the Acts or the articles.

95 Exercise of voting powers

Subject to article 99, the board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by the Company, or a power of appointment to be exercised by the Company, in such manner as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of a director as an officer or employee of that company or in favour of the payment of remuneration to the officers or employees of that company).

96 Employees' pensions and other benefits

- (A) The board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (by insurance or otherwise) for a person who is or has at any time been an employee of (i) the Company, or (ii) a company which is or was a subsidiary of the Company, or (iii) a company which is or was allied to or associated with the Company or a subsidiary of the Company, or (iv) a predecessor in business of the Company or of a subsidiary of the Company (and for any member of his family, including a spouse or former spouse, or a person who is or was dependent on him). For this purpose the board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums and also establish and subsidise or subscribe to any institutions, associations, clubs or fund calculated to be for the benefit of or to advance the interests and well-being of the Company or any such other company as above, or of any such person as above. The board may arrange for this to be done by the Company alone or in conjunction with another person.
- (B) A director or former director is entitled to receive and retain for his own benefit a pension or other benefit provided under paragraph (A) and is not obliged to account for it to the Company.

97 Provision for employees and power to make charitable and other subscriptions

The board may exercise the powers conferred upon the Company by the Acts to make provision for the benefit of a person employed or formerly employed by the Company or any of its subsidiaries (or any member of his family, including a spouse or former spouse, or any person who is or was dependent on him) in connection with the cessation or the transfer to a person of the whole or part of the undertaking of the Company or the subsidiary. In addition, the board may exercise the powers conferred upon the Company by the Acts to subscribe or guarantee or pay for any charitable or benevolent objects or political purpose or for any exhibition or for any public, general or useful object and do any of the above either alone or in conjunction with another person.

98 Overseas register

Subject to the Acts, the board may exercise the powers conferred on the Company with regard to the keeping of an overseas or local or other register and may make and vary regulations as it thinks fit concerning the keeping of a register.

99 Borrowing powers

- (A) Subject to the following provisions of this article, the board may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the Acts, to issue debentures and other securities, whether outright or as collateral security for a debt, liability or obligation of the Company or of a third party
- (B) The board shall restrict the borrowings of the Company and shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to procure (as regards subsidiary undertakings, to the extent that it can procure by such exercise) that the aggregate principal amount outstanding in respect of moneys borrowed by the group does not at any time without the previous sanction of an ordinary resolution of the Company exceed a sum equal to four times the adjusted total of capital and reserves
- (C) In this article
- (i) **“adjusted total of capital and reserves”** means a sum equal to the aggregate of
- (a) the amount paid up on the allotted or issued share capital of the Company, and
  - (b) the amount standing to the credit or debit of the consolidated reserves, all as shown in the relevant balance sheet but after
  - (c) making appropriate adjustments in respect of
    - (i) a variation in the amounts referred to in paragraphs (a) and (b) since the date of the relevant balance sheet and so that for this purpose if a proposed allotment of shares by the Company for cash has been underwritten, those shares are deemed to have been allotted and the amount (including a premium) of the subscription moneys payable in respect of those shares (not being moneys payable later than six months after the date of allotment) are deemed to have been paid up to the extent so underwritten on the date on which the issue of those shares was underwritten (or, if the underwriting was conditional, the date on which it became unconditional),
    - (ii) an undertaking which has become a group undertaking since the date of the relevant balance sheet,
    - (iii) an undertaking which has ceased to be a group undertaking since the date of the relevant balance sheet,
  - (d) excluding (so far as not already excluded)
    - (i) amounts attributable to minority interests, and
    - (ii) a sum set aside for any long term tax liability (save for deferred taxation),
  - (e) deducting

