

INCORPORATED UNDER THE COMPANIES ACT 1985

THE COMPANIES ACT 2006

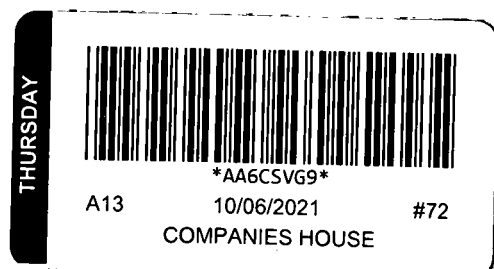
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

RSA INSURANCE GROUP LIMITED

(Articles adopted by a special resolution passed on 1 June 2021)



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Company No. 02339826

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ARTICLES OF ASSOCIATION
of
RSA INSURANCE GROUP LIMITED

INTERPRETATION AND LIMITATION OF LIABILITY

1. INTERPRETATION

1.1 In the articles, unless the context otherwise requires:

"**Act**" means the Companies Act 2006;

"**adoption date**" means the date of re-registration of the Company as a private company limited by shares;

"**alternate director**" has the meaning given to it in article 23.1;

"**appointor**" has the meaning given to it in article 23.1;

"**articles**" means the Company's articles of association;

"**bankruptcy**" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"**business day**" means a day other than a Saturday, Sunday or public holiday in England and Wales;

"**certificate**" means a paper certificate evidencing a person's title to specified shares or other securities;

"certificated" in relation to a share, means that it is not an uncertificated share;

"chair" has the meaning given to it in article 11.2;

"chair of the meeting" has the meaning given to it in article 61.3;

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

"Company" means RSA Insurance Group Limited, a company incorporated in England and Wales, whose registered office is at 20 Fenchurch Street, London, EC3M 3AU;

"corporate representative" has the meaning given to it in article 72;

"distribution recipient" has the meaning given to it in article 47.2;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"FCA" means the Financial Conduct Authority or its successors from time to time;

"FSMA" means the Financial Services and Markets Act 2000;

"fully paid" means, in relation to a share, that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

"Further Preference Shares" has the meaning given to it in article 27.1.7;

"group company" means a subsidiary undertaking or parent undertaking of the Company, or a subsidiary undertaking of any parent undertaking of the Company;

"holder" means, in relation to a share, the person whose name is entered in the register of members of the Company as the holder of that share;

"instrument" means a document in hard copy form;

"in writing" means the representation of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise;

"Listing Rules" means the listing rules made by the FCA under Part VI of FSMA;

"paid" means paid or credited as paid;

"participate", in relation to a directors' meeting, has the meaning given to it in article 9.1;

"proxy notice" has the meaning given to it in article 70.1;

"proxy notification address" has the meaning given to it in article 71.1;

"qualifying person" means an individual who is a member of the Company, a person authorised under section 323 of the Act to act as the corporate representative of a member of the Company in relation to the relevant meeting or a person appointed as a proxy of a member of the Company in relation to the relevant meeting;

"register" means the register of members of the Company kept under section 113 of the Act or the issuer register of members and Operator register of members maintained under Regulation 20 of the Uncertificated Securities Regulations and, where the context requires, any register maintained by the Company or the Operator of persons holding any renounceable right of allotment of a share;

"Relevant Date" has the meaning given in article 27.1.7;

"relevant system" means a computer-based system, and procedures, which enable title to units of a security to be evidenced and transferred without a written instrument, and which facilitate supplementary and incidental matters, including an Operator-system;

"senior holder" has the meaning given to it in article 47.2.2;

"shares" means shares in the Company;

"subsidiary undertaking" or **"parent undertaking"** is to be construed in accordance with section 1162 (and Schedule 7) of the Act and for the purposes of this definition, a subsidiary undertaking shall include any person the shares or ownership interests in which are subject to security and where the legal title to the shares or ownership interests so secured are registered in the name of the secured party or its nominee pursuant to such security;

"Table A" means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (S. I. 1985 No. 805) (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (S. I. 1985 No. 1052), the Companies (Tables A to F) (Amendment) Regulations 2007 (S. I. 2007 No. 2541) and the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 (S. I. 2007 No. 2826));

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law;

"uncertificated" means, in relation to a share, a share title to which is recorded in the register as being held in uncertificated form and title to which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of a relevant system;

"uncertificated proxy instruction" means an instruction or notification sent by means of a relevant system and received by a participant in that system acting on behalf of the Company as the directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the directors (subject always to the facilities and requirements of the relevant system concerned);

"Uncertificated Securities Regulations" means the Uncertificated Securities Regulations 2001, as amended from time to time, including any provisions of or under the Act which alter or replace such regulations; and

"United Kingdom" means Great Britain and Northern Ireland.

- 1.2 Unless the context otherwise requires, words or expressions contained in the articles bear the same meaning as in the Act as in force on the adoption date.
- 1.3 The expressions "issuer register of members", "Operator", "Operator-instruction", "Operator register of members", "participating issuer", "participating security" and "relevant system" have the same meaning as in the Uncertificated Securities Regulations.
- 1.4 All references in the articles to the giving of instructions by means of a relevant system shall be deemed to relate to a properly authenticated dematerialised instruction given in accordance with the Uncertificated Securities Regulations. The giving of such instructions shall be subject to:
 - 1.4.1 the facilities and requirements of the relevant system;
 - 1.4.2 the Uncertificated Securities Regulations; and
 - 1.4.3 the extent to which such instructions are permitted by or practicable under the rules and practices from time to time of the Operator of the relevant system.
- 1.5 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- 1.6 References to any statutory provision or statute include all modifications thereto and all re-enactments (with or without modification) thereof and all subordinate legislation made thereunder in each case for the time being in force, unless expressly stated otherwise. This article 1.6 does not affect the interpretation of article 1.2.
- 1.7 A member is "present" at a meeting if the member (being an individual) attends (otherwise than by his/her duly appointed proxy) or if the member (being a corporation) attends by its duly authorised corporate representative or if the member attends by his/her duly appointed proxy.
- 1.8 The *ejusdem generis* principle of construction shall not apply. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words.
- 1.9 The headings in the articles do not affect their interpretation or construction.
- 1.10 In the articles, words importing one gender shall include each gender and a reference to a "spouse" shall include a reference to a civil partner under the Civil Partnership Act 2004.
- 1.11 No regulations or model articles contained in any statute or subordinate legislation, including those contained in Table A, apply as the articles of association of the Company.

2. PRIVATE COMPANY STATUS AND LIABILITY OF MEMBERS

- 2.1 The Company is a private company limited by shares and accordingly any offer to the public to subscribe for any shares or debentures of the Company is prohibited.
- 2.2 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

DIRECTORS' POWERS AND RESPONSIBILITIES

3. DIRECTORS' GENERAL AUTHORITY

Subject to the Act and the articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

4. MEMBERS' RESERVE POWER AND EFFECT OF ALTERING ARTICLES

- 4.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 4.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.
- 4.3 No alteration of the articles invalidates anything which the directors have done prior to the alteration.

5. DIRECTORS MAY DELEGATE

- 5.1 Subject to the articles, the directors may delegate any of their powers, authorities and discretions:
 - 5.1.1 to such person or committee;
 - 5.1.2 by such means (including by power of attorney or otherwise);
 - 5.1.3 to such an extent;
 - 5.1.4 in relation to such matters or territories; and
 - 5.1.5 on such terms and conditions,as they think fit.
- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3 Where a provision in the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee or a member of a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee or a member of a committee.

- 5.4 The directors may revoke any delegation in whole or part or alter its terms and conditions.

6. COMMITTEES

- 6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- 6.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 7.1 Subject to article 7.2, decisions of the directors must be taken:

- 7.1.1 at a directors' meeting; or
- 7.1.2 in the form of a directors' written resolution in accordance with article 14.

- 7.2 If:

- 7.2.1 the Company only has one director for the time being; and
- 7.2.2 the provisions of article 18 do not require it to have more than one director,

the director may (for so long as he/she remains the sole director) exercise all the powers conferred on the directors by the articles by any means permitted under the Act. For the purpose of article 10, the quorum for the transaction of business by a sole director is one, and all other provisions of the articles apply with any necessary modification (unless a provision expressly provides otherwise).

8. CALLING A DIRECTORS' MEETING

- 8.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

- 8.2 Notice of any directors' meeting must indicate:

- 8.2.1 its proposed date and time;
- 8.2.2 where it is to take place; and
- 8.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 8.3 Notice of a directors' meeting must be given to each director and may (but need not) be in writing.

- 8.4 Notice of a directors' meeting need not be given to a director who waives his/her entitlement to receive notice of that meeting by giving notice to that effect to the Company at any time prior to or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

9. **PARTICIPATION IN DIRECTORS' MEETINGS**

- 9.1 Subject to the articles, directors "**participate**" in a directors' meeting, or part of a directors' meeting, when:
- 9.1.1 the meeting has been called and takes place in accordance with the articles; and
 - 9.1.2 each director can communicate to the others any information or opinions he/she has on any particular item of the business of the meeting.
- 9.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how the directors communicate with each other.
- 9.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

10. **QUORUM FOR DIRECTORS' MEETINGS**

- 10.1 Subject to article 10.3, at a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 10.2 Subject always to article 7.2 and article 15.2.3, the quorum for the transaction of business at a directors' meeting may be fixed from time to time by a decision of the directors and unless otherwise fixed it is two.
- 10.3 Subject always to article 7.2, if the total number of directors for the time being in office is less than the quorum required for directors' meetings, the directors must not take any decision other than a decision:
- 10.3.1 to appoint further directors; or
 - 10.3.2 to call a general meeting so as to enable the members to appoint further directors.

