

COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

Pearson Group Pension Trustee Limited

(adopted by special resolution passed on 15 March 2010)

PRELIMINARY

Table A 1 No regulations which would constitute the company's articles because of s8(2) of the Companies Act 1985 apply to the company

Definitions 2 In these articles

"A" directors means the directors who are Eligible "A" Directors at the date of adoption of these articles and the directors appointed by the "A" shareholders pursuant to article 62, including their alternates and the directors appointed in accordance with the Member Nominated Director Procedure,

"A" shareholder means a holder of "A" shares,

"A" shares means "A" ordinary shares of £1 each in the company,

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

the articles means these articles of association, as altered from time to time by special resolution,

auditors means the auditors of the company,

"B" directors means the directors who are eligible "B" directors at the date of adoption of these articles and the directors appointed by the "B" shareholders pursuant to article 63, including their alternates,



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“B” shareholder means a holder of “B” shares,

“B” shares means “B” ordinary shares of £1 each in the company,

“board” means the directors or any of them acting as the board of directors of the company,

clear days in relation to the period of a notice means 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,

Companies Acts has the meaning given by the Act and includes any enactment passed after those Acts which may, by virtue of that or any other such enactment, be cited together with those Acts as the “Companies Acts” (with or without the addition of an indication of the date of any such enactment),

company means Pearson Group Pension Trustee Limited,

director means an “A” director or a “B” director and **the directors** means all of the “A” directors and all of the “B” directors or any of them acting as the board of directors of the company,

dividend means dividend or bonus,

eligible “A” director means any person who is an employee or executive director of a group company or a member of the plan who is eligible to be nominated in accordance with the member nominated director procedure,

eligible “B” director means any person who is not an employee or executive director of a group company,

eligible “A” shareholder means any group company,

eligible “B” shareholder means a person who is neither an employee nor an executive director of a group company,

group company means the principal employer, any holding company for the time being of the principal employer and any subsidiary for the time being of the principal employer or any such holding company,

the holder in relation to shares means the member whose name is entered in the register of members as the holder of the shares,

member nominated director procedure means the procedure from time to time adopted by the company pursuant to section 242 Pensions Act 2004,

office means the registered office of the company,

paid means paid or credited as paid,

participating company means a company participating in the plan in accordance with the rules for the benefit of its employees,

plan means The Pearson Group Pension Plan which is governed by the Eight Consolidated Trust Deed dated 8 February 2006 as amended from time to time,

principal employer means Pearson Services Limited or the company, person or body of persons which is for the time being the principal employer under the plan in accordance with the provisions of the plan,

rules means the rules of the plan as in force from time to time,

seal means the common seal of the company and includes any official seal kept by the company by virtue of section 49 or 50 of the Act,

secretary means the secretary of the company (if any) or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary,

the United Kingdom means Great Britain and Northern Ireland,

references to a document or information being **sent, supplied or given** to or by a person mean such document or information, or a copy of such document or information, being sent, supplied, given, delivered, issued or made available to or by, or served on or by, or deposited with or by that person by any method authorised by these articles, and sending, supplying and giving shall be construed accordingly, and

references to **writing** mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether in electronic form or otherwise, and written shall be construed accordingly

Construction

3 In these articles

- (a) words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender and words denoting persons include corporations,
- (b) words or expressions contained in these articles which are not defined in these articles but are defined in the Act have the same meaning as in the Act (but excluding any modification of the Act not in force at the date these Articles took effect) unless inconsistent with the subject or context,
- (c) subject to paragraph (b), references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force,
- (d) headings and marginal notes are inserted for convenience only and do not affect the construction of these articles,

- (e) powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them,
- (f) the word **directors** in the context of the exercise of any power contained in these articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional directors, manager or agent of the company to which or, as the case may be, to whom the power in question has been delegated,
- (g) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation, and
- (h) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these articles or under another delegation of the power

Single member 4 If at any time and for so long as the company has a single member, all the provisions of these articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member

Objects 5 The objects for which the company is established are -

- (a) To undertake and discharge the office or offices of and the duties of trustee, custodian trustee, attorney, agent nominee, manager, committee, treasurer or registrar, investment adviser, liquidator, receiver, executor or administrator of any pension schemes or for any person or persons, company, corporation, charity, association, scheme, or trust fund and generally to undertake, perform and discharge all powers authorities and discretions that may be vested in the company under any instrument and transact all kinds of trust and agency business including the undertaking of all duties normally undertaken by a trust corporation either gratuitously or otherwise
- (b) To accept, subscribe for, underwrite, sub-underwrite, guarantee, purchase or otherwise acquire and to hold (on deposit or otherwise), deal with, manage, develop, exchange, transfer, charge, lease, mortgage, dispose or sell any stocks, shares, securities, policies, annuities, investments, money, foreign exchange or any right or interest in, over or upon real or other personal property of any kind whatsoever and wheresoever situate and to undertake and carry on any business, undertaking, contract, trade or transaction
- (c) To apply for and acquire and hold any charters, Acts of Parliament, privileges, monopolies, licences, concessions, patents or other rights powers or orders from the British Government and Parliament or from any other government or state, or any local or other authority in any part of the world and to exercise, carry on and work any powers, rights or privileges so obtained and carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the company or effecting any modification in the

construction of the company or furthering the interests of its members and to oppose any such steps taken by any other company form or persons which may be considered likely directly or indirectly to prejudice the interests of the company or its members,