- (i) sums equivalent to the book values of goodwill and other intangible assets shown in the relevant balance sheet (as adjusted pursuant to the preceding provisions of this article), and
  - (ii) the amount of a distribution declared, recommended, paid or made by a group undertaking to a person other than a group undertaking out of profits accrued up to and including the date of, but not provided for in, the relevant balance sheet, and
- (f) making such other adjustments (if any) as the auditors consider appropriate or necessary,
- (ii) **“external interest”** means, in relation to a group undertaking that is not wholly owned, that part of the issued and paid-up equity share capital of the group undertaking that is not beneficially owned, directly or indirectly, by another group undertaking,
- (iii) **“external interest percentage”** means, in relation to a group undertaking that is not wholly owned, the percentage that the external interest forms of the whole of the issued and paid-up equity share capital of the group undertaking,
- (iv) **“group”** means (aa) the Company, and (bb) all undertakings which are included in the group accounts in which the relevant balance sheet is comprised and which would be so included if group accounts were prepared at the relevant time (and as if that time were the end of the Company’s financial year), and (cc) all undertakings which are not included in the group accounts in which the relevant balance sheet is comprised but which would be so included if group accounts were prepared at the relevant time (and as if that time were the end of the Company’s financial year),
- (v) **“group undertaking”** means the Company or another undertaking in the group,
- (vi) **“moneys borrowed”** are deemed to include the following
  - (a) the nominal amount of and the amount of any premium paid in respect of any allotted or issued share capital (not being equity share capital) of a group undertaking not beneficially owned, directly or indirectly, by another group undertaking,
  - (b) the principal amount of any loan capital (whether secured or unsecured) of a group undertaking not beneficially owned, directly or indirectly, by another group undertaking,
  - (c) the principal amount of any borrowings by a person other than a group undertaking, the repayment of which is the subject of a guarantee or indemnity by a group undertaking or is secured on the assets of a group undertaking,
  - (d) the outstanding amount raised by acceptances under an acceptance credit opened on behalf of and in favour of a group undertaking by a bank or accepting house (except for acceptances of, or acceptance credits in relation to, trade bills for purchases of goods or services in the ordinary course of business and outstanding for six months or less),

- (e) a fixed or minimum premium payable on repayment or redemption of borrowings that constitute moneys borrowed for the purposes of this article, and
- (f) amounts raised under a transaction (including, without limitation, forward sale or purchase agreements and outstanding obligations under finance leases and hire purchase contracts classified as finance leases, but excluding operating leases (within the meanings given to those terms by Statement of Standard Accounting Practice 21) having the commercial effect of borrowings entered into to enable the finance of operations or capital requirements,

but are deemed to exclude

- (g) borrowings by one group undertaking from another, including the principal amount of any loan capital (whether secured or unsecured) and the nominal amount of any allotted or issued share capital (not being equity share capital) of a group undertaking beneficially owned, directly or indirectly, by another group undertaking, except that, where the group undertaking from which such borrowings are made is not wholly owned, a percentage of the borrowings equal to the external interest percentage are not excluded,
- (h) borrowings made for the purpose of, and applied within six months of being made in, repaying the whole or part of borrowings that constitute moneys borrowed for the purposes of this article,
- (i) where a group undertaking is not wholly owned, a percentage of its borrowings that constitute moneys borrowed for the purposes of this article equal to the external interest percentage,
- (j) an amount equal to the borrowings of an undertaking outstanding immediately before and unpaid within 90 days after it becomes a group undertaking,
- (k) the amount of moneys borrowed which are for the time being deposited with a governmental authority in any part of the world in connection with import deposits or a similar governmental scheme to the extent that the group undertaking making the deposit retains its interest in the deposit,
- (l) a sum advanced or paid to a group undertaking (or its agents or nominees) by a customer of a group undertaking as an unexpended customer receipt or progress payment pursuant to a contract between the customer and a group undertaking,
- (m) amounts treated as amounts due to trade creditors in the consolidated group accounts of the Company in which the relevant balance sheet is comprised,

and deducting

- (n) an amount equal to the aggregate outstanding of
  - (i) all cash deposits or balances on a current account of a group undertaking with a bank (not itself being a group undertaking),
  - (ii) the realisable value of certificates of deposit and securities of governments and companies, and

- (iii) other readily realisable deposits or balances (whether made with a bank or otherwise),

in each case beneficially owned, directly or indirectly, by a group undertaking, but excluding (aa) in the case of any such items beneficially owned, directly or indirectly, by a group undertaking that is not wholly owned, a percentage of those items equal to the external interest percentage and (bb) any sum advanced or paid to a group undertaking (or its agents or nominees) by a customer of a group undertaking as an unexpended customer receipt or progress payment pursuant to a contract between the customer and a group undertaking,

- (vii) **"relevant balance sheet"** means the consolidated balance sheet dealing with the state of affairs of the Company and its subsidiary undertakings comprised in the latest group accounts prepared and approved by the board and on which the auditors have made their report pursuant to the Acts, and

- (viii) **"wholly owned"** means, in relation to a group undertaking, that it has no member that is not itself a group undertaking or a person acting on behalf of a group undertaking

- (D) When the amount of moneys borrowed to be taken into account for the purposes of this article on a particular day is being ascertained, moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either

- (i) at the rate of exchange specified in a forward purchase contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in rates of exchange in respect of repayment of those moneys (a **"hedging agreement"**), or