11. **CHAIRING DIRECTORS' MEETINGS**

- 11.1 The directors may appoint a director to chair their meetings.
- 11.2 The person so appointed for the time being is known as the "**chair**".
- 11.3 The directors may terminate the chair's appointment at any time.
- 11.4 If the chair is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors may appoint one of themselves to chair it.

12. VOTING BY DIRECTORS

- 12.1 Subject to the articles, a decision is taken at a directors' meeting by a majority of votes of participating directors.
- 12.2 Subject to the articles, each director participating at a directors' meeting has one vote.
- 12.3 Without prejudice to the obligation (if any) of a director to disclose his/her interest in accordance with article 15.4 and article 15.5 and subject always to article 15.2.2, the terms on which any authorisation is given under article 15.2.1 and any restrictions by the Company in general meeting:
 - 12.3.1 a director may vote at any directors' meeting or meeting of a committee of directors on any resolution concerning a matter in relation to which he/she has, directly or indirectly, an interest or duty; and
 - 12.3.2 the relevant director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he/she votes his/her vote shall be counted.
- 12.4 Subject to article 12.5, if a question arises at a directors' meeting or meeting of a committee of directors as to the right of any director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair whose ruling in relation to any director other than the chair is to be final and conclusive.
- 12.5 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or part of the meeting) for voting or quorum purposes.

13. PROPOSING A DIRECTORS' WRITTEN RESOLUTION

- 13.1 Any director may propose a directors' written resolution.
- 13.2 The company secretary (if any) must propose a directors' written resolution if a director so requests.
- 13.3 A directors' written resolution is proposed by giving notice of the resolution to the directors.
- 13.4 Notice of a proposed directors' written resolution must include:
 - 13.4.1 the proposed resolution;
 - 13.4.2 the time by which it is proposed that the directors should adopt it; and
 - 13.4.3 the manner in which directors can indicate their agreement in writing to it, for the purposes of article 14.
- 13.5 Notice of a proposed directors' written resolution must be given in writing to each director.

14. ADOPTION OF DIRECTORS' WRITTEN RESOLUTIONS

- 14.1 A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it or have otherwise indicated their agreement in writing to it, provided that those directors would have formed a quorum at such a meeting. A director indicates his/her agreement in writing to a proposed directors' written resolution when the Company receives from him/her an authenticated document identifying the resolution to which it relates and indicating the director's agreement to the resolution, in accordance with section 1146 of the Act. Once a director has so indicated his/her agreement, it may not be revoked.
- 14.2 A written resolution signed by an alternate director (or to which an alternate director otherwise indicates his/her agreement in writing) need not also be signed by his/her appointor and, if it is signed by his/her appointor (or his/her appointor otherwise indicates his/her agreement to it in writing), it need not be signed by the alternate director in that capacity.
- 14.3 A director may sign or otherwise indicate his/her agreement to the written resolution before or after the time by which the notice proposed that it should be adopted.
- 14.4 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles.

DIRECTORS' INTERESTS

15. DIRECTORS' INTERESTS

15.1 Directors' interests other than in relation to transactions or arrangements with the Company - authorisation for the purposes of section 175 of the Act in relation to group companies

A director is authorised for the purposes of section 175 of the Act to:

- 15.1.1 hold office as a director of any other group company;
- 15.1.2 hold any other office or employment with any other group company;
- 15.1.3 participate in any scheme, transaction or arrangement for the benefit of the employees or former employees of the Company or any other group company (including any pension fund or retirement, death or disability scheme or other bonus or employee benefit scheme); or
- 15.1.4 be interested directly or indirectly in any shares or debentures (or any rights to acquire shares or debentures) in the Company or any other group company.

15.2 Directors' interests other than in relation to transactions or arrangements with the Company - authorisation by directors under section 175 of the Act

- 15.2.1 The directors may authorise any matter proposed to them which would, if not so authorised, involve a breach of duty by a director under section 175 of the Act.

- 15.2.2 Any authorisation under article 15.2.1 will be effective only if:
- (a) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other director interested in the matter under consideration; and
 - (b) the matter was agreed to without such directors voting or would have been agreed to if such directors' votes had not been counted.
- 15.2.3 If, at a meeting at which the relevant matter is considered, there are insufficient directors to form a quorum pursuant to article 15.2.2(a), one director entitled to vote on the matter under consideration shall constitute a quorum for that purpose.
- 15.2.4 The directors may give any authorisation under article 15.2.1 upon such terms as they think fit. The directors may vary or terminate any such authorisation at any time.
- 15.2.5 For the purposes of this article 15, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

15.3 Confidential information and attendance at directors' meetings

- 15.3.1 A director shall be under no duty to the Company with respect to any information which he/she obtains or has obtained otherwise than as a director of the Company and in respect of which he/she owes a duty of confidentiality to another person. In particular the director shall not be in breach of the general duties he/she owes to the Company by virtue of sections 171 to 177 of the Act if he/she:
- (a) fails to disclose any such information to the directors or to any director or other officer or employee of, or consultant to, the Company; or
 - (b) does not use or apply any such information in performing his/her duties as a director of the Company.

However, to the extent that his/her relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article 15.3.1 applies only if the existence of that relationship has been authorised pursuant to article 15.1, authorised by the directors pursuant to article 15.2 or authorised by the members (subject, in any such case, to any terms upon which such authorisation was given).

- 15.3.2 Where the existence of a director's relationship with another person has been authorised pursuant to article 15.1, authorised by the directors pursuant to article 15.2 or authorised by the members and his/her 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/she owes to the Company by virtue of sections 171 to 177 of the Act if at his/her discretion or at the request or direction of the directors or any committee of directors he/she:

- (a) absents himself/herself from a directors' meeting or a meeting of a committee of 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 directors' meeting or otherwise; 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 or on behalf of the Company or for such documents and information to be received and read by a professional adviser on his/her behalf,

for so long as he/she reasonably believes such conflict of interest (or possible conflict of interest) subsists.

15.3.3 The provisions of articles 15.3.1 and 15.3.2 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 the articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in article 15.3.2, in circumstances where such attendance or receiving such documents and information would otherwise be required under the articles.

15.4 Declaration of interests in proposed or existing transactions or arrangements with the Company

15.4.1 A director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his/her interest to the other directors before the Company enters into the transaction or arrangement.

15.4.2 A director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his/her interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under article 15.4.1.

15.4.3 Any declaration required by article 15.4.1 may (but need not) be made:

- (a) at a directors' meeting;
- (b) by notice in writing in accordance with section 184 of the Act; or
- (c) by general notice in accordance with section 185 of the Act.

15.4.4 Any declaration required by article 15.4.2 must be made:

- (a) at a directors' meeting;
- (b) by notice in writing in accordance with section 184 of the Act; or

(c) by general notice in accordance with section 185 of the Act.

15.4.5 If a declaration made under article 15.4.1 or 15.4.2 proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under article 15.4.1 or 15.4.2 as appropriate.

15.4.6 A director need not declare an interest under this article 15.4 or article 15.5:

- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware);
- (c) if, or to the extent that, it concerns terms of his/her service contract that have been or are to be considered by a directors' meeting or by a committee of the directors appointed for the purpose under the articles; or
- (d) if the director is not aware of his/her interest or is not aware of the transaction or arrangement in question (and for this purpose a director is treated as being aware of matters of which he/she ought reasonably to be aware).

15.5 Permitted transactions and arrangements notwithstanding interest and further authorisation for the purposes of section 175 of the Act

15.5.1 Subject to the provisions of the Act and provided that he/she has declared the nature and extent of his/her interest to the other directors (unless the interest falls within article 15.4.6 or article 15.1), a director notwithstanding his/her office:

- (a) may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested;
- (b) may act by himself/herself or through his/her firm in a professional capacity for the Company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the directors may decide; or
- (c) may be a director or other officer of, or employed or engaged by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is directly or indirectly interested,

and such matters are authorised for the purposes of section 175 of the Act (where applicable).

15.6 Remuneration and benefits

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

15.6.1 the acceptance, entry into or existence of which is authorised pursuant to article 15.1, authorised by the directors pursuant to article 15.2 or authorised by the members (subject, in any such case, to any terms upon which such authorisation was given); or

15.6.2 which he/she is permitted to hold or enter into pursuant to article 15.5.1 or otherwise pursuant to the articles,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his/her duty under section 176 of the Act. No transaction or arrangement authorised or permitted pursuant to article 15.1, 15.2 or 15.5.1 or otherwise pursuant to the articles shall be liable to be avoided on the ground of any such interest or benefit.

16. INTERESTS OF ALTERNATE DIRECTORS

For the purposes of articles 12 and 15, in relation to an alternate director, the interest of his/her appointor is treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has. Articles 12 and 15 apply to an alternate director as if he/she were a director of the Company.

17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

18. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) is not subject to a maximum and the minimum number is one.