- (d) To borrow or raise money in such manner as the company may think fit for the purpose of or in connection with any of the company's operations and to secure or discharge any debt or obligation of or binding upon the company in such manner as the company may think fit and in particular by mortgage, charge or lien upon the undertaking and the whole or any part of the company's property or assets whether present or future including its uncalled capital or by the creation and issue of debentures, debenture stocks or other securities
- (e) To acquire and undertake the whole or any part of the business, goodwill, assets and liabilities of any person, firm or company carrying on or proposing to carry on any of the business which the company is authorised to carry on or possessed of any property suitable for the purposes of the company and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company or to acquire an interest in, amalgamate with or enter into partnership or any arrangement for sharing profits or for co-operation or assistance with any such person, firm or company and to give or accept by way of consideration or otherwise for any of the acts or things aforesaid or properly acquired, any shares, debentures or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures or securities so received
- (f) To promote or concur in the promotion of any company or companies the promotion of which may appear likely to benefit or assist the company, and to pay the expenses of or incidental to such promotion
- (g) To lend money to and guarantee the performance of the contracts, trusts, duties and obligations of any person, firm or company
- (h) To sell, lease, grant rights over or otherwise dispose of the whole or any part of the property, assets, rights or undertaking of the company either together or in portions for such consideration as the company may think fit and in particular for shares, debentures or securities of any company purchasing the same
- (i) To give all kinds of indemnities and undertakings in connection with any matter whatsoever
- (j) To draw, make, accept, endorse, negotiate, discount, execute and issue promissory notes, bills of exchange, warrants and other negotiable or transferable instruments
- (k) To procure the registration or incorporation of the company in or under the laws of any place outside England and to comply with any terms precedent to such incorporation or registration

- (l) To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or purpose which may appear likely to benefit or assist the company
- (m) To remunerate any person, firm or company rendering service to the company and to provide for the welfare of the grant pensions or other payments to any employees or ex-employees, and officers or ex-officers (including directors or ex-directors) of the company or the relations and dependants of such persons and to form, subscribe to or otherwise support any associates, clubs, trusts or institutions which the company may consider to benefit such persons
- (n) To do all or any of the things and matters aforesaid in any part of the world and either as principals, agents, trustees or to otherwise and by or through agents, trustees or otherwise, and either alone or in conjunction with any person, firm or company and either gratuitously or otherwise
- (o) To exercise every trust power or discretion lawfully exercisable by a trustee, executor or administrator and to take any proceedings necessary for executing any trust or administration
- (p) To renounce probate of any Will disclaim any trust retire from any trusteeship and to appoint new trustees where so empowered by any trust instrument of Will or by law
- (q) To invest any monies of the company not for the time being required for the general purposes of the company in or upon such investments or securities as may be thought expedient
- (r) To afford indemnities against liability for any breach of trust (not being of a fraudulent character) to any person or company from time to time acting jointly with the company in the execution of any trust
- (s) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension, provision or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the company, or of any company which is a subsidiary of the company or is allied to or associated with the company or with any such subsidiary company or who are or were at any time Directors or officers of the company or of any such other company as aforesaid or any persons in whose welfare the company or any such other company as aforesaid is or has been at any time interested and the wives, widows, families and dependants of any such persons and also to establish and subsidise or subscribe to any institutions, associations clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the company or of any such other company as aforesaid or of any such persons as aforesaid and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition, or for any public general or useful

object, and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid

- (t) To do all such other things as may be incidental or conducive to the above objects or any of them

It is hereby declared that each of the objects of the company as specified in each of the preceding sub-clauses shall be separate and distinct objects of the company and shall be in no way limited by reference to any other sub-clause or the order in which the same occur

SHARE CAPITAL AND LIMITED LIABILITY

6 The share capital of the company as at the date of adoption of these articles is £102 divided into 51 "A" shares and 51 "B" shares. The "A" shares and the "B" shares constitute different classes of shares but, save as expressly provided in these articles, shall confer the same rights upon the holders thereof and shall rank *pari passu* in all respects

7 Subject to the provisions of the Act, shares shall only be allotted as follows

- (a) no shares shall be issued otherwise than as "A" shares or "B" shares,
- (b) no shares of either class shall be issued otherwise than to members holding shares of the same class without the prior written consent of all the members, and
- (c) as between holders of shares of the same class (if more than one), the shares of the class being allotted shall be allotted (as nearly as practicable) in proportion to such holders' then existing holdings of shares of that class or in such other proportions between them as all the members holding shares of the same class shall agree in writing

8 Whenever the capital of the company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the company is being wound up, either with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of a special resolution passed at a separate general meeting of such holders (but not otherwise). All the provisions of the articles relating to general meetings of the company and the proceedings thereat shall, *mutatis mutandis*, apply to every such separate general meeting, except that

- (a) the necessary quorum shall be the holders of all the shares of the relevant class present in person or by proxy, and
- (b) the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively

9 Unless otherwise provided by the rights attached to any shares, those rights shall be deemed to be varied by the reduction of the capital paid up on the shares and

by the allotment of further shares of, and the variation of rights attaching to any class, whether or not they rank in priority for payment of a dividend or in respect of capital or confer on the holders voting rights more favourable than those conferred by such first mentioned shares

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| Limited liability | 10 The liability of the members is limited to the amount, if any, unpaid on the shares held by them |
| Commissions | 11 The company may exercise the powers of paying commissions conferred by the Act Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other |
| Trusts not recognised | 12 Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder |
| Section 561 exclusion | 13 The pre-emption provisions in section 561 of the Act and the provisions of sub-sections 562(1) to 562(5) inclusive of the Act shall not apply to any allotment of the company's equity securities |

SHARE CERTIFICATES

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| Members' rights to certificates | 14 Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine Every certificate shall be executed under the seal or otherwise in accordance with the Act or in such other manner as the directors may approve and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them |
| Replacement certificates | 15 If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate |

LIEN

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| Company to have lien on shares | 16 The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation The company's lien on a share shall extend to any amount payable in respect of it |
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Enforcement of lien by sale 17 The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold

Application of proceeds 18 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale

CALLS ON SHARES AND FORFEITURE

Power to make calls 19 Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made

Time when call made 20 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed

Liability of joint holders 21 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

Interest payable 22 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part

Deemed calls 23 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call

Differentiation on calls 24 Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares

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| Notice requiring payment of call | 25 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. |
| Forfeiture for non-compliance | 26 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture. |
| Sale of forfeited shares | 27 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person. |
| Liability following forfeiture | 28 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal. |
| Evidence of forfeiture or surrender | 29 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share. |

TRANSFER OF SHARES

30

- (a) Except as all the members may otherwise agree in writing, no share in the capital of the company or any interest therein or any right of allotment in respect thereof shall be transferred otherwise than in accordance with this article 30

- (b) An "A" shareholder or other person entitled to transfer "A" shares in the company may transfer any "A" shares registered in his name or which he is entitled to transfer to a person who is an eligible "A" shareholder
- (c) A "B" shareholder or other person entitled to transfer "B" shares in the company shall, in the circumstances specified in paragraph (e) below, and may, in any other case, transfer all (but not some) of the shares registered in his name or which he is entitled to transfer to a person who is an eligible "B" shareholder in accordance with the following provisions of this article
- (d) A "B" shareholder (the "**proposing transferor**") proposing to transfer any shares shall give notice in writing (the "**transfer notice**") to the company that he desires to transfer the same The transfer notice shall constitute the company as the agent of the proposing transferor for the sale of all (but not some of) the shares comprised in the transfer notice at the price specified in accordance with paragraph (f) below A transfer notice shall not be revocable except with the sanction of the "B" directors
- (e) A "B" shareholder who is a "B" director shall, on ceasing to be a "B" director, give a transfer notice to the company pursuant to paragraph (d) of this article If any such "B" shareholder does not comply with the foregoing provisions of this paragraph, he shall be deemed to have given a transfer notice under paragraph (d) of this article on the date on which he ceased to be a "B" director in respect of the shares registered in his name
- (f) The purchase price payable for any share on a transfer pursuant to the provisions of these articles shall be £1 per share
- (g) Within 7 days following receipt by the company of a transfer notice or, if appropriate, within 7 days after a "B" shareholder is deemed to have given a transfer notice, under paragraph (d), the "B" directors or a majority thereof shall nominate for all (but not some) of the shares comprised in the transfer notice a transferee who satisfies the requirement of paragraph (c) of this article and is ready and willing to become a member of the company
- (h) When a transferee has been found for all the shares comprised in the transfer notice within the appropriate period specified in paragraph (g) above, the company shall not later than seven days after the expiry of such appropriate period give notice in writing (the "**sale notice**") to the proposing transferor specifying the transferee and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the transferee
- (i) If in any case the proposing transferor after having become bound to transfer his shares makes default in transferring any shares the company may receive the purchase money on his behalf, and the company, or the "B" directors in respect of such a transfer of "B" shares, may authorise some person to execute a transfer of such shares in favour of the transferee The receipt of the company for the purchase money shall be a good discharge to the transferee The company shall pay the purchase money into a separate bank account

- (j) Any decision of the board whether to register a transfer of “A” shares shall be made by the “A” directors or a majority thereof and any decision of the board whether to register a transfer of “B” shares shall be made by the “B” directors or a majority thereof and , in their absolute discretion, the “A” director and the “B” directors as applicable may refuse to register the transfer of a share to any person, whether or not it is fully paid or a share on which the company has a lien
- (k) In relation to the transmission of shares
- (i) any person becoming entitled to any shares in consequence of the death or bankruptcy of a “B” shareholder shall give a transfer notice and such transfer notice shall be deemed to be a transfer notice given pursuant to paragraph (d) of this article (and the person becoming so entitled shall be deemed to be a “B” shareholder who is a “B” director for the purposes of the transfer provisions set out in Articles 30(e) to (j)), and
 - (ii) if a person so becoming entitled shall not have given a transfer notice in respect of any share within one month of the death or bankruptcy, the “B” directors may at any time thereafter upon resolution passed by them give notice requiring such person within thirty days of such notice to give a transfer notice in respect of all the shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such thirty days be deemed to have given a transfer notice pursuant to paragraph (d) of this article relating to those shares in respect of which he has still not done so
- (l) If, following a transfer notice given pursuant to any provision of this article 30, shares are transferred in accordance with the foregoing paragraphs of this article to an eligible “B” shareholder who is not, or does not within one month of the date of the transfer notice become, a “B” director, that eligible “B” shareholder himself shall, within three days of being requested to do so by the “B” directors, transfer such shares to such eligible “B” shareholder who is also a “B” director as the “B” directors nominate, and, for the avoidance of doubt, if such shareholder makes default in doing so, article 30(i) shall apply

**Form and
execution of
transfer of share**

31 The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee

**Notice of refusal
to register**

32 If the “A” directors or the “B” directors refuse to register a transfer of a share in accordance with article 30(j), they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal

**Suspension of
registration**

33 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine

No fee payable on registration 34 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share

Retention of transfers 35. The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given

ALTERATION OF SHARE CAPITAL

New shares subject to these articles 36 All shares created by increase of the company's share capital, by consolidation, division or sub-division of its share capital or the conversion of stock into paid-up shares shall be

(a) subject to all the provisions of these articles, including without limitation provisions relating to payment of calls, lien, forfeiture, transfer and transmission, and

(b) unclassified, unless otherwise provided by these articles, by the resolution creating the shares or by the terms of allotment of the shares

Fractions arising 37 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale

GENERAL MEETINGS

Convening general meetings 38 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with the provisions of the Act. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting

NOTICE OF GENERAL MEETINGS

Period of notice 39 General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the shares giving that right

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in

consequence of the death or bankruptcy of a member, to the directors and to the auditors

Accidental omission to give notice 40 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

PROCEEDINGS AT GENERAL MEETINGS

Quorum 41 No business shall be transacted at any meeting unless a quorum is present at the time when the relevant business is being transacted. The necessary quorum shall be all the holders for the time being of the "A" shares and the "B" shares. Such holders may be present in person or by proxy, or being a corporation, by a duly authorised representative thereof.