- (ii) if repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of

- (a) the rate of exchange used for the conversion of that currency in the relevant balance sheet, or

- (b) if no rate was used, the middle-market rate of exchange quoted by Midland Bank plc at the close of business in London on the date of the relevant balance sheet, or

- (c) the middle-market rate of exchange quoted by Midland Bank plc at the close of business in London on the business day immediately preceding the day on which the calculation falls to be made

- (E) A report or certificate of the auditors as to the amount of the adjusted total of capital and reserves or the aggregate amount of moneys borrowed for the purposes of this article is conclusive and binding on all concerned. Nevertheless the board may at any time act in reliance on a bona fide estimate of the amount of the adjusted total of capital and reserves or the aggregate amount of moneys borrowed and if in consequence the limit on moneys borrowed set out in this article is inadvertently exceeded, the amount of moneys borrowed equal to the excess may be disregarded for 90 days after the date on which by reason of a determination of the auditors or otherwise the board becomes aware that this situation has or may have arisen

- (F) No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this article is invalid or ineffectual except where express notice that the limit has been or will be exceeded has been given to the lender or recipient of the security at the time when the debt is incurred or security given. No lender or other person dealing with the Company is concerned to see or enquire whether the limit is observed.

100 Register of charges

The Company shall keep a register of charges in accordance with the Acts and the fee to be paid by a person other than a creditor or member for each inspection of the register of charges is the maximum sum prescribed by the Acts or, failing which, decided by the board.

**DIRECTORS' INTERESTS**

101 Other interests and offices

- (A) Subject to the provisions of the Acts, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office -

- (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested, and
- (ii) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested,

and (a) he shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate, (b) he shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any such body corporate, and (c) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

- (B) For the purposes of this article -

- (i) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified, and
- (ii) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

102 Authorisation of conflicts

- (A) The board may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law -

- (i) any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties), and

- (ii) a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and without prejudice to the generality of paragraph (A)(i) of this article may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that the authorization is only effective if-

- (i) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and
  - (ii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted
- (B) If a matter, or office, employment or position, has been authorised by the board in accordance with this article then (subject to such terms and conditions, if any, as the board may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below) -
- (i) the director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position,
  - (ii) the director may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to that matter, or that office, employment or position, and
  - (ii) a director shall not, by reason of his office as a director of the Company, be accountable to the Company for any benefit which he derives from any such matter, or from any such office, employment or position

#### 103 Permitted interests and voting

- (A) Except as provided in this article, a director may not vote on, or be counted in the quorum in relation to, a resolution of the board or of a committee of the board concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he is, to his knowledge, materially interested directly or indirectly (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters
- (i) the giving to him of a guarantee, security or indemnity in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiary undertakings,
  - (ii) the giving to a third party of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security,
  - (iii) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a



holder of securities or in the underwriting or sub- underwriting of which he is to participate,

- (iv) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he is interested (directly or indirectly) and whether as an officer or shareholder, creditor or otherwise (a “**relevant company**”), if he is not the holder of or beneficially interested in one per cent or more of the capital of the relevant company For the purposes of this paragraph (iv)
    - (a) a director is deemed to have an interest in one per cent, or more of the capital of a relevant company if (directly or indirectly) he is the holder of or beneficially interested in one per cent, or more of a class of equity share capital of the relevant company or of the voting rights available to members of the relevant company or if he can cause one per cent or more of those voting rights to be cast at his direction,
    - (b) shares held by a director as bare or custodian trustee and in which he has no beneficial interest, shares comprised in a trust in which the director's interest is in reversion or is in remainder (if and so long as another person is entitled to receive the income from the trust), shares comprised in an authorised unit trust scheme in which the director is interested only as a unit holder, and any shares of that class held as treasury shares are disregarded,
    - (c) where a director is deemed for the purposes of this paragraph (iv) to be interested in one per cent or more in the capital of a relevant company and that relevant company is materially interested in a contract, the director is also deemed to be materially interested in that contract
  - (v) a contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme, retirement, death or disability benefits scheme or personal pension plan under which he may benefit and which relates to both employees and directors and/or former employees and directors of the Company (or any of its subsidiary undertakings), and/or the members of their families (including a spouse or civil partner and a former spouse or civil partner) or any person who is or was dependent on such persons, and does not accord to a director as such a privilege or advantage not accorded to the employees and/or former employees to whom the scheme or fund relates,
  - (vi) a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiary undertakings under which the director benefits in a similar manner to employees and which does not accord to a director as such a privilege or advantage not accorded to the employees to whom it relates, and
  - (vii) a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy under which he may benefit
- (B) A director may not vote or be counted in the quorum on a resolution of the board or committee of the board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each director In such case each of the

directors concerned (if not otherwise debarred from voting under this article) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment

- (C) If a question arises at a meeting as to the materiality of a director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a director (other than the chairman) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the director concerned is conclusive and binding on all concerned
- (D) If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned
- (E) Subject to the Acts, the Company may by ordinary resolution suspend or relax the provisions of this article either generally or in respect of a particular matter or ratify any transaction not authorised by reason of a contravention of this article
- (F) For the purpose of this article, the interest of a person who is for the purposes of the 1985 Act (excluding for this purpose any statutory modification or repeal thereof whether before or after the date when these articles become binding on the Company) connected with a director is treated as the interest of the director and, in relation to an alternate director, the interest of his appointor shall be treated as the interest of the alternate director in addition to an interest which the alternate director otherwise has. This article applies to an alternate director as if he were a director otherwise appointed

## **PROCEEDINGS OF DIRECTORS AND COMMITTEES**

### **104 Board meetings**

Subject to the articles, the board may meet for the dispatch of business, adjourn and otherwise regulate its proceedings as it thinks fit

### **105 Notice of board meetings**

A director may, and the secretary at the request of a director shall, summon a board meeting at any time. Notice of a board meeting is deemed to be duly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or another address given by him to the Company for that purpose. A director may waive the requirement that notice be given to him of a board meeting, either prospectively or retrospectively. A director absent or intending to be absent from the United Kingdom may request that notices of board meetings during his absence be sent in writing to him at an address given by him to the Company for that purpose. If no request is made it is not necessary to give notice of a board meeting to a director who is absent from the United Kingdom.

### **106 Quorum**

The quorum necessary for the transaction of business may be decided by the board and until otherwise decided is two directors present in person or by alternate director. A director shall

not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. A duly convened meeting of the board at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the board.

107 Chairman of board

The board may appoint one of its body as chairman to preside at every board meeting at which he is present and one or more deputy chairmen and decide the period for which he is or they are to hold office (and may at any time remove him or them from office). If no chairman or deputy chairman is elected, or if at a meeting neither the chairman nor a deputy chairman is present within five minutes of the time fixed for the start of the meeting, the directors and alternate directors (in the absence of their appointors) present shall choose one of their number to be chairman. If two or more deputy chairmen are present, the senior of them shall act as chairman, seniority being determined by length of office since their last appointment or reappointment. As between two or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by those directors and alternate directors (in the absence of their appointors) present. A chairman or deputy chairman may hold executive office or employment with the Company.

108 Voting

Questions arising at a meeting of the board are determined by a majority of votes. In case of an equality of votes the chairman has a second or casting vote.

109 Participation by telephone

A director or his alternate director may participate in a meeting of the board or a committee of the board through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Acts, all business transacted in this way by the board or a committee of the board is for the purposes of the articles deemed to be validly and effectively transacted at a meeting of the board or a committee of the board although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

110 Resolution in writing

A resolution in writing executed by all directors for the time being entitled to receive notice of a board meeting and not being less than a quorum or by all members of a committee of the board is as valid and effective for all purposes as a resolution passed at a meeting of the board (or committee, as the case may be). The resolution in writing may consist of several documents in the same form each executed by one or more of the directors or members of the relevant committee. The resolution in writing need not be signed by an alternate director if it is signed by his appointor and a resolution signed by an alternate director need not be signed by his appointor.

111 Proceedings of committees

- (A) Proceedings of committees of the board shall be conducted in accordance with regulations prescribed by the board (if any). Subject to those regulations and article 111(B), proceedings

shall be conducted in accordance with applicable provisions of the articles regulating the proceedings of the board

- (B) Where the board resolves to delegate any of its powers, authorities and discretions to a committee and that resolution states that the committee shall consist of any one or more unnamed directors, it is not necessary to give notice of a meeting of that committee to directors other than the director or directors who form the committee

#### 112 Minutes of Proceedings

- (A) The board shall cause minutes to be made in books kept for the purpose of
  - (i) all appointments of officers and committees made by the board and of any remuneration fixed by the board, and
  - (ii) the names of directors present at every meeting of the board, committees of the board, the Company or the holders of a class of shares or debentures, and all orders, resolutions and proceedings of such meetings
- (B) Minutes shall be retained for at least ten years from the date of appointment or meeting and shall be kept available for inspection in accordance with the 2006 Act
- (C) If purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, minutes are receivable as prima facie evidence of the matters stated in them