19. METHODS OF APPOINTING DIRECTORS

19.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

19.1.1 by ordinary resolution;

19.1.2 by a decision of the directors; or

19.1.3 by a notice of appointment given in accordance with article 19.2.

19.2 The holder or holders of more than 50 per cent. of the voting rights for the time being in issue may appoint a person to be a director and/or remove a director from office, but only if the appointment does not cause the number of directors to exceed a number fixed

by or in accordance with the articles as the maximum number of directors. The appointment or removal is effected by notice in writing to the Company signed by or on behalf of the holder or holders. The notice may consist of several documents in similar form each signed by or on behalf of one or more holders. The appointment or removal takes effect immediately upon receipt of the notice by the Company in accordance with article 76 or on such later date (if any) specified in the notice.

20. TERMINATION OF DIRECTOR'S APPOINTMENT

20.1 A person ceases to be a director as soon as:

- 20.1.1 he/she ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
- 20.1.2 a bankruptcy order is made against him/her;
- 20.1.3 a composition is made with his/her creditors generally in satisfaction of his/her debts;
- 20.1.4 a registered medical practitioner gives a written opinion to the Company stating that he/she has become physically or mentally incapable of acting as a director and may remain so for more than 3 months;
- 20.1.5 by reason of his/her mental health, a court makes an order which wholly or partly prevents him/her from personally exercising any powers or rights which he/she would otherwise have, and the directors resolve that the cessation is appropriate in the particular circumstances;
- 20.1.6 he/she has, for more than 6 consecutive months, been absent without permission of the directors from meetings of directors held during that period and his/her alternate director (if any) shall not during such period have attended any such meetings instead of him/her, and the directors resolve that that he/she should cease to be a director;
- 20.1.7 he/she is removed from office by notice addressed to him/her at his/her last known address and signed by all the other directors of the Company;
- 20.1.8 he/she is removed from office by notice given under article 19.2; or
- 20.1.9 notification is received by the Company from the director that he/she is resigning from office as a director, and such resignation has taken effect in accordance with its terms.

21. DIRECTORS' REMUNERATION

21.1 Directors may undertake any services for the Company that the directors decide.

21.2 Directors are entitled to such remuneration as the directors determine:

- 21.2.1 for their services to the Company as directors; and
- 21.2.2 for any other service which they undertake for the Company.

21.3 Subject to the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office of the Company and may enter into an agreement or arrangement with any director for his/her employment by the Company or for the provision by him/her of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such directors for his/her services as they think fit. Any appointment of a director to an executive office shall determine if he/she ceases to be a director but without prejudice to any claim for damages he/she may have for breach of the contract of service between the director and the Company.

21.4 Subject to the articles, a director's remuneration may:

21.4.1 take any form; and

21.4.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

21.5 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

21.6 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 group company or a predecessor in business of the Company or of any such group company, and for any member of his/her family (including a spouse and a former spouse) or any person who is or was dependent on him/her, and may (before as well as after he/she ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

22. EXPENSES OF DIRECTORS, ALTERNATE DIRECTORS AND THE COMPANY SECRETARY

22.1 The Company may pay any reasonable expenses which the directors (including alternate directors) and the company secretary (if any) properly incur in connection with their attendance at:

22.1.1 meetings of directors or committees of directors;

22.1.2 general meetings; or

22.1.3 separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

22.2 Subject to the Act, the directors shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him/her for the purposes of the Company or for the purpose of enabling him/her properly to perform his/her duties as an officer of the Company or to enable him/her to avoid incurring any such expenditure.

23. **APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

23.1 Any director (other than an alternate director) (the "**appointor**") may appoint any person willing to act, whether or not he/she is a director of the Company and without the approval of the directors, to:

23.1.1 exercise that director's powers; and

23.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of his/her appointor (such person to be known as an "**alternate director**").

23.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, which shall take effect immediately upon receipt of the notice by the Company in accordance with article 76, or in any other manner approved by the directors.

23.3 The notice must:

23.3.1 identify the proposed alternate director; and

23.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate director that he/she is willing to act as the alternate of the director giving the notice.

23.4 Any person appointed as an alternate director under this article 23 may act as an alternate director for more than one director.

24. **RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

24.1 An alternate director has the same rights as his/her appointor, in relation to any directors' meeting or directors' written resolution.

24.2 Except as the articles specify otherwise, an alternate director is:

24.2.1 deemed for all purposes to be a director of the Company;

24.2.2 liable for his/her own acts and omissions;

24.2.3 subject to the same restrictions as his/her appointor; and

24.2.4 not deemed to be an agent of or for his/her appointor.

24.3 Subject to the articles, a person who is an alternate director but is not also a director of the Company:

24.3.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if his/her appointor is not participating); and

24.3.2 may sign or otherwise indicate his/her agreement to a written resolution (but only if his/her appointor has not signed or otherwise indicated his/her agreement to it in circumstances where he/she would have been entitled to do so),

but may not be counted as more than one director for such purposes.

24.4 Subject to the articles, a director of the Company who is also an alternate director has an additional vote on behalf of each appointor who:

24.4.1 is not participating in a directors' meeting; and

24.4.2 would have been entitled to vote if he/she was participating in it.

24.5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of his/her appointor's remuneration as his/her appointor may direct by notice in writing made to the Company.

25. TERMINATION OF ALTERNATE DIRECTORSHIP

25.1 An alternate director's appointment as such terminates:

25.1.1 when his/her appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

25.1.2 on the occurrence of any event in relation to him/her which, were he/she a director of the Company, would result in the termination of his/her appointment as a director of the Company;

25.1.3 on the death of his/her appointor; or

25.1.4 when the appointor's appointment as a director of the Company terminates.

SHARES

26. ALL SHARES TO BE FULLY PAID.

26.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

26.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

27. PREFERENCE SHARES

27.1 The Preference Shares shall rank *pari passu* with each other but otherwise shall have the rights and be subject to the limitations and restrictions set out in this article 27.1 as well as such further rights, limitations and restrictions (not being inconsistent with those set out in this article 27.1) as may be determined by the board prior to allotment:

27.1.1 Income

27.1.2 The holders of the Preference Shares shall be entitled, in priority to any payment of dividend to the holders of any other class of shares, to be paid out of the profits available for distribution and resolved to be distributed, a cumulative (or, if the board so determine prior to allotment thereof, non-cumulative) preferential dividend payable at such rate (which may be fixed, variable or

floating or to be determined by a specified procedure, mechanism or formula) and on such date or dates and on such other terms and conditions as may be determined by the board prior to allotment thereof, provided that nothing in this article 27.1 shall prohibit the payment of a dividend on the shares of any other class in the capital of the Company ranking pari passu with or after the Preference Shares at a rate not exceeding 0.1p per share in any calendar year.

27.1.3 Capital

- (a) On a return of capital on a winding-up, the holders of the Preference Shares shall be entitled to receive, out of the surplus assets of the Company remaining after payment of its liabilities and the repayment of capital, an amount per Preference Share equal to the nominal amount of a Preference Share together with (a) such premium (if any) as may be determined by the board (or by a procedure, mechanism or formula determined by the board) prior to the allotment thereof and (b) all arrears and accruals (if any) of the dividend payable thereon, whether or not such dividend has been earned or has become due and payable, to be calculated up to and including the day of the commencement of the winding-up.
- (b) On a return of capital (otherwise than on a winding-up or on a redemption or purchase by the company of shares of any class), the holders of the Preference Shares shall be entitled to receive an amount per Preference Share equal to the nominal amount of a Preference Share together with (a) such premium (if any) as may be determined by the board (or by a procedure, mechanism or formula determined by the board) prior to the allotment thereof and (b) all arrears and accruals (if any) of the dividend payable thereon, whether or not such dividend has been earned or has become due and payable, to be calculated up to and including the day of the return of capital.
- (c) The Preference Shares (including for this purpose all other shares of the company ranking pari passu with the Preference Shares on a winding up) shall rank on a winding-up in priority to all other shares of the Company from time to time in issue.

27.1.4 Voting and General Meetings

- (a) The holders of the Preference Shares shall, by virtue of and in respect of their holdings of Preference Shares, have the right to receive notice of, and attend, speak and vote at, a general meeting of the Company only:
 - (i) if and when, at the date of the notice convening such meeting, the preferential dividend on such shares for the dividend payment period immediately prior to the issue of the notice convening the relevant meeting is in arrears or if any arrears or deficiency of dividend in respect of any preceding dividend payment period has not been paid in full; or

- (ii) if a resolution is to be proposed abrogating, varying or modifying any of the rights or privileges of the holders of the Preference Shares or for the winding-up of the Company or for the reduction of capital of the Company (otherwise than on a redemption or purchase of shares), in which case they shall only be entitled to vote on such resolution; or
- (iii) in such other circumstances, and upon and subject to such terms, as the board may determine prior to the allotment of such Preference Shares.

Save as aforesaid, the Preference Shares shall not confer on the holders thereof the right to receive notice of, attend, speak or vote at any general meeting of the Company.

- (b) Whenever the holders of the Preference Shares are entitled to vote at a general meeting of the Company upon any resolution proposed at such a general meeting, on a show of hands every holder thereof who is present in person or (being a corporation) by a representative shall have one vote and on a poll every holder thereof who is present in person or by proxy or (being a corporation) by a representative shall have one vote in respect of each complete £1 in nominal amount of Preference Shares registered in the name of such holder or such other entitlement to vote as may be determined by the board prior to allotment.