If quorum not present 42 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.

Directors entitled to speak 43 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.

Adjournments chairman's powers 44 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

Methods of voting 45 All resolutions put to the vote of a meeting shall be decided on a poll.

Conduct of a poll 46 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Chairman has no casting vote 47 The Chairman shall not have a second or casting vote in the case of equality of votes.

VOTES OF MEMBERS

Right to vote 48 Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, unless the proxy (in either case) or the representative is himself a member entitled to vote, shall

have one vote and on a poll every member shall have one vote for every share of which he is the holder

- Votes of joint holders** 49 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members
- Member under incapacity** 50 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable
- Calls in arrears** 51 No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid
- Objection to voting** 52 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive
- Supplementary provisions on voting** 53 On a poll votes may be given either personally or by proxy A member may appoint more than one proxy to attend on the same occasion
- Appointment of proxy execution** 54 The appointment of a proxy, whether in hard copy form or electronic form, shall be executed in such manner as the directors may approve Subject thereto, the appointment of a proxy shall be executed by the appointor or his attorney or, if the appointor is a corporation, executed by a duly authorised officer, attorney or other authorised person or under its common seal
- Form of proxy** 55 The appointment of a proxy shall be made in writing and shall be in any usual form or in any other form which the directors may approve Subject thereto, the appointment of a proxy may be
- (a) in hard copy form, or
 - (b) in electronic form, if the company agrees

The directors may, if they think fit, but subject to the provisions of the Companies Acts, at the company's expense send hard copy forms of proxy for use at the meeting and issue invitations in electronic form to appoint a proxy in relation to the meeting in

such form as may be approved by the directors. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned. A member may appoint more than one proxy to attend on the same occasion, provided that each such proxy is appointed to exercise the rights attached to a different share or shares held by that member.

**Delivery/receipt
of proxy
appointment**

56 The appointment of a proxy shall

(a) if in hard copy form, be delivered by hand or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the company for that purpose

(i) in the notice convening the meeting, or

(ii) in any form of proxy sent by or on behalf of the company in relation to the meeting,

before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or

(b) if in electronic form, be received at any address to which the appointment of a proxy may be sent by electronic means pursuant to a provision in the Companies Acts or to any other address specified by or on behalf of the company for the purpose of receiving the appointment of a proxy in electronic form

(i) in the notice convening the meeting, or

(ii) in any form of proxy sent by or on behalf of the company in relation to the meeting, or

(iii) in any invitation to appoint a proxy issued by or on behalf of the company in relation to the meeting,

before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or

(c) in either case, where a poll is taken more than 48 hours after it is demanded, be delivered or received as aforesaid after the poll has been demanded and before the time appointed for the taking of the poll, or

(d) if in hard copy form, where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director,

and any proxy appointment which is not delivered or received in a manner so permitted shall be invalid.

**Receipt of
authority**

57 Where the appointment of a proxy is expressed to have been or purports to have been made, sent or supplied by a person on behalf of the holder of a share

- (a) the company may treat the appointment as sufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder,
- (b) that holder shall, if requested by or on behalf of the company at any time, send or procure the sending of any written authority under which the appointment has been made, sent or supplied or a copy of such authority certified notarially or in some other way approved by the directors, to such address and by such time as may be specified in the request and, if the request is not complied with in any respect, the appointment may be treated as invalid, and
- (c) whether or not a request under article 57(b) has been made or complied with, the company may determine that it has insufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder and may treat the appointment as invalid

**Revocation of
authority**

58 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding the poll unless notice of the determination was delivered or received as mentioned in the following sentence before the start of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll. Such notice of determination shall be either in hard copy form delivered to the office or such other place within the United Kingdom as may be specified by or on behalf of the company in accordance with article 56(a) or in electronic form received at the address (if any) specified by the company in accordance with article 56(b), regardless of whether any relevant proxy appointment was effected in hard copy form or in electronic form

Rights of proxy

59 A proxy appointment shall be deemed to entitle the proxy to exercise all or any of the appointing member's rights to attend and to speak and vote at a meeting of the company. The proxy appointment shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates

NUMBER OF DIRECTORS

**Number of
directors**

60 The number of directors (other than alternate directors) shall be nine, provided that if the number of directors is less than nine the continuing directors may continue to act for all matters in relation to the plan and any other operations of the company notwithstanding any vacancy in their number, including acting to fill such vacancy

61 Where the directors act to *fill a vacancy in their number* in accordance with article 60, the following shall apply:

- (a) where the vacancy that has been filled is that of an "A" director, such new director shall continue to hold office unless and until removed or replaced by the "A" shareholders in accordance with article 62, and
- (b) where the vacancy that has been filled is that of a "B" director, such new director shall continue to hold office unless and until removed or replaced by the "B" shareholders in accordance with article 63

62 The number of "A" directors shall be a maximum of six, of whom a maximum of (i) three at any one time shall have been appointed by the "A" shareholders and (ii) three at any one time shall have been appointed by "A" shareholders *in accordance with the member nominated director procedure*. "A" shareholders holding a majority in number of the "A" shares shall be entitled at any time and from time to time to appoint "A" directors and to remove or replace any "A" director appointed by them, subject in the case of any "A" director required to be appointed, removed or replaced under the member nominated director procedure, to the requirements of and under the member nominated director procedure. A person may only be appointed as an "A" director, and shall only hold office as such, for so long as he is an eligible "A" director