#### 113 Validity of proceedings of board or committee

All acts done by a meeting of the board, or of a committee of the board, or by a person acting as a director, alternate director or member of a committee are, notwithstanding that it is afterwards discovered that there was a defect in the appointment of a person or persons acting, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office, as valid as if every such person had been duly appointed, and was duly qualified and had continued to be a director, alternate director or member of a committee and entitled to vote

### **SECRETARY AND AUTHENTICATION OF DOCUMENTS**

#### 114 Secretary

- (A) Subject to the Acts, the board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including remuneration) as it thinks fit. The board may remove a person appointed pursuant to this article from office and appoint another or others in his place
- (B) Any provision of the Acts or of the articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary

#### 115 Authentication of documents

A director or the secretary or another person appointed by the board for the purpose may authenticate documents affecting the constitution of the Company (including the memorandum of association and the articles) and resolutions passed by the Company or holders of a class of shares or the board or a committee of the board and books, records,

documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts

## **SEALS**

### **116 Safe custody**

The board shall provide for the safe custody of every seal

### **117 Application of seals**

A seal may be used only by the authority of a resolution of the board or of a committee of the board. The board may decide who will sign an instrument to which a seal is affixed (or, in the case of a share certificate, on which the seal is printed) either generally or in relation to a particular instrument or type of instrument. The board may also decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means. Unless otherwise decided by the board

- (i) share certificates and certificates issued in respect of debentures or other securities (subject to the provisions of the relevant instrument) need not be signed or, if signed, a signature may be applied by mechanical or other means or may be printed, and
- (ii) every other instrument to which a seal is affixed shall be signed by two authorised persons, or by a director in the presence of a witness who attests the signature and for this purpose an authorised person is any director or secretary of the Company

### **118 Official seal for use abroad**

The Company may exercise the powers conferred by the Acts with regard to having an official seal for use abroad, and those powers shall be vested in the board

## **DIVIDENDS AND OTHER PAYMENTS**

### **119 Declaration of dividends**

Subject to the Acts and the articles, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests, but no dividend may exceed the amount recommended by the board

### **120 Interim dividends**

Subject to the Acts, the board may declare and pay such interim dividends (including a dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares with preferred rights, unless at the time of payment a preferential dividend is in arrear. If the board acts in good faith, it does not incur any liability to the holders of shares conferring preferred rights for a loss they may suffer by the lawful payment of an interim dividend on shares ranking after those with preferred rights

### **121 Entitlement to dividends**

Except as otherwise provided by the rights attached to shares, a dividend shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is declared and paid, but no amount paid up on a share in advance of a call may be treated for

the purpose of this article as paid up on the share Dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid

122 Method of payment

- (A) The Company may pay a dividend, interest or another amount payable in respect of a share in cash or by cheque, dividend warrant or money order, or by a bank or other funds transfer system, or by such other method as the holder or joint holders of the share in respect of which the payment is made (or the person or persons entitled by transmission to the share) may in writing direct Any joint holder or other person jointly entitled to a share may give an effective receipt for a dividend, interest or other amount paid in respect of the share
- (B) The Company may send a cheque, warrant or order by post (i) in the case of a sole holder, to his registered address, or (ii) in the case of joint holders, to the registered address of the person whose name stands first in the register, or (iii) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with article 140, or (iv) in any case, to a person and address that the person or persons entitled to the payment may in writing direct
- (C) Every cheque, warrant or order is sent at the risk of the person entitled to the payment and shall be made payable to the order of the person or persons entitled The payment of the cheque, warrant or order is a good discharge to the Company If payment is made by a bank or other funds transfer, or by another method at the direction of the holder or holders or other person or persons entitled, the Company is not responsible for amounts lost or delayed in the course of the transfer or in carrying out such directions
- (D) Without prejudice to article 67, the board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided any evidence of his right that the board may reasonably require

123 Dividends not to bear interest

No dividend or other amount payable by the Company in respect of a share bears interest as against the Company unless otherwise provided by the rights attached to the share

124 Calls or debts may be deducted from dividends etc

The board may deduct from a dividend or other amounts payable to a person in respect of a share amounts due from him to the Company on account of a call or otherwise in relation to a share

125 Unclaimed dividends etc

All unclaimed dividends, interest or other amounts payable by the Company in respect of a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed Dividends unclaimed for a period of 12 years after the date they become due for payment are forfeited and cease to remain owing by the Company The payment of an unclaimed dividend, interest or other amount payable by the Company in respect of a share into a separate account does not constitute the Company a trustee in respect of it

126 Uncashed dividends

If, in respect of a dividend or other amount payable in respect of a share, on any one occasion