27.1.5 Limitations

- (a) No Preference Share shall:
 - (i) save as may be determined by the board prior to allotment, confer any right to participate in the profits or assets of the Company other than as set out in articles 27.1.1 and 27.1.3 above;
 - (ii) subject to the Act, confer any right to participate in any offer or invitation by way of rights or otherwise to subscribe for additional shares in the Company;
 - (iii) confer any rights of conversion; or
 - (iv) confer any right to participate in any issue of bonus shares.

27.1.6 Purchase

- (a) Subject to the Act, the Company may at any time purchase any Preference Shares upon such terms as the board shall determine.
- (b) Following the purchase of any Preference Shares the nominal amount of such shares comprised in the capital of the Company may be divided by resolution of the board into, or reclassified as, shares of any other class in the capital of the Company without any further resolution or consent.

27.1.7 Further issues

- (a) Save with such consent or sanction on the part of the holders of the Preference Shares as is required for a variation of the rights attached to such shares, the board shall not authorise or create, or increase the amount of, any shares of any class, or any securities convertible into any shares of any class, ranking as regards participation in the profits or assets of the Company (otherwise than on a redemption or purchase by the company of any such share) in priority to the Preference Shares.
- (b) Subject to the provisions of sub-paragraph (c) below, the rights attached to any Preference Shares allotted or in issue shall (unless otherwise provided by their terms of issue) be deemed not to be varied by the allotment or issue of any further preference shares (in this article 27.1 called "**Further Preference Shares**") ranking as regards participation in the profits and assets of the company *pari passu* with (but not in priority to) the Preference Shares. Any Further Preference Shares may either carry rights and restrictions as regards participation in the profits and assets of the Company which are identical in all respects with those attaching to the Preference Shares or any other series of Further Preference Shares or carry rights and restrictions differing therefrom in any respect including, but without prejudice to the generality of the foregoing:
 - (i) the rate of and/or the basis of calculation of dividend may differ and may be cumulative or non-cumulative;
 - (ii) Further Preference Shares may rank for dividend from such date as may be provided by the terms of issue thereof and the dates for payment of dividend may differ;
 - (iii) a premium may be payable on a return of capital or there may be no such premium;
 - (iv) Further Preference Shares may be redeemable on such terms and conditions as may be prescribed by the terms of issue thereof or may be non-redeemable;
 - (v) Further Preference Shares may be convertible into any class of shares ranking as regards participation in the profits and assets of the Company *pari passu* with or after the Preference Shares in each case on such terms and conditions as may be determined by the terms of issue thereof; and
 - (vi) Further Preference Shares may be denominated in any currency or, if permitted by law, any basket of currencies.
- (c) The rights attached to any Preference Shares allotted or in issue shall (unless otherwise provided by their terms of issue) be deemed to be varied by the allotment or issue of Further Preference Shares where at the date of the allotment of such Further Preference Shares (the

"Relevant Date"), the aggregate of the nominal amount (together with any premium paid or payable on issue) of the Preference Shares, and of any other shares ranking *pari passu* with or in priority to the Preference Shares allotted or in issue on the Relevant Date and, immediately following such issue, of the Further Preference Shares exceeds such amount as may be determined by the board (or by a procedure, mechanism or formula determined by the board) prior to the allotment of the relevant Preference Shares.

27.1.8 Restrictions on the Company

Save with such consent or sanction on the part of the holders of the Preference Shares as is required for a variation of the rights attached to such shares the board shall not capitalise any part of the profits of the Company available for distribution or purchase or redeem any shares in the Company if either (i) the preferential dividend on the Preference Shares for the dividend payment period immediately prior to the date of the proposed capitalisation, purchase or redemption is in arrears or it, and any arrears or deficiency of dividend in respect of any preceding dividend payment periods has not been paid in full or (ii) after such capitalisation, purchase or redemption the amount of the profits of the Company available for distribution would be less than the amount produced by applying, to the aggregate amount of the annual dividends (exclusive of any associated tax credit) payable on the Preference Shares and any other preference shares then in issue ranking as regards dividends *pari passu* with or in priority to the Preference Shares, such multiple or other formula as may be determined by the board prior to allotment.

28. POWER TO ISSUE DIFFERENT CLASSES OF SHARE

- 28.1 Subject to the Act and the articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution. If no such resolution is passed or if the relevant resolution does not make specific provision, the directors may determine those rights and restrictions.
- 28.2 Subject to the Act, the Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.
- 28.3 If rights and restrictions attaching to shares are determined by ordinary resolution or by the directors pursuant to this article 27, those rights and restrictions shall apply in place of any rights or restrictions that would otherwise apply by virtue of the Act in the absence of any provisions in the articles, as if those rights and restrictions were set out in the articles.

29. EXCLUSION OF PRE-EMPTION RIGHTS

Pursuant to section 567 of the Act, the pre-emption provisions of sections 561 and 562 of the Act do not apply to an allotment of the Company's equity securities (including, for the avoidance of doubt, an allotment of equity securities by virtue of sections 560(2) and 560(3) of the Act).

30. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES

30.1 The Company may pay any person a commission in consideration for that person:

30.1.1 subscribing, or agreeing to subscribe, for shares; or

30.1.2 procuring, or agreeing to procure, subscriptions for shares.

30.2 Subject to the Act, any such commission may be paid:

30.2.1 in cash, or in fully paid shares or other securities, or partly in one way and partly in the other; and

30.2.2 in respect of a conditional or an absolute subscription.

31. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

32. SHARE CERTIFICATES

32.1 Except where otherwise specified in the articles, the Company must issue free of charge to each member, one or more certificates in respect of the shares which that member holds.

32.2 Every certificate must specify:

32.2.1 in respect of how many shares, of what class, it is issued;

32.2.2 the nominal value of those shares;

32.2.3 that those shares are fully paid; and

32.2.4 any distinguishing numbers assigned to them.

32.3 No certificate may be issued in respect of shares of more than one class.

32.4 If more than one person holds a share, only one certificate may be issued in respect of it and delivery of a certificate to the senior holder shall constitute delivery to all of them.

32.5 Every certificate must:

32.5.1 be issued under the Company's seal, which may be affixed or printed on it;

32.5.2 be otherwise executed in accordance with the Act; or

32.5.3 be issued in such other manner as the directors may approve.

32.6 This article does not apply to:

- 32.6.1 uncertificated shares;
- 32.6.2 shares in respect of which a share warrant has been issued; or
- 32.6.3 shares in respect of which the Act permits the Company not to issue a certificate.

33. **UNCERTIFICATED SHARES**

33.1 In this article, "**the relevant rules**" means:

- 33.1.1 any applicable provision of the Act about the holding, evidencing of title to, or transfer of shares other than in certificated form; and
- 33.1.2 any applicable legislation, rules or other arrangements made under or by virtue of such provision including the Uncertificated Securities Regulations.

33.2 The provisions of this article have effect subject to the relevant rules.

33.3 Where a class of shares is a participating security, the articles only apply to an uncertificated share of that class to the extent that they are consistent with:

- 33.3.1 the holding of shares of that class in uncertificated form;
- 33.3.2 the transfer of title of that class by means of a relevant system; and
- 33.3.3 the relevant rules.

33.4 The directors have the power to resolve that a class of shares may become a participating security and/or that a class of shares may cease to be a participating security. Any share or class of shares of the Company may be issued or held on such terms, or in such a way, that:

- 33.4.1 title to it or them is not, or must not be, evidenced by a certificate; or
- 33.4.2 it or they may or must be transferred wholly or partly without a certificate.

33.5 A member may, in accordance with the relevant rules, change a share of a class which is a participating security from a certificated share to an uncertificated share and from an uncertificated share to a certificated share.

33.6 The directors have power to take such steps as they think fit in relation to:

- 33.6.1 the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares);
- 33.6.2 any records relating to the holding of uncertificated shares;
- 33.6.3 the conversion of certificated shares into uncertificated shares; or
- 33.6.4 the conversion of uncertificated shares into certificated shares.

33.7 The Company may by notice to the holder of a share require that share:

- 33.7.1 if it is uncertificated, to be converted into certificated form by the time stated on the notice; and
 - 33.7.2 if it is certificated, not be converted into uncertificated form,
- to enable it to be dealt with in accordance with the articles.
- 33.8 If the member does not comply with the notice, the directors may require the Operator to convert the shares held in uncertificated form into certificated form in the name and on behalf of the member in accordance with the Uncertificated Securities Regulations.
- 33.9 If:
- 33.9.1 the articles give the directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of shares; and
 - 33.9.2 uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument,
- the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares.
- 33.10 In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.
- 33.11 Unless the directors otherwise determine, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form.
- 33.12 A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.
- 34. CONSOLIDATED AND SEPARATE SHARE CERTIFICATES**
- 34.1 When a member's holding of shares of a particular class increases, the Company may issue that member with:
- 34.1.1 a single, consolidated certificate in respect of all the shares of a particular class which that member holds; or
 - 34.1.2 a separate certificate in respect of only those shares by which that member's holding has increased.
- 34.2 When a member's holding of shares of a particular class is reduced, the Company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after the reduction. However, the Company need not (in the absence of a request from the member) issue any new certificate if:
- 34.2.1 all the shares which the member no longer holds as a result of the reduction; and
 - 34.2.2 none of the shares which the member retains following the reduction,

were, immediately before the reduction, represented by the same certificate.