63

- (a) The number of "B" directors shall be a maximum of three. "B" shareholders holding a majority in number of the "B" shares shall be entitled at any time and from time to time to appoint directors as "B" directors and to remove or replace any "B" director. On a resolution of the company to remove a "B" director each "B" shareholder shall have the right to two votes for each "B" Share of which he is the holder. A person may only be appointed as a "B" director, and shall only hold office as such, for so long as he is an eligible "B" director
- (b) A "B" director shall within two months of the date of his appointment as such hold at least 17 "B" shares and shall continue to hold the same for so long as he shall hold office as a "B" director

64 Every such appointment or removal of a director under article 61 or article 62 shall be effected by notice in writing to the company signed by or on behalf of the member or members making the same and shall take effect, subject to any contrary intention expressed in the notice, when the notice effecting the same is delivered to the registered office of the company and any such removal shall be without prejudice to any claim which a director so removed may have under any contract between him and the company

65 No person shall be appointed as a director by any other person or persons in any event whatsoever

ALTERNATE DIRECTORS

Power to appoint alternates

66 "A" shareholders holding a majority in number of the "A" shares may at any time and from time to time appoint any person to be an alternate director to represent any "A" director not being an "A" director appointed pursuant to the member nominated director procedure and to remove from office an alternate director so appointed

67 "B" shareholders holding a majority in number of the "B" shares may at any time and from time to time appoint any person to be an alternate director to represent any "B" director and to remove from office an alternate director so appointed

68 For the purpose of these articles, an alternate director appointed to represent an "A" director shall be deemed to be an "A" director and an alternate director appointed to represent a "B" director shall be deemed to be a "B" director

Alternates entitled to receive notice

69 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director

Alternates representing more than one director

70. A director or any other person may be appointed as an alternate director to represent more than one director provided however that an alternate director may not be appointed to represent both one or more "A" directors as well as one or more "B" directors. An alternate director shall be entitled at meetings of the board or any committee of the board to one vote for every director whom he has been appointed to represent in addition to his own vote (if any) as a director, and for the purpose of determining whether a quorum is present a director shall, if he is not present, be deemed to be present at the meeting if the person appointed as his alternate director is present

Expenses and remuneration of alternates

71 An alternate director may be repaid by the company such expenses as might properly have been repaid to him if he had been a director but shall not be entitled to receive any remuneration from the company in respect of his services as an alternate director except such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the company from time to time direct. An alternate director shall be entitled to be indemnified by the company to the same extent as if he were a director

Termination of appointment

72 An alternate director shall cease to be an alternate director

- (a) if his appointor ceases to be a director, or
- (b) on the happening of any event which, if he were a director, would cause him to vacate his office as director, or
- (c) if he resigns his office by notice to the company

**Method of
appointment
and revocation**

73 Any appointment or removal of an alternate director shall be by notice to the company by the director making or revoking the appointment and shall take effect in accordance with the terms of the notice on receipt of such notice by the company which shall be in hard copy form or in electronic form sent to such address (if any) for the time being specified by or on behalf of the company for that purpose, or, in default of such specification, to the office

**Alternate not an
agent of
appointor**

74 Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

POWERS OF DIRECTORS

**Business to be
managed by
directors**

75 Subject to the provisions of the Act, the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company No alteration of the articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors

**Exercise by
company of
voting rights**

76 The directors may exercise the voting power conferred by the shares in any body corporate held or owned by the company in such manner in all respects as they think fit (including without limitation the exercise of that power in favour of any resolution appointing its members or any of them directors of such body corporate, or voting or providing for the payment of remuneration to the directors of such body corporate)

**Change of
company's name**

77 The company's name may be changed by resolution of the directors

DELEGATION OF DIRECTORS' POWERS

**Committees of
the directors**

78

- (a) Subject to Article 78(b), the directors may delegate to any committee consisting of two or more directors such of their powers as they consider desirable to be exercised by them Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying
- (b) In relation to the exercise of the company's powers and duties as trustee of the plan, the directors may delegate all or any of their rights, powers, duties, trusts and discretions to any person or persons upon such terms and conditions, for such periods and at such remuneration (if any) as the company shall think fit,

subject, where overriding legislation so permits, to the approval of the principal employer

Agents 79 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers, subject, where overriding legislation so permits, to the approval of the principal employer

DISQUALIFICATION OF DIRECTORS

Disqualification as a director 80 A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) written notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms,
- (g) that person receives notice signed by not less than three quarters of the other directors stating that that person should cease to be a director. In calculating the number of directors who are required to give such notice to the director, (i) an alternate director appointed by him acting in his capacity as such shall be excluded, and (ii) a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that notice by either shall be sufficient,
- (h) being an "A" director, he ceases to be an eligible "A" director, or
- (i) being an "B" director, he ceases to be an eligible "B" director or fails to acquire or ceases to hold the requisite qualification shares in accordance with article 62(b),

81 A director shall not be required to vacate his office and no person shall be ineligible for appointment or re-appointment as a director by reason of his attaining the age of seventy or any other age.