- (i) a cheque, warrant or order is returned undelivered or left uncashed, or
- (ii) a transfer made by a bank or other funds transfer system is not accepted, and reasonable enquiries have failed to establish another address or account of the person entitled to the payment, the Company is not obliged to send or transfer a dividend or other amount payable in respect of that share to the person entitled to it until he notifies the Company of an address or account to be used for that purpose. If the cheque, warrant or order is returned undelivered or left uncashed or transfer not accepted on two consecutive occasions, the Company may exercise this power without making any such enquiries

127 Payment of dividends in specie

Without prejudice to article 67, the board may, with the prior authority of an ordinary resolution of the Company, direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of another company. Where a difficulty arises in connection with the distribution, the board may settle it as it thinks fit and in particular may issue fractional certificates (or ignore fractions), may fix the value for distribution of the specific assets (or any part of them), may decide that a cash payment be made to a member on the basis of the value so fixed, in order to secure equality of distribution, and may vest assets in trustees on trust for the persons entitled to the dividend as may seem expedient to the board

128 Payment of scrip dividends

- (A) Subject to the Acts, but without prejudice to article 67, the board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares, in either case credited as fully paid, ("**new shares**") instead of cash in respect of all or part of a dividend or dividends specified by the resolution, subject to any exclusions, restrictions or other arrangements the board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory
- (B) Where a resolution under article 127(A) is to be proposed at a general meeting and the resolution relates in whole or in part to a dividend to be declared at that meeting, then the resolution declaring the dividend is deemed to take effect at the end of that meeting
- (C) A resolution under article 127(A) may relate to a particular dividend or to all or any dividends declared or paid within a specified period, but that period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which the resolution is passed
- (D) The board shall determine the basis of allotment of new shares so that, as nearly as may be considered convenient without involving rounding up of fractions, the value of the new shares (including a fractional entitlement) to be allotted (calculated by reference to the average quotation, or the nominal value of the new shares, if greater) equals (disregarding an associated tax credit) the amount of the dividend which would otherwise have been received by the holder (the "**relevant dividend**") For this purpose the "**average quotation**" of each of the new shares is the average of the middle-market quotations for a fully-paid share of the Company of that class derived from the Daily Official List of the London Stock Exchange on the business day on which the relevant class of shares is first quoted "ex" the relevant dividend (or such other date as the board may deem appropriate to take account of an

subsequent issue of shares by the Company) and the four subsequent business days or shall be as determined by or in accordance with the ordinary resolution

- (E) The board may in its discretion, amend, suspend or terminate any offer which is in operation
- (F) The board may make any provision it considers appropriate in relation to an allotment made pursuant to this article, including but not limited to
  - (i) the giving of notice to holders of the right of election offered to them,
  - (ii) the provision of forms of election (whether in respect of a particular dividend or dividends generally),
  - (iii) determination of the procedure for making and revoking elections,
  - (iv) the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective, and
  - (v) the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the holders concerned)
- (G) The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made (the “elected shares”), instead new shares are allotted to the holders of the elected shares on the basis of allotment calculated as in paragraph (D). For that purpose, the board may resolve to capitalise out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to article 129. In relation to the capitalisation the board may exercise all the powers conferred on it by article 129 without an ordinary resolution of the Company
- (H) Every duly effected election shall be binding on every successor in title to the elected shares (or any of them) of the holder who has effected the same
- (I) The new shares rank *pari passu* in all respects with each other and with the fully-paid shares of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date

#### **CAPITALISATION OF PROFITS**

- 129 Subject to the Acts, the board may, with the authority of an ordinary resolution of the Company
- (i) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution,



- (ii) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amount of ordinary shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards
  - (a) paying up the amounts (if any) for the time being unpaid on shares held by them respectively, or
  - (b) paying up in full unissued shares or debentures of a nominal amount equal to that sum, and allot the shares or debentures, credited as fully paid, to the members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to members credited as fully paid,
- (iii) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, where shares or debentures become distributable in fractions, the board may deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than £3, or such other sum as the board may decide, the sum may be retained for the benefit of the Company),
- (iv) authorise a person to enter (on behalf of all the members concerned) an agreement with the Company providing for either
  - (a) the allotment to the members respectively, credited as paid, of shares or debentures to which they may be entitled on the capitalisation, or
  - (b) the payment by the Company on behalf of the members (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares, an agreement made under the authority being effective and binding on all those members, and
- (v) generally do all acts and things required to give effect to the resolution

#### **RECORD DATES**

- 130 Notwithstanding any other provision of the articles, but without prejudice to the rights attached to shares, the Company or the board may fix any date as the record date for a dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid.