34.3 A member may request the Company, in writing, to replace:

34.3.1 the member's separate certificates with a consolidated certificate; or

34.3.2 the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify.

34.4 When the Company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.

34.5 A consolidated certificate or separate certificates must not be issued unless any certificates which they are to replace have first been returned to the Company for cancellation or the holder has complied with such reasonable conditions as to evidence and indemnity as the directors decide.

35. REPLACEMENT SHARE CERTIFICATES

35.1 If a certificate issued in respect of a member's shares is:

35.1.1 damaged or defaced; or

35.1.2 said to be lost, stolen or destroyed,

that member is, subject to having first complied with the obligations in articles 35.2.2 and 35.2.3, entitled to be issued with a replacement certificate in respect of the same shares.

35.2 A member exercising the right to be issued with such a replacement certificate:

35.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

35.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

35.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

36. SHARE TRANSFERS

36.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

36.2 The instrument of transfer must be lodged at the Company's registered office or such other place as the directors have appointed, and must be accompanied by:

36.2.1 the certificate for the shares to which it relates; or

36.2.2 such other evidence or indemnity as the directors reasonably require.

- 36.3 Subject to the Uncertificated Securities Regulations, the transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 36.4 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 36.5 The Company may retain any instrument of transfer which is registered.
- 36.6 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 36.7 Subject to the requirements of the Listing Rules, the directors may, in their absolute discretion, refuse to register the transfer of a certificated share which is not fully paid or the transfer of a certificated share on which the Company has a lien.
- 36.8 The directors may also, in their absolute discretion, refuse to register the transfer of a certificated share or a renunciation of a renounceable letter of allotment of a share unless all of the following conditions are satisfied:
- 36.8.1 it is in respect of only one class of shares;
 - 36.8.2 it is in favour of (as the case may be) a single transferee or renouncee or not more than four joint transferees or renouncees;
 - 36.8.3 it is duly stamped (if required); and
 - 36.8.4 it is delivered for registration to the registered office of the Company or such other place as the directors may decide, accompanied by the certificate for the shares to which it relates (except in the case of a person to whom the Company is not required by sections 769, 776, 777 or 778 of the Act to issue a certificate, or in the case of a renunciation) and such other evidence as the directors may reasonably require to prove the title of the transferor or person renouncing and the due execution by him/her of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his/her behalf, the authority of that person to do so.
- 36.9 If the directors refuse to register the transfer of a certificated share or renunciation of a renounceable letter of allotment, the instrument of transfer or renunciation must be returned to the transferee or renouncee as soon as practicable and in any event within two months after the date on which the transfer or renunciation was lodged with the Company with the notice of refusal and reasons for refusal unless they suspect that the proposed transfer or renunciation may be fraudulent.
- 36.10 Subject to article 80, the Company may retain all instruments of transfer which are registered
- 37. TRANSFERS OF UNCERTIFICATED SHARES**
- 37.1 Uncertificated shares may be transferred in accordance with the Uncertificated Securities Regulations.

37.2 In accordance with and subject to the provisions of the Uncertificated Securities Regulations, the Operator of the relevant system shall register a transfer of:

37.2.1 title to any uncertificated share; or

37.2.2 any renounceable right of allotment of a share which is a participating security held in uncertificated form,

unless the Uncertificated Securities Regulations permit the Operator of the relevant system to refuse to register such a transfer in certain circumstances in which case the Operator of the relevant system may refuse such registration in such circumstances.

37.3 In accordance with the Uncertificated Securities Regulations, if the Operator of the relevant system refuses to register the transfer of:

37.3.1 an uncertificated share; or

37.3.2 any uncertificated renounceable right of allotment of a share,

it must, as soon as practicable and in any event within two months after the date on which the relevant system-member instruction or issuer instruction (as the case may be) was received by the Operator, send notice of the refusal to the relevant system-member or participating issuer (as the case may be).

37.4 In accordance with and subject to the provisions of the Uncertificated Securities Regulations, where title to an uncertificated share is transferred by means of a relevant system to a person who is to hold such share in certificated form after such transfer, the Company as participating issuer must register the transfer in accordance with the relevant Operator-instruction, but so that the Company may refuse to register such a transfer in any circumstance permitted by the Uncertificated Securities Regulations.

37.5 In accordance with the Uncertificated Securities Regulations, if the Company as participating issuer refuses to register the transfer of title to an uncertificated share transferred by means of a relevant system to a person who is to hold such share in certificated form after such transfer, it must, as soon as practicable and in any event within two months after the date on which the Operator-instruction was received by the Company, send notice of the refusal to the transferee.

38. TRANSMISSION OF SHARES

38.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

38.2 Subject to article 38.3, a transmittee who produces such evidence of entitlement to shares as the directors may properly require:

38.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and

38.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder from whom the transmittee derived such entitlement had.

- 38.3 Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the event which gave rise to the transmission, unless they become the holders of those shares.

39. EXERCISE OF TRANSMITTEES' RIGHTS

- 39.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.
- 39.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 39.3 If the share is an uncertificated share and the transmittee wishes to have it transferred to another person, the transmittee must:
- 39.3.1 procure that all appropriate instructions are given to effect the transfer; or
 - 39.3.2 procure that the uncertificated share is changed into certificated form and then execute an instrument of transfer in respect of it.
- 39.4 Any transfer made or executed under this article 39 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

40. TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a member in respect of shares and a transmittee (or any person nominated by the transmittee under article 38.2) is entitled to those shares, the transmittee (and any person nominated by the transmittee under article 38.2) is bound by the notice if it was given to the member before the transmittee's name, or the name of any person nominated under article 38.2, has been entered in the register of members.

41. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES

- 41.1 This article 41 applies where:
- 41.1.1 there has been a consolidation or division of shares; and
 - 41.1.2 as a result, members are entitled to fractions of shares.
- 41.2 Subject to the Act and to the Uncertificated Securities Regulations, the directors may, in effecting divisions and/or consolidations, treat a member's shares held in certificated form and uncertificated form as separate holdings.
- 41.3 The directors may:
- 41.3.1 sell the shares representing the fractions to any person including (subject to the Act) the Company for the best price reasonably obtainable;
 - 41.3.2 authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and

41.3.3 distribute the net proceeds of sale in due proportion among the holders of the shares.

41.4 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

41.5 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

42. PURCHASE OF OWN SHARES

The Company may purchase its own shares, in accordance with section 692(1ZA) of the Act, up to an aggregate purchase price in a financial year not exceeding the lower of:

42.1 £15,000; or

42.2 the nominal value of 5 per cent. of its fully paid share capital as at the beginning of that financial year.

43. UNTRACED SHAREHOLDERS

43.1 Subject to the Uncertificated Securities Regulations, the Company may sell the share of a member or of a person entitled by transmission at the best price reasonably obtainable at the time of sale, if:

43.1.1 during a period of not less than 12 years before the date of publication of the advertisements referred to in article 43.1.3 (or, if published on two different dates, the first date) (the "**relevant period**") at least three cash dividends have become payable in respect of the share;

43.1.2 throughout the relevant period no cheque, warrant or money order payable on the share has been presented by the holder of, or the person entitled by transmission to, the share to the paying bank of the relevant cheque, warrant or money order, no payment made by the Company by any other means permitted by article 47 has been claimed or accepted and, so far as any director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the share;

43.1.3 the Company has given notice of its intention to sell the share by advertisement in a national newspaper and in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the share shown in the register; and

43.1.4 the Company has not, so far as the directors are aware, during a further period of three months after the date of the advertisements referred to in article 43.1.3 (or the later advertisement if the advertisements are published on different dates) and before the exercise of the power of sale received a communication from the holder of, or person entitled by transmission to, the share.

- 43.2 Where a power of sale is exercisable over a share under this article 43 (a "**sale share**"), the Company may at the same time also sell any additional share issued in right of such sale share or in right of such an additional share previously so issued provided that the requirements of articles 43.1.2 to 43.1.4 (as if the words "throughout the relevant period" were omitted from article 43.1.2) have been satisfied in relation to the additional share.
- 43.3 To give effect to a sale under articles 43.1 or 43.2, the directors may authorise any person to transfer the share in the name and on behalf of the holder of, or the person entitled by transmission to, the share, or to cause the transfer of such share, to the purchaser or his/her nominee and in relation to an uncertificated share may require the Operator to convert the share into certificated form in accordance with the Uncertificated Securities Regulations. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity in or invalidity of the proceedings connected with the sale of the share.
- 43.4 The Company shall be indebted to the member or other person entitled by transmission to the share for the net proceeds of sale and shall credit any amount received on sale to a separate account.
- 43.5 The Company is deemed to be a debtor and not a trustee in respect of that amount for the member or other person.
- 43.6 Any amount credited to the separate account may either be employed in the business of the Company or invested as the directors may think fit.
- 43.7 No interest is payable on that amount and the Company is not required to account for money earned on it.