REMUNERATION OF DIRECTORS

Remuneration 82 The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day

DIRECTORS' EXPENSES

Directors may be paid expenses 83 The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties

DIRECTORS' APPOINTMENTS AND INTERESTS

Interests of directors 84 A director may vote at any meeting of the directors on any resolution notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, including without limitation an interest under the Plan and any situation where s176 of the Act applies, and if he shall vote on any such resolution as aforesaid his vote shall be counted, and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting

Director may contract with the company and hold other offices etc 85 Provided that he has disclosed to the directors the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the Act apply, in which case no such disclosure is required) a director notwithstanding his office

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,
- (b) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director, and
- (c) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate
 - (i) in which the company is (directly or indirectly) interested as shareholder or otherwise, or
 - (ii) which is the parent undertaking of the company or a subsidiary undertaking of any parent undertaking of the company, or

- (iii) with which he has such a relationship at the request or direction of the company or any parent undertaking of the company or a subsidiary undertaking of any parent undertaking of the company

**Remuneration,
benefits etc**

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

- (a) the acceptance, entry into or existence of which has been approved by the directors pursuant to article 84 (subject, in any such case, to any limits or conditions to which such approval was subject); or
- (b) which he is permitted to hold or enter into by virtue of paragraph (a), (b) or (c) of article 85,

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

**Notification of
interests**

87 Any disclosure required by article 85 may be made at a meeting of the directors, by notice in writing or by general notice or otherwise in accordance with section 177 of the Act

**Duty of
confidentiality
to another
person**

88 A director shall be under no duty to the company with respect to any information which he obtains or has obtained otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article applies only if the existence of that relationship has been approved by the directors pursuant to article 84. In particular, the director shall not be in breach of the general duties he owes to the company by virtue of sections 171 to 177 of the Act because he fails

- (a) to disclose any such information to the directors or to any director or other officer or employee of the company, and/or
- (b) to use or apply any such information in performing his duties as a director of the company

**Consequences of
authorisation**

89 Where the existence of a director's relationship with another person has been approved by the directors pursuant to article 84 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the company by virtue of sections 171 to 177 of the Act because he

- (a) absents himself from meetings of the directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest

sent or supplied by the company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists

Without prejudice to equitable principles or rule of law

90 The provisions of articles 88 and 89 are without prejudice to any equitable principle or rule of law which may excuse the director from

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these articles, or
- (b) attending meetings or discussions or receiving documents and information as referred to in article 89, in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles

BENEFITS, PENSIONS AND INSURANCE

Benefits and pensions

91 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit

Insurance

92 Without prejudice to the provisions of article 136, the directors may exercise all the powers of the company to purchase and maintain insurance for or for the benefit of any person who is or was

- (a) a director, other officer, employee or auditor of the company, or any body which is or was the holding company or subsidiary undertaking of the company, or in which the company or such holding company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the company or such holding company or subsidiary undertaking is or was in any way allied or associated, or
- (b) a trustee of any pension fund in which employees of the company or any other body referred to in article 92(a) is or has been interested,

including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund

Directors not liable to account

93 Without prejudice to the generality of article 86, no director or former director shall be accountable to the company or the members for any benefit provided

pursuant to article 91 or 92 The receipt of any such benefit shall not disqualify any person from being or becoming a director of the company

Section 247 of
the Act

94 Pursuant to section 247 of the Act, the directors are hereby authorised to make such provision as may seem appropriate for the benefit of any persons employed or formerly employed by the company or any of its subsidiary undertakings in connection with the cessation or the transfer of the whole or part of the undertaking of the company or any subsidiary undertaking Any such provision shall be made by a resolution of the directors in accordance with section 247

PROCEEDINGS OF DIRECTORS

Chairman

95 The principal employer may appoint one of the directors to be chairman of the board of directors and may at any time remove him from that office Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present If the Chairman is not present at any meeting he may nominate another of the directors to take the chair in his place, failing which (or if such nominee is not present) the directors present at the meeting shall nominate one of their number to take the chair at that meeting

Convening
meetings

96 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit A director may, and the secretary at the request of a director shall, call a meeting of the directors by giving notice of the meeting to each director Fourteen clear days' notice of any meeting shall be given unless all directors agree to a shorter period of notice Notice of a meeting shall be given to a director or alternate director who is absent from the United Kingdom, unless he shall not have given an address to which notices may be sent during his absence Any such notice shall contain, inter alia, an agenda specifying in reasonable detail the matters to be discussed at the relevant meeting and shall be accompanied by copies of any relevant papers to be discussed at the meeting and shall be sent by post, courier, telex, facsimile or email, whichever method is the fastest and most practical

Meetings by
telephone, etc

97 Without prejudice to the first sentence of article 0, a person entitled to be present at a meeting of the directors or of a committee of the directors shall be deemed to be present for all purposes if he is able (directly or by telephonic communication) to speak to and be heard by all those present or deemed to be present simultaneously A director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly Such a meeting shall be deemed to take place where it is convened to be held or (if no director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is The word *meeting* in these articles shall be construed accordingly

Resolutions in
writing

98 If

(a) each director for the time being entitled to receive notice of a meeting of the board, or of a committee of the board (the directors on that committee not being less than the number required to form a quorum of the board), is given notice of a written resolution, and

(b) either

- (i) for the matters in relation to the plan specified in article 102, a majority of the relevant directors (or their alternates) agree to the passing of the resolution, or
- (ii) for the matters in relation to the plan specified in article 103, a majority of the relevant directors (or their alternates) agree to the passing of the resolution, provided that those agreeing include all the "B" directors, or
- (iii) for the matters in relation to the plan specified in article 104, all the "B" directors agree to the passing of the resolution, whether or not as part of a majority of relevant directors, or
- (iv) for the matters in relation to the plan specified in article 105, a majority of the directors (or their alternates) agree to the passing of the resolution, provided that those agreeing include at least two "B" directors,

provided that in each case the number of directors agreeing must not be less than the number of directors required to form a quorum of the board, and