#### **ACCOUNTS**

##### 131 Inspection of accounts

- (A) The board shall cause accounting records to be kept in accordance with the Acts
- (B) The accounting records shall be kept at the office or, subject to the Acts, at another place decided by the board and shall be available during business hours for the inspection of the directors and other officers. No member (other than a director or other officer) has the right to

inspect an accounting record or other document except if a right is conferred by statute or he is authorised by the board

**132 Accounts to be sent to members etc**

(A) In respect of each financial year, a copy of the Company's annual accounts, directors' report and auditors' report on those accounts shall be sent or supplied by the Company in accordance with articles 133 to 142 inclusive, to

- (i) every member (whether or not entitled to receive notices of general meetings),
- (ii) every holder of debentures (whether or not entitled to receive notices of general meetings), and
- (iii) every other person who is entitled to receive notices of general meetings

not less than 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the Acts. This article does not require copies of the documents to which it applies to be sent or supplied to

(a) a member or holder of debentures of whose address the Company is unaware, or

(b) more than one of the joint holders of shares or debentures

(B) Where permitted by the Acts, a summary financial statement derived from the Company's annual accounts and the directors' report in the form and containing the information prescribed by the Acts may be sent or supplied to a member in place of the documents required to be sent or supplied by the preceding article

**NOTICES**

**133 Notices to be in writing**

A notice to be given to or by a person pursuant to the articles shall be in writing except that a notice convening a meeting of the board or of a committee of the board need not be in writing

**134 Methods of sending or supplying notices**

(A) Any notice, document or information may (without prejudice to articles 136 and 137) be sent or supplied by the Company to any member either -

- (i) personally, or
- (ii) by sending it by post in a prepaid envelope addressed to the member at his registered address or postal address given pursuant to article 134(D), or by leaving it at that address, or
- (iii) by sending it in electronic form to a person who has agreed (generally or specifically) that the notice, document or information may be sent or supplied in that form (and has not revoked that agreement), or
- (iv) subject to the provisions of the Acts, by making it available on a website, provided that the requirements in paragraph (B) of this article are satisfied

(B) The requirements referred to in paragraph (A)(iv) of this article are that -

- (i) the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement),
- (ii) the member is sent a notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed ("notification of availability"),
- (iii) in the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, time and date of the meeting, and states whether it will be an annual general meeting, and
- (iv) the notice, document or information continues to be published on that website, in the case of a notice of meeting, throughout the period beginning with the date of the notification of availability and ending with the conclusion of the meeting and in all other cases throughout the period specified by any applicable provision of the Acts, or, if no such period is specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid

(C) In the case of joint holders of a share -

- (i) it shall be sufficient for all notices, documents and other information to be sent or supplied to the joint holder whose name stands first in the register of members in respect of the joint holding (the "first named holder") only, and
- (ii) the agreement of the first named holder that notices, documents and information may be sent or supplied in electronic form or by being made available on a website shall be binding on all the joint holders

(D) A member whose registered address is not within the United Kingdom shall not be entitled to receive any notice, document or information from the Company unless he gives to the Company an address (not being an electronic address) within the United Kingdom at which notices, documents or information may be sent or supplied to him

(E) For the avoidance of doubt, the provisions of this article are subject to article 41

(F) The Company may at any time and at its sole discretion choose to send or supply notices, documents and information only in hard copy form to some or all members

#### 135 Deemed receipt of notice

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

136 Notice by reference to register of members

- (A) Any notice to be given to a member may be given by reference to the register of members as it stands at any time within the period of twenty one days before the notice is given, and no change in the register after that time shall invalidate the giving of the notice
- (B) A person who becomes entitled to a share by transmission, transfer or otherwise is bound by a notice in respect of that share (other than a notice served by the Company under section 793 of the 2006 Act) which, before his name is entered in the register, has been properly served on a person from whom he derives his title

137 Notice by advertisement

Subject to the provisions of the Acts, if by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to give notice of a general meeting, the general meeting may be convened by a notice advertised in at least one leading United Kingdom national daily newspaper. In this case the Company shall supply confirmatory copies of the notice in the same manner as it sends or supplies notices under article 134 if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

138 Other notices and communications advertised in national newspaper

Subject to the provisions of the Acts, any notice, document or information to be sent or supplied by the Company to the members or any of them, not being a notice to which article 137 applies, shall be sufficiently sent or supplied if sent or supplied by advertisement in at least one national daily newspaper published in the United Kingdom