44. **FAILURE TO DISCLOSE INTERESTS IN SHARES**

- 44.1 Where notice is served by the Company under section 793 of the Act (a "**section 793 notice**") on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the "**default shares**", which expression includes any shares allotted or issued after the date of the section 793 notice in respect of those shares) to give the Company the information required within the prescribed period from the date of service of the section 793 notice, the following sanctions apply, unless the directors otherwise decide:
- 44.1.1 where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class (excluding any share of their class held as treasury shares), the member shall not be entitled in respect of such default shares to:
- (a) be present or to vote (either in person, by proxy or by corporate representative) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll;
 - (b) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to receive shares instead of a dividend; and

- (c) no transfer of any certificated default shares shall be registered unless the transfer is an excepted transfer or:
 - (i) the member is not himself/herself in default in supplying the information required; and
 - (ii) the member proves to the satisfaction of the directors that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.
- 44.2 For the purpose of enforcing the sanction in article 44.1.1, the directors may give notice to the member requiring the member to change default shares held in uncertificated form to certificated form by the time stated in the notice. The notice may also state that the member may not change any default shares held in certificated form to uncertificated form. If the member does not comply with the notice, the directors may require the Operator to convert default shares held in uncertificated form into certificated form in the name and on behalf of the member in accordance with the Uncertificated Securities Regulations.
- 44.3 The sanctions under article 44.1 cease to apply seven days after the earlier of:
 - 44.3.1 receipt by the Company of notice of an excepted transfer, but only in relation to the shares thereby transferred; and
 - 44.3.2 receipt by the Company, in a form satisfactory to the directors, of all the information required by the section 793 notice.
- 44.4 Where, on the basis of information obtained from a member in respect of a share held by him/her, the Company issues a section 793 notice to another person, it shall at the same time send a copy of the section 793 notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of articles 44.1 or 44.2.
- 44.5 Any holder of shares on whom a section 793 notice has been served may at any time request the Company to give in writing the reason why the section 793 notice has been served, or why it remains uncanceled, and within 14 days of receipt of such a notice the Company shall give that information accordingly.
- 44.6 Where any section 793 notice is cancelled or ceases to have effect in relation to any shares, any moneys relating to those shares which were withheld by reason of that notice shall be paid without interest to the person who would but for the notice have been entitled to them or as he may direct.
- 44.7 For the purposes of this article 44:
 - 44.7.1 a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, under a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;

44.7.2 **"interested"** shall be construed as it is for the purpose of section 793 of the Act;

44.7.3 reference to a person having failed to give the Company the information required by a section 793 notice, or being in default in supplying such information, includes:

- (a) reference to his/her having failed or refused to give all or any part of it; and
- (b) reference to his/her having given information which he/she knows to be false in a material particular or having recklessly given information which is false in a material particular;

44.7.4 the **"prescribed period"** means 14 days; and

44.7.5 an **"excepted transfer"** means, in relation to shares held by a member:

- (a) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the Act); or
- (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the FSMA 2000) or through another stock exchange on which shares in the capital of the Company are normally traded; or
- (c) a transfer which is shown to the satisfaction of the directors to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member or with any other person appearing to be interested in the shares.

44.8 The provisions of this article are in addition and without prejudice to the provisions of the Act.

DIVIDENDS AND OTHER DISTRIBUTIONS

45. PROCEDURE FOR DECLARING DIVIDENDS

45.1 Subject to the Act, the Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

45.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

45.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.

45.4 Unless the members' resolution to declare or the directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares in the class in respect of which the dividend is paid on the date of the resolution or decision to declare or pay it.

45.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

45.6 Subject to the Act, the directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

46. CALCULATION OF DIVIDENDS

46.1 Except as otherwise provided by the articles or the rights attached to shares, all dividends must be:

46.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and

46.1.2 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.

46.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

46.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

46.4 Except as otherwise provided by the rights attached to shares, dividends may be declared or paid in any currency. The directors may decide the rate of exchange for any currency conversions that may be required and how any costs involved are to be met.

47. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

47.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:

47.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

47.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;

47.1.3 by means of a relevant system in respect of an uncertificated share in such manner as may be consistent with the facilities and requirements of the relevant system or as the directors may otherwise decide; or

47.1.4 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or

47.1.5 any other means of payment as the directors agree with the distribution recipient in writing.

47.2 In the articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:

47.2.1 the holder of the share;

47.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members (the "**senior holder**"); or

47.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

48. **NO INTEREST ON DISTRIBUTIONS**

48.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

48.1.1 the terms on which the share was issued; or

48.1.2 the provisions of another agreement between the holder of that share and the Company.

49. **UNCLAIMED DISTRIBUTIONS**

49.1 All dividends or other sums which are:

49.1.1 payable in respect of shares; and

49.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

49.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

49.3 If:

49.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and

49.3.2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

50. **NON-CASH DISTRIBUTIONS**

50.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide that all or part of a dividend or other distribution in respect of a share be made by the distribution of non-cash assets (including shares or other securities in any company).

50.2 For the purposes of making a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

50.2.1 fixing the value of any assets;

50.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

50.2.3 vesting any assets in trustees.

51. **WAIVER OF DISTRIBUTIONS**

51.1 A distribution recipient may waive his/her entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if:

51.1.1 the share has more than one holder; or

51.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

52. **POWER TO CAPITALISE**

52.1 Subject to the provisions of article 53, the board may capitalise all or any part of any amount standing to the credit of any reserve or fund (including retained earnings, share premium account and capital redemption reserve), in each case, whether or not such amounts are available for distribution, and appropriate the sum resolved to be capitalised either:

52.1.1 to the holders of ordinary shares (on the register at such time on such date as may be specified in, or determined as provided in, the ordinary resolution granting authority for such capitalisation) who would have been entitled thereto if distributed by way of dividend and in the same proportions; and the board shall apply such sum on their behalf either in or towards paying up any amounts, if any, for the time being unpaid on any shares held by such holders of ordinary shares respectively or in paying up in full at par unissued shares or debentures of the Company to be allotted credited as fully paid up to such holders of ordinary shares in the proportions aforesaid, or partly in the one way and partly in the other; and

52.1.2 to such holders of ordinary shares who may, in relation to any dividend or dividends, validly accept an offer or offers on such terms and conditions as the board may determine (and subject to such exclusions or other arrangements as the board may consider necessary or expedient to deal with legal or practical problems in respect of overseas shareholders or in respect of shares represented by depositary receipts) to receive new ordinary shares, credited as fully paid up, in lieu of the whole or any part of any such dividend or dividends (any such offer being called a "**Scrip Dividend Offer**"); and the board shall apply such

sum on their behalf in paying up in full at par unissued shares (in accordance with the terms, conditions and exclusions or other arrangements of the Scrip Dividend Offer) to be allotted credited as fully paid up to such holders respectively.

For the avoidance of doubt and so far as permitted by the Act, where the amount capitalised is applied in paying up in full unissued shares, the Company will also be entitled to participate in the relevant distribution in relation to any shares of the relevant class held by it as treasury shares and the proportionate entitlement of the relevant class of members to the distribution will be calculated accordingly.

53. AUTHORITY REQUIRED

- 53.1 The authority of the Company by ordinary resolution shall be required before the board implements any Scrip Dividend Offer (which authority may extend to one or more offers).
- 53.2 The authority of the company by ordinary resolution shall be required for any capitalisation pursuant to Article 52.1.1 above.
- 53.3 A share premium account and a capital redemption reserve and any other amounts which are not available for distribution may only be applied in the paying up of unissued shares to be allotted to holders of ordinary shares of the company credited as fully paid up.

DECISION-MAKING BY MEMBERS

54. CONVENING OF GENERAL MEETINGS

- 54.1 The directors may call general meetings and, on the requirement of members pursuant to the Act, shall call a general meeting (i) within 21 days from the date on which the directors become subject to the requirement, and (ii) to be held on a date not more than 28 days after the date of the notice convening the meeting.

55. LENGTH OF NOTICE

A general meeting (other than an adjourned meeting) shall be called by notice of at least 14 clear days. 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 at the meeting, being a majority who together hold not less than 90 per cent. in nominal value of the shares giving that right.

56. FORM OF NOTICE

The notice shall specify the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting. If the meeting is convened to consider a special resolution, the text of the resolution and the intention to propose the resolution as a special resolution shall also be specified. The notice of meeting shall also specify, with reasonable prominence, the members' rights to appoint one or more proxies under section 324 of the Act.

57. ENTITLEMENT TO RECEIVE NOTICE

- 57.1 Subject to the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all transmittes (and any person nominated by a transmittes under article 38.2) if the Company has been notified of their entitlement to a share, and to the directors and auditors.
- 57.2 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his/her name is entered in the register of members, has duly been given to the person from whom he/she derives his/her title.

58. OMISSION TO SEND NOTICE

The accidental omission to give notice of a general meeting or to send, supply or make available any document or information relating to a meeting to, or the non receipt of any such notice, document or information by, a person entitled to receive any such notice, document or information shall not invalidate the proceedings at that meeting.

59. ATTENDANCE, SPEAKING AND VOTING AT GENERAL MEETINGS

- 59.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 59.2 A person is able to exercise the right to vote at a general meeting when:
- 59.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 59.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 59.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 59.4 In determining attendance at a general meeting, it is immaterial whether any two or more members present at the meeting are in the same place as each other.
- 59.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

60. QUORUM FOR GENERAL MEETINGS

- 60.1 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the members present at the meeting do not constitute a quorum. If the Company has only one member entitled to attend and vote at the meeting, one qualifying person present at the meeting and entitled to vote is a quorum. Subject to the Act and article 60.2, in all other cases two qualifying persons present at the meeting and entitled to vote are a quorum.