(c) the agreement of the director or alternate to the resolution is contained in

- (i) any form of electronic communication that the board decides may be used in relation to this Article and complies with each requirement (including, without limitation, those as to authentication) that the board has specified for that form of electronic communication, or
- (ii) a document signed by the director or alternate,

that resolution is as effective as a resolution passed at a meeting of the board or of a committee of the board duly convened and held

99 For the purposes of article 98(c)(ii)

- (a) the agreement of the directors or members of the committee may be contained in several documents in the same form each signed by one or more of the directors, and
- (b) a signature may be affixed to a copy of the document and the signed document is valid if the company receives a copy sent using an electronic communication or the original

100 For the purposes of article 98, an alternate director need not agree to the passing of a resolution if his appointor has agreed to its passing and if an alternate director has agreed to the passing of a resolution, his appointor need not agree to its passing

101 For the purposes of articles 98 and 99, electronic communication has the meaning given to it in the Electronic Communications Act 2000

102 The following matters in relation to the plan shall be decided by a majority of votes of the directors present in person or by their alternates -

(a) Augmentation of benefits

Agreement to augmentation of benefits in the case of an individual joining or leaving the plan and, in special cases, as a member of the plan

(b) Benefit structures

Approval of the principal employer's proposals for improvements in benefit structure (including increases to pensions in payment)

(c) Participation of employees in sections of the plan

Consenting to the principal employer's proposals for participation of employees of any participating company in a section or sections of the plan in addition to or in substitution for the section in which employees of that participating company are at that date already participating

(d) Investments

The management of the assets of the plan

(e) Additional voluntary contributions by members

Co-ordination of arrangements

(f) Insurance

Insurance of the assets of the Plan Insurance and reinsurance of liabilities such as death-in-service benefits

(g) Administration

103 The following matter in relation to the plan shall be decided by a majority of votes of the directors present in person (or by their alternates) provided that no resolution of the directors shall be effective unless all the "B" directors shall have voted in favour thereof.-

The removal of the company as trustee of the plan,

104 The following matter in relation to the plan shall be decided by a unanimous decision of the "B" directors whether in a majority or not -

The winding up of the Plan when the "B" directors decide that it is in the best interests of all the members and beneficiaries of the plan in accordance with the documents governing the plan

105 All other matters in relation to the plan, including but without limitation those set out below, shall be decided by a majority of votes of the directors present in person (or by their alternates), provided that no resolution of the directors shall be effective unless at least two "B" directors shall have voted in favour thereof -

- (a) the approval of the appointment of the actuary to the plan;
- (b) the making and receiving of transfer payments from and to the plan,
- (c) the admission of new participating companies to the plan and the terms of such admission,
- (d) use of the power of amendment, other than for the purpose described in article 102(b);
- (e) the winding up of the plan whether in whole or in part, and all matters in connection therewith,
- (f) determination of entitlements to benefits under the plan,
- (g) resolution of disputes, and
- (h) decisions regarding the vesting of contingent benefits pursuant to the exercise of any discretion vested in the trustee under the plan

106 The quorum for the transaction of all business shall be at least three directors present at the time when the relevant business is transacted

107 A resolution in writing agreed to by all the directors entitled to vote at a meeting of the directors or of a committee of the directors (not being less than the number of directors required to form a quorum) shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of the directors duly convened and held For this purpose

- (a) a director signifies his agreement to a proposed written resolution when the company receives from him a document indicating his agreement to the resolution authenticated in the manner permitted by the Companies Acts for a document in the relevant form,
- (b) the director may send the document in hard copy form or in electronic form to such address (if any) for the time being specified by the company for that purpose, or in default of such specification to the office,
- (c) if an alternate director signifies his agreement to the proposed written resolution, his appointor need not also signify his agreement, and
- (d) if a director signifies his agreement to the proposed written resolution, an alternate director appointed by him need not also signify his agreement in that capacity

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

108 Subject to the Act and without prejudice to his obligations of disclosure under the Act and these articles, a director may vote at any meeting of the directors or of a committee of the directors on, and be counted in the quorum present at a meeting in relation to, any resolution concerning a transaction or arrangement with the company or in which the company is interested, or concerning any other matter in which the company is interested, notwithstanding that he is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the company

SECRETARY

Appointment and removal of secretary

109 Subject to the provisions of the Act, the directors may decide from time to time whether the company should have a secretary and, if they so decide, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them. In these articles references to the secretary shall be construed accordingly

MINUTES

Minutes required to be kept

- 110 The directors shall cause minutes to be made in books kept for the purpose
- (a) of all appointments of officers made by the directors, and
 - (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting

THE SEAL, DEEDS AND CERTIFICATION

Authority required for execution of deed

111 The seal shall only be used by the authority of a resolution of the directors. The directors may determine who shall sign any instrument executed under the seal. If they do not, it shall be signed by at least one director and the secretary or by at least two directors. Any document may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the document or by applying the seal or a facsimile of it by any other means to the document. A document signed, with the authority of a resolution of the directors, in accordance with section 44(2) of the Act and expressed (in whatever form of words) to be executed by the company has the same effect as if executed under the seal

Certified copies

- 112 Any director or the secretary or any person appointed by the directors for the purpose shall have power to authenticate and certify as true copies of and extracts from
- (a) any document comprising or affecting the constitution of the company, whether in hard copy form or in electronic form,
 - (b) any resolution passed by the company, the holders of any class of shares in the capital of the company, the directors or any committee of the directors whether in hard copy form or in electronic form, and

- (c) any book, record and document relating to the business of the company whether in hard copy form or in electronic form (including without limitation the accounts)

If certified in this way, a document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting of the company, the holders of any class of shares in the capital of the company, the directors or a committee of the directors, whether in hard copy form or in electronic form, shall be conclusive evidence in favour of all persons dealing with the company in reliance on it or them that the resolution was duly passed or that the minutes are, or the extract from the minutes is, a true and accurate record of proceedings at a duly constituted meeting

RECORD DATES

Record dates for dividends, etc

113 Notwithstanding any other provision of these articles, the company or the directors may fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made

DIVIDENDS

Declaration of dividends

114 Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.