139 When notice or other communication deemed to have been received

Any notice, document or information sent or supplied by the Company to the members or any of them -

- (i) by post, shall be deemed to have been received 24 hours after the time at which the envelope containing the notice, document or information was posted unless it was sent by second class post, or there is only one class of post, or it was sent by air mail to an address outside the United Kingdom, in which case it shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent,
- (ii) by advertisement, shall be deemed to have been received on the day on which the advertisement appears,
- (iii) by electronic means, shall be deemed to have been received 24 hours after it was sent. Proof that a notice, document or information in electronic form was addressed to the electronic address provided by the member for the purpose of receiving communications from the Company shall be conclusive evidence that the notice, document or information was sent,
- (iv) by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with this article or, if later, the date on which it is first made available on the website

140 Notice in case of entitlement by transmission

Where a person is entitled by transmission to a share, the Company may send or supply any notice, document or information in any manner authorised by these articles for the sending or supply of notice, to that person as if he were the holder of a share by addressing it to him by name or by the title of representative of the deceased or trustee of the bankrupt member (or by similar designation) at an address in the United Kingdom supplied for that purpose by the person claiming to be entitled by transmission. Until such an address has been supplied, any notice, document or information may be sent or supplied in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The sending or supply of notice in accordance with this article is sufficient notice to all other persons interested in the share.

141 Power to stop sending communications to untraced shareholders

If on two consecutive occasions notices, documents or information sent or supplied to a member have been returned undelivered, the member shall not be entitled to receive any subsequent notice, document or information until he has supplied to the Company (or its agent) a new registered address, or a postal address within the United Kingdom, or (without prejudice to article 134(D)) shall have informed the Company, in such manner as may be specified by the Company, of an electronic address. For the purposes of this article, references to notices, documents or information include references to a cheque or other instrument of payment, but nothing in this article shall entitle the Company to cease sending any cheque or other instrument of payment for any dividend, unless it is otherwise so entitled under these articles.

142 Validation of documents in electronic form

- (A) Where a document is required under these articles to be signed by a member or any other person, if the document is in electronic form, then in order to be valid the document must either -
- (i) incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form by the directors may approve, or
  - (ii) be accompanied by such other evidence as the directors may require in order to be satisfied that the document is genuine
- (B) The Company may designate mechanisms for validating any such document and a document not validated by the use of any such mechanisms shall be deemed as having not been received by the Company. In the case of any document or information relating to a meeting, an appointment of proxy or invitation to appoint a proxy, any validation requirements shall be specified in the relevant notice of meeting in accordance with articles 41 and 58.

## **DESTRUCTION OF DOCUMENTS**

143

(A) The Company may destroy

- (i) a share certificate which has been cancelled at any time after one year from the date of cancellation,

- (ii) a mandate for the payment of dividends or other amounts or a variation or cancellation of a mandate or a notification of change of name or address at any time after two years from the date the mandate, variation, cancellation or notification was recorded by the Company,
  - (iii) an instrument of transfer of shares (including a document constituting the renunciation of an allotment of shares) which has been registered at any time after six years from the date of registration, and
  - (iv) any other document on the basis of which any entry in the register is made at any time after six years from the date an entry in the register was first made in respect of it
- (B) Any document referred to in paragraph (B) of this article may be destroyed earlier than the relevant date authorised by that paragraph, provided that a copy of the document (whether made electronically, by microfilm, by digital imaging or by any other means) has been made which is not destroyed before that date
- (C) It is presumed conclusively in favour of the Company that every share certificate destroyed was a valid certificate validly cancelled, that every instrument of transfer destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company, but
- (i) the provisions of this article apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document is relevant to a claim,
  - (ii) nothing contained in this article imposes on the Company liability in respect of the destruction of a document earlier than provided for in this article or in any case where the conditions of this article are not fulfilled, and
  - (iii) references in this article to the destruction of a document include reference to its disposal in any manner

#### **WINDING UP**

- 144 On a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be carried out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner

#### **INDEMNITY**

145

- (A) Subject to the Acts, but without prejudice to an indemnity to which he may otherwise be entitled, every officer of the Company or a director of any associated company, shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred directly or indirectly by him in the execution of his duties or the exercise of his

powers, authorities and discretions including (without prejudice to the generality of the foregoing) a liability incurred

- (i) defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or
  - (ii) in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company
- (C) Subject to the Acts, the board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a trust in which an officer or employee or former officer or employee is or has been interested, or who is a director of any associated company, indemnifying him against liability for negligence, default, breach of duty or breach of trust or another liability which may lawfully be insured against by the Company