60.2 Where the Company has more than one member entitled to attend and vote at a meeting, one qualifying person present at the meeting and entitled to vote as:

60.2.1 the duly authorised corporate representative of two or more corporations, each of which is a member entitled to attend and vote upon the business to be transacted at the meeting; or

60.2.2 a proxy duly appointed by two or more members entitled to attend and vote upon the business to be transacted at the meeting,

is a quorum.

61. CHAIRING GENERAL MEETINGS

61.1 If the directors have appointed a chair, the chair shall chair general meetings if present and willing to do so.

61.2 If the directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

61.2.1 the directors present; or

61.2.2 (if no directors are present), the meeting,

may appoint a director or member present to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

61.3 The person chairing a meeting in accordance with this article 61 is referred to as the "**chair of the meeting**".

62. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

62.1 Directors may attend and speak at general meetings, whether or not they are members.

62.2 The chair of the meeting may permit other persons who are not:

62.2.1 members of the Company; or

62.2.2 otherwise entitled to exercise the rights of members in relation to general meetings,

to attend and speak at a general meeting.

63. ADJOURNMENT

63.1 If a quorum is not present within half an hour of the time at which the meeting was due to start, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.

63.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:

- 63.2.1 the meeting consents to an adjournment; or
- 63.2.2 it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 63.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 63.4 When adjourning a general meeting, the chair of the meeting must:
 - 63.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
 - 63.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 63.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it:
 - 63.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
 - 63.5.2 containing the same information which such notice is required to contain.
- 63.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

64. **VOTING**

- 64.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.
- 64.2 Subject to any rights or restrictions attached to any shares, whether or not such rights or restrictions are set out in the articles, on a vote on a resolution:
 - 64.2.1 on a show of hands at a meeting:
 - (a) every member present (but not being present by proxy) and entitled to vote on the resolution has one vote; and
 - (b) every proxy present who has been duly appointed by a member entitled to vote on the resolution has one vote, except where:
 - (i) that proxy has been duly appointed by more than one member entitled to vote on the resolution; and
 - (ii) the proxy has been instructed:
 - (A) by one or more of those members to vote for the resolution and by one or more of those members to vote against the resolution; or

- (B) by one or more of those members to vote in the same way on the resolution (whether for or against) and one or more of those members has given the proxy discretion as to how to vote,

in which case, the proxy has one vote for and one vote against the resolution; and

64.2.2 on a poll taken at a meeting, every member present and entitled to vote on the resolution has one vote in respect of each share held by the relevant member or members.

64.3 In the case of joint holders of a share, only the vote of the senior holder who votes (and any proxy or corporate representative duly authorised by the relevant member) may be counted by the Company.

64.4 In the case of an equality of votes on a show of hands or a poll, the chair of the meeting shall not be entitled to a casting vote.

64.5 The Company is not obliged to verify that a proxy or corporate representative of a member has acted in accordance with the terms of his/her appointment and any failure to so act shall not affect the validity of any proceedings at a meeting of the Company.

65. ERRORS AND DISPUTES

65.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

65.2 Any such objection must be referred to the chair of the meeting, whose decision is final.

66. CHAIR'S DECLARATION

Unless a poll is duly demanded, a declaration by the chair of the meeting that a resolution has or has not been passed or has or has not been passed by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. An entry in respect of such a declaration in minutes of the meeting recorded in accordance with section 355 of the Act is also conclusive evidence of that fact without such proof.

67. DEMANDING A POLL

67.1 A poll on a resolution may be demanded:

67.1.1 in advance of the general meeting where it is to be put to the vote; or

67.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

67.2 Subject to the Act, a poll may be demanded at any general meeting by:

67.2.1 the chair of the meeting;

67.2.2 the directors; or

67.2.3 any member present and entitled to vote on the resolution.

67.3 A demand for a poll may be withdrawn if:

67.3.1 the poll has not yet been taken; and

67.3.2 the chair of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

68. PROCEDURE ON A POLL

68.1 Subject to the articles, polls at general meetings must be taken when, where and in such manner as the chair of the meeting directs.

68.2 The chair of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared.

68.3 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

68.4 A poll on:

68.4.1 the election of the chair of the meeting; or

68.4.2 a question of adjournment,

must be taken immediately.

68.5 A poll on any other question must be taken within 30 days of the poll being demanded.

68.6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.

68.7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.

68.8 In any other case, at least 7 clear days' notice must be given specifying the time, date and place at which the poll is to be taken.

69. APPOINTMENT OF PROXY

A member may appoint another person as his/her proxy to exercise all or any of his/her rights to attend and to speak and to vote (both on a show of hands and on a poll) on a resolution or amendment of a resolution, or on other business arising, at a meeting or meetings of the Company. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member.

70. **CONTENT OF PROXY NOTICES**

- 70.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:
- 70.1.1 states the name and address of the member appointing the proxy;
 - 70.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
 - 70.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - 70.1.4 is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate.
- 70.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 70.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 70.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 70.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 70.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

71. **DELIVERY OF PROXY NOTICES**

- 71.1 Any notice of a general meeting must specify the address or addresses ("**proxy notification address**") at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 71.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 71.3 Subject to articles 71.4 and 71.5, a proxy notice must be delivered to a proxy notification address at any time before the start of the general meeting or adjourned meeting to which it relates.
- 71.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address at any time before the time appointed for the taking of the poll.
- 71.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered:

- 71.5.1 to a proxy notification address at any time before the time appointed for the taking of the poll to which it relates; or
- 71.5.2 at the meeting at which the poll was demanded, to the chair of the meeting, the company secretary (if any) or any director.
- 71.6 A proxy notice which is not delivered in accordance with this article 71 shall be invalid.
- 71.7 The directors may require the production of any evidence which they consider necessary to determine the validity of any proxy notice.
- 71.8 In relation to any shares which are held in uncertificated form, the directors may permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction and may permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made.
- 71.9 The directors may prescribe the method of determining the time at which any such uncertificated proxy instruction (and/or other instruction or notification) is to be treated as received by the Company or a participant acting on its behalf.
- 71.10 The directors may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

72. CORPORATE REPRESENTATIVES

In accordance with the Act, a corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company (a "**corporate representative**"). A director, the company secretary (if any) or other person authorised for the purpose by the company secretary (if any) may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him/her to exercise his/her powers.

73. TERMINATION OF AUTHORITY

- 73.1 The termination of the authority of a person to act as proxy or as the duly authorised corporate representative of a member does not affect whether he/she counts in deciding whether there is a quorum at a meeting, the validity of anything he/she does as chair of a meeting, the validity of a poll demanded by him/her at a meeting, or the validity of a vote given by that person unless notice of the termination is given in writing by or on behalf of the member by whom or on whose behalf the corporate representative was appointed or the proxy notice was given and is received by the Company at the office or, in the case of a proxy, the proxy notification address:
 - 73.1.1 at any time before the start of the general meeting or adjourned meeting to which it relates;
 - 73.1.2 (in the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded) at any time before the start of the general meeting or adjourned meeting to which it relates, or at the meeting at which the poll was demanded; or

73.1.3 (in the case of a poll taken more than 48 hours after it is demanded) at any time before the time appointed for taking the poll.

74. AMENDMENTS TO RESOLUTIONS

74.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

74.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and

74.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.

74.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

74.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

74.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

74.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair of the meeting's error does not invalidate the vote on that resolution.

75. RESOLUTIONS IN WRITING

A resolution of the members (or of a class of members) of the Company may be passed as a written resolution in accordance with the Act. For the avoidance of doubt on a written resolution each member has the same number of votes he/she would have on a poll.

ADMINISTRATIVE ARRANGEMENTS

76. COMMUNICATIONS BY AND TO THE COMPANY

76.1 Save where the articles expressly require otherwise, any notice, document or information to be sent or supplied by, on behalf of or to the Company pursuant to the Act, the articles or otherwise may be sent or supplied in accordance with the Act. Nothing in this article 76 affects any provision of the Act or any other legislation or any other provision of the articles requiring notices, documents or information to be delivered in a particular way.

76.2 A notice, document or information sent by post is deemed to have been given to, and received by, the intended recipient on the next day after posting, if pre-paid as first class post.

- 76.3 A notice, document or information not sent by post but delivered by hand (which shall, for the avoidance of doubt, include delivery by courier) to the intended recipient's registered address or address for service is deemed to have been given to, and received by, the intended recipient on the business day it is left or, if delivered on a day other than a business day, on the next business day after it was so left.
- 76.4 A notice, document or information sent by electronic means to an email address or a fax number specified for the purpose by the intended recipient is deemed to have been given to, and received by, the intended recipient when sent.
- 76.5 A notice, document or information sent or supplied by or on behalf of the Company by means of a website is deemed to have been given to, and received by, the intended recipient when (i) the material was first made available on the website or (ii) if later, when the recipient received (or, in accordance with this article 76 is deemed to have received) notification of the fact that the material was available on the website.
- 76.6 A notice, document or information sent, served or delivered by any other means authorised in writing by the recipient is deemed to have been sent when the sender has taken the action it has been authorised to take for that purpose.
- 76.7 A Post Office certificate of posting for a properly addressed and stamped envelope containing the notice, document or information is conclusive evidence that the notice, document or information was so sent or supplied. A printed copy of a notice, document or information sent or supplied by electronic means indicates that it was properly addressed and sent (and showing the time of sending or transmission) is conclusive evidence that the notice, document or information was so sent or supplied.
- 76.8 In the case of joint holders of a share, a notice, document or information shall be validly sent or supplied to all joint holders if sent or supplied to the senior holder. Anything to be agreed or specified in relation to a notice, document or information to be sent or supplied to joint holders, may be agreed or specified by the senior holder in respect of the joint holding.
- 76.9 A member present at a meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 76.10 A notice may be given by or on behalf of the Company to the transmittee of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description, at the address, if any, supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

77. COMPANY SECRETARY

Subject to the Act, the company secretary (if any) shall be appointed by the directors for such term at such remuneration and upon such conditions as they may think fit, and any company secretary so appointed may be removed by the directors.