Interim dividends

115 Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights

Apportionment of dividends

116 Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly

Dividends in specie

117 A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle

the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees

**Procedure for
payment to
holders and
others entitled**

118 Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

**Interest not
payable**

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

**Forfeiture of
unclaimed
dividends**

120 Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

ACCOUNTS

**Rights to inspect
records**

121 No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

CAPITALISATION OF PROFITS

**Power to
capitalise**

- 122 The directors may with the authority of an ordinary resolution of the company
- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;
 - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up shares to be allotted to members credited as fully paid,

- (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article in fractions, and
- (d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members

COMMUNICATIONS

Form of notice 123 Any notice to be sent to or by any person pursuant to these articles (other than a notice calling a meeting of the directors) shall be in writing

Method of giving notice to member 124 Subject to article 123 and unless otherwise provided by these articles, the company shall send or supply a document or information that is required or authorised to be sent or supplied to a member or any other person by the company by a provision of the Companies Acts or pursuant to these articles or to any other rules or regulations to which the company may be subject in such form and by such means as it may in its absolute discretion determine provided that the provisions of the Act which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts shall, the necessary changes having been made, also apply to sending or supplying any document or information required or authorised to be sent by these articles or any other rules or regulations to which the company may be subject

Methods of member etc giving notice 125 Subject to article 123 and unless otherwise provided by these articles, a member or a person entitled by transmission to a share shall send a document or information pursuant to these articles to the company in such form and by such means as it may in its absolute discretion determine provided that

- (a) the determined form and means are permitted by the Companies Acts for the purpose of sending or supplying a document or information of that type to a company pursuant to a provision of the Companies Acts, and
- (b) unless the directors otherwise permit, any applicable condition or limitation specified in the Companies Acts, including without limitation as to the address to which the document or information may be sent, is satisfied

Unless otherwise provided by these articles or required by the directors, such document or information shall be authenticated in the manner specified by the Companies Acts for authentication of a document or information sent in the relevant form

Deemed receipt of notice 126 A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the capital of the company shall be deemed to have been sent notice of the meeting and, where requisite, of the purposes for which it was called

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| Terms and conditions for electronic means | 127 The directors may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic means for the sending of notices, other documents and proxy appointments by the company to members or persons entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law and by members or such persons entitled by transmission to the company. |
| Transferees etc bound by prior notice | 128 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title. |
| Notice to joint holders | 129 In the case of joint holders of a share, all documents and information shall be sent to the joint holder whose name stands first in the register in respect of the joint holding Any document or information so sent shall be deemed for all purposes sent to all the joint holders |
| Registered address outside the UK | <p>130 A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which a document or information may be sent to him in hard copy form or an address to which a document or information may be sent to him in electronic form shall (provided that, in the case of electronic form, the company so agrees) be entitled to have documents or information sent to him at that address but otherwise</p> <p>(a) no such member shall be entitled to receive any document or information from the company; and</p> <p>(b) without prejudice to the generality of the foregoing, any notice of a general meeting of the company which is in fact sent or purports to be sent to such member shall be ignored for the purpose of determining the validity of the proceedings at such general meeting</p> |
| Proof of sending/ when notices etc deemed sent by post | <p>131 Proof that a document or information sent in hard copy form was properly addressed, prepaid and posted shall be conclusive evidence that the document or information was sent A document or information sent by the company to a member by post shall be deemed to have been received</p> <p>(a) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country to another address in that other country, on the day following that on which the document or information was posted,</p> <p>(b) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the document or information was posted,</p> <p>(c) in any other case, on the second day following that on which the document or information was posted</p> |

When notices
etc deemed sent
by electronic
means

132 Proof that a document or information sent or supplied by electronic means was properly addressed shall be conclusive evidence that the document or information was sent or supplied. A document or information sent or supplied by the company to a member by electronic means shall be deemed to have been received by the member on the day following that on which the document or information was sent to the member. Such document or information shall be deemed received by the member on that day notwithstanding that the company becomes aware that the member has failed to receive the relevant document or information for any reason and notwithstanding that the company subsequently sends a hard copy of such document or information by post to the member.

133 A document or information sent or supplied by the company to a member by means of a website shall be deemed to have been received by the member

- (a) when the document or information was first made available on the website, or
- (b) if later, when the member is deemed by article 131 or 132 to have received notice of the fact that the document or information was available on the website. Such a document or information shall be deemed received by the member on that day notwithstanding that the company becomes aware that the member has failed to receive the relevant document or information for any reason and notwithstanding that the company subsequently sends a hard copy of such document or information by post to the member.

Notice to
persons entitled
by transmission

134 A document or information may be sent by the company to the person or persons entitled to a share in consequence of the death or bankruptcy of a member by sending it, in any manner the company may choose authorised by these articles for the sending of a document or information to a member, addressed to them by name, or by the title of representative of the deceased, or trustee of the bankrupt or by any similar description at the address (if any) within the United Kingdom as may be supplied for that purpose by or on behalf of the person or persons claiming to be so entitled. Until such an address has been supplied, a document or information may be sent in any manner in which it might have been sent if the death or bankruptcy had not occurred.

WINDING UP

Liquidator may
distribute in
specie

135 If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

Indemnity to
directors and
officers

136 Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the company (other than any person (whether an officer or not) engaged by the

company as auditor) shall be indemnified out of the assets of the company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the company, provided that this article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this article, or any element of it, to be treated as void under the Act