78. CHANGE OF NAME

The directors may change the name of the Company.

79. RECORDS OF DECISIONS TO BE KEPT

79.1 The directors or the company secretary (if any) must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision:

79.1.1 of all appointments of officers made by the directors;

79.1.2 of every decision taken by the directors, including by written resolution, and any committee of the directors; and

79.1.3 of all proceedings of general meetings of the Company and of the holders of any class of shares in the Company.

79.2 The Company shall also keep records comprising copies of all resolutions of members passed otherwise than at general meetings and of details provided to the Company of decisions taken by a sole member. All such records must be kept for at least 10 years from the date of the meeting or resolution or decision (as appropriate).

80. DESTRUCTION OF DOCUMENTS

80.1 The Company is entitled to destroy:

80.1.1 all instruments of transfer of shares (including documents constituting the renunciation of an allotment of shares) which have been registered, and all other documents on the basis of which any entries are made in the register, from six years after the date of registration;

80.1.2 all dividend mandates (or mandates for other amounts), variations or cancellations of such mandates, and notifications of change of address, from two years after they have been recorded;

80.1.3 all share certificates which have been cancelled from one year after the date of the cancellation;

80.1.4 all paid dividend warrants and cheques from one year after the date of actual payment;

80.1.5 all proxy notices from one year after the end of the meeting to which the proxy notice relates; and

80.1.6 all other documents on the basis of which any entry in the register is made at any time after 10 years from the date an entry in the register was first made in respect of it.

80.2 If the Company destroys a document in good faith, in accordance with the articles, and without express notice to the Company that the preservation of the document is relevant to a claim, it is conclusively presumed in favour of the Company that:

- 80.2.1 entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;
- 80.2.2 any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
- 80.2.3 any share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
- 80.2.4 any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

80.3 This article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so or in any case where the conditions of this article are not fulfilled.

80.4 In this article, references to the destruction of any document include a reference to its being disposed of in any manner.

81. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

82. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertakings (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary undertaking.

83. WINDING UP OF THE COMPANY

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/she with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

DIRECTORS INDEMNITY AND INSURANCE

84. INDEMNITY OF OFFICERS AND FUNDING DIRECTORS' DEFENCE COSTS

84.1 To the extent permitted by the Act and without prejudice to any indemnity to which he/she may otherwise be entitled, every person who is or was a director or other officer of the Company or an associated company (other than any person (whether or not an

officer of the Company or an associated company) engaged by the Company or an associated company as auditor) shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him/her (whether in connection with any negligence, default, breach of duty or breach of trust by him/her or otherwise as a director or such other officer of the Company or an associated company) in relation to the Company or an associated company or their affairs provided that such indemnity shall not apply in respect of any liability incurred by him/her:

84.1.1 to the Company or to any associated company;

84.1.2 to pay a fine imposed in criminal proceedings;

84.1.3 to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising);

84.1.4 in defending any criminal proceedings in which he/she is convicted;

84.1.5 in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him/her; or

84.1.6 in connection with any application under any of the following provisions in which the court refuses to grant him/her relief, namely:

(a) section 661(3) or (4) of the Act (acquisition of shares by innocent nominee); or

(b) section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct).

84.2 In article 84.1.4, 84.1.5, or 84.1.6 the reference to a conviction, judgment or refusal of relief is a reference to one that has become final. A conviction, judgment or refusal of relief becomes final:

84.2.1 if not appealed against, at the end of the period for bringing an appeal; or

84.2.2 if appealed against, at the time when the appeal (or any further appeal) is disposed of.

An appeal is disposed of if:

(a) it is determined and the period for bringing any further appeal has ended; or

(b) it is abandoned or otherwise ceases to have effect.

84.3 To the extent permitted by the Act and without prejudice to any indemnity to which he/she may otherwise be entitled, every person who is or was a director of the Company acting in its capacity as a trustee of an occupational pension scheme shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him/her in connection with the Company's activities as trustee

of the scheme provided that such indemnity shall not apply in respect of any liability incurred by him/her:

84.3.1 to pay a fine imposed in criminal proceedings; or

84.3.2 to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising); or

84.3.3 in defending criminal proceedings in which he/she is convicted.

For the purposes of this article 84.3, a reference to a conviction is to the final decision in the proceedings. The provisions of article 84.2 shall apply in determining when a conviction becomes final.

84.4 Without prejudice to article 84.1 or to any indemnity to which a director may otherwise be entitled, and to the extent permitted by the Act and otherwise upon such terms and subject to such conditions as the directors may in their absolute discretion think fit, the directors shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him/her in defending any criminal or civil proceedings or in connection with an application under section 661(3) or (4) of the Act (acquisition of shares by innocent nominee) or section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct) or in defending himself/herself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or to enable a director to avoid incurring any such expenditure.

85. POWER TO PURCHASE INSURANCE

To the extent permitted by the Act, the directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was:

85.1.1 a director, alternate director or a secretary (if any) of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect); or

85.1.2 trustee of a retirement benefits scheme or other trust in which a person referred to in article 85.1.1 is or has been interested,

indemnifying him/her and keeping him/her indemnified against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.

86. SCHEME OF ARRANGEMENT

86.1 In this article 86, references to the "Scheme" are to the Scheme of Arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme) dated 16 December 2020 (with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company, Regent Bidco Limited ("**Bidco**") and Tryg A/S) and (save as defined in this article) terms defined in the Scheme shall have the same meanings in this article.

- 86.2 Notwithstanding any other provisions in these articles, if the Company issues any RSA Shares (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco or any subsidiary of such parent undertaking, or any nominee of Bidco (each a "**Bidco Company**")) on or after the date of the adoption of this article 86 and prior to the Scheme Record Time such RSA Shares shall be issued subject to the terms of the Scheme and the holder or holders of such RSA Shares shall be bound by the Scheme accordingly.
- 86.3 Notwithstanding any other provision of these articles, subject to the Scheme becoming effective, any shares issued, or transferred pursuant to article 86.4 below, having been issued to any person (other than a Bidco Company) at or after the Scheme Record Time (a "**New Member**") (each a "**Post-Scheme Share**") shall be issued on terms that they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue (but subject to the terms of articles 86.4 and 86.5 below)), be immediately transferred to Bidco (or such person as it may direct) (the "**Purchaser**"), who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the consideration to which a New Member would have been entitled had such Post-Scheme Share been a Scheme Share.
- 86.4 Any person who is beneficially entitled to shares issued to a New Member (other than, for the avoidance of doubt, a person who becomes beneficially entitled to shares by virtue of a transfer pursuant to this article 86.4 may, prior to the issue of Post-Scheme Shares to the New Member pursuant to the exercise of an option or satisfaction of an award under one of the RSA Share Plans (as defined in the Scheme), give not less than two business days' written notice to the Company in such manner as the board shall prescribe of his or her intention to transfer some or all of such Post-Scheme Shares to his or her spouse or civil partner and may, if such notice has been validly given, on or before such Post-Scheme Shares being issued to him or her, immediately transfer to his or her spouse or civil partner beneficial ownership of any such Post-Scheme Shares, provided that such Post-Scheme Shares (including both legal and beneficial ownership thereof) will then be immediately transferred to the Purchaser pursuant to article 86.3 above. If notice has been validly given pursuant to this article 86.4 but the beneficial owner does not immediately transfer to his or her spouse or civil partner, both the legal and beneficial ownership of the Post-Scheme Shares in respect of which notice was given will be transferred to the Purchaser and/or its nominee(s) pursuant to article 86.3 above. If notice is not given pursuant to this article 86.4, both the legal and beneficial ownership of the Post-Scheme Shares will be immediately transferred to the Purchaser pursuant to article 86.3 above.
- 86.5 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date (as defined in the Scheme), the value of the consideration per Post-Scheme Share to be paid under article 86.3 shall be adjusted by the Company in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this article to such shares shall, following such adjustment, be construed accordingly.
- 86.6 To give effect to any transfer of Post-Scheme Shares required pursuant to article 86.3, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and/or its nominees and do all such

other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to article 86.3 above by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder) for the purchase price of such Post-Scheme Shares as soon as practicable and in any event no later than 14 days after the date on which the Post-Scheme Shares are issued to the New Member.

- 86.7 If the Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) section 7(B) of the Scheme, this article 86 shall cease to be of any effect.
- 86.8 Notwithstanding any other provision of these articles, both the Company and the board shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than to the Purchaser and/or its nominee(s) pursuant to the Scheme.