

COMPANY NO. 2999842

**THE COMPANIES ACTS 1985 AND 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

**OF**

**EGG BANKING PLC**


Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following resolutions were passed as Special Resolutions on 13 February 2012

**SPECIAL RESOLUTIONS**

THAT the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 Companies Act 2006, are to be treated as provisions of the Company's Articles of Association

THAT the articles of association be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

The amended articles of association are attached hereto

  
S J Cumming  
Secretary

Presented by  
Simon J Cumming  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB



**COMPANY NO. 2999842**

**COMPANIES ACT 1985**

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**COMPANIES ACT 2006**

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**A PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**EGG BANKING PLC**

**(incorporating all modifications and resolutions passed up  
to and effective on 13 February 2012)**

## CONTENTS

Clause	Page
<b>PRELIMINARY .....</b>	<b>1</b>
TABLE A. ....	1
DEFINITIONS .....	1
INTERPRETATION AND CONSTRUCTION . ....	2
<b>MODEL ARTICLES OR REGULATIONS NOT TO APPLY.....</b>	<b>4</b>
MODEL ARTICLES OR REGULATIONS NOT TO APPLY .....	4
<b>LIABILITY OF MEMBERS .....</b>	<b>4</b>
LIABILITY OF MEMBERS .....	4
<b>SHARE CAPITAL.....</b>	<b>4</b>
SHARE CAPITAL... ..	4
<b>ALLOTMENT AND PRE-EMPTION .....</b>	<b>4</b>
AUTHORITY TO ALLOT .....	4
ALLOTMENT AFTER EXPIRY... ..	4
SECTION 561 DISAPPLICATION . ....	4
FULLY PAID SHARES.....	6
<b>POWER TO ISSUE DIFFERENT CLASSES OF SHARES.....</b>	<b>6</b>
REDEEMABLE SHARES... ..	6
SHARES WITH SPECIAL RIGHTS .....	6
<b>RIGHTS AND RESTRICTIONS ATTACHING TO SHARES.....</b>	<b>6</b>
RIGHTS AND RESTRICTIONS.....	6
<b>TRUSTS NOT RECOGNISED .....</b>	<b>6</b>
TRUSTS NOT RECOGNISED .....	6
<b>VARIATION OF RIGHTS .....</b>	<b>6</b>
METHOD OF VARYING RIGHTS....	6
WHEN RIGHTS DEEMED TO BE VARIED ....	6
<b>SHARE CERTIFICATES.....</b>	<b>7</b>
MEMBERS' RIGHTS TO CERTIFICATES.....	7
REPLACEMENT CERTIFICATES ...	7
<b>TRANSFER OF SHARES .....</b>	<b>7</b>
FORM AND EXECUTION OF TRANSFER OF CERTIFICATED SHARE ..	7
INVALID TRANSFERS OF SHARES....	7
NOTICE OF REFUSAL TO REGISTER.....	8

NO FEE PAYABLE ON REGISTRATION .....	8
RETENTION OF TRANSFERS.....	8
<b>TRANSMISSION OF SHARES .....</b>	<b>8</b>
ELECTIONS PERMITTED ....	8
ELECTIONS REQUIRED ..	8
RIGHTS OF PERSONS ENTITLED BY TRANSMISSION.....	8
<b>FRACTIONS OF SHARES .....</b>	<b>9</b>
FRACTIONS ARISING ....	9
<b>CHANGE OF COMPANY NAME .....</b>	<b>9</b>
CHANGE OF NAME. ....	9
<b>GENERAL MEETINGS .....</b>	<b>9</b>
ANNUAL GENERAL MEETINGS .....	9
CONVENING GENERAL MEETINGS: BOARD.....	9
CONVENING GENERAL MEETINGS: MEMBERS ...	9
<b>NOTICE OF GENERAL MEETINGS.....</b>	<b>9</b>
PERIOD OF NOTICE ...	9
SHORTER PERIOD OF NOTICE .....	9
RECIPIENTS OF NOTICE.....	9
CONTENTS OF NOTICE ...	9
ACCIDENTAL OMISSION TO GIVE NOTICE.....	10
<b>PROCEEDINGS AT GENERAL MEETINGS .....</b>	<b>10</b>
QUORUM ....	10
CHAIRMAN.....	10
RIGHTS TO ATTEND AND SPEAK.....	10
ADJOURNMENTS' CHAIRMAN'S POWERS .....	10
METHODS OF VOTING..	10
DECLARATION OF RESULT....	11
CHAIRMAN'S CASTING VOTE ..	11
CONDUCT OF POLL .....	11
<b>VOTES OF MEMBERS.....</b>	<b>11</b>
RIGHT TO VOTE..	11
JOINT HOLDERS OF SHARES .....	11
ENTITLEMENT TO VOTE...	11
<b>PROXIES AND CORPORATE REPRESENTATIVES.....</b>	<b>11</b>
APPOINTMENT OF PROXY .....	11

INSTRUMENT OF APPOINTMENT. ....	12
FORM OF APPOINTMENT. ....	12
VALIDITY ....	13
QUORUM . ....	13
CORPORATE REPRESENTATIVE .....	13
<b>CLASS MEETINGS .....</b>	<b>13</b>
CLASS MEETINGS .....	13
<b>NUMBER OF DIRECTORS .....</b>	<b>14</b>
LIMITS ON NUMBER OF DIRECTORS.....	14
<b>APPOINTMENT OF DIRECTORS .....</b>	<b>14</b>
ADDITIONAL POWERS OF THE COMPANY.....	14
NO SHARE QUALIFICATION.. ....	14
NO RETIREMENT BY ROTATION . ....	14
<b>ALTERNATE DIRECTORS .....</b>	<b>14</b>
POWER TO APPOINT ALTERNATES.. ....	14
ALTERNATES ENTITLED TO RECEIVE NOTICE.. ....	14
ALTERNATES REPRESENTING MORE THAN ONE DIRECTOR.....	14
TERMINATION OF APPOINTMENT . ....	14
ALTERNATE NOT AN AGENT OF APPOINTOR.....	15
<b>REMUNERATION AND EXPENSES OF ALTERNATE DIRECTORS .....</b>	<b>15</b>
REMUNERATION AND EXPENSES OF ALTERNATE .....	15
<b>POWERS OF THE BOARD.....</b>	<b>15</b>
BUSINESS TO BE MANAGED BY BOARD .....	15
BORROWING POWERS.....	15
<b>DELEGATION OF POWERS OF THE BOARD .....</b>	<b>15</b>
COMMITTEES OF THE BOARD... ..	15
AGENTS .....	16
OFFICES INCLUDING THE TITLE "DIRECTOR" .....	16
<b>REMOVAL BY ORDINARY RESOLUTION .....</b>	<b>16</b>
REMOVAL BY ORDINARY RESOLUTION .....	16
<b>VACATION OF OFFICE BY DIRECTOR.....</b>	<b>16</b>
VACATION OF OFFICE.....	16
<b>REMUNERATION OF DIRECTORS .....</b>	<b>17</b>
ORDINARY REMUNERATION .. ....	17
<b>DIRECTORS' EXPENSES.....</b>	<b>17</b>

DIRECTORS MAY BE PAID EXPENSES.....	17
<b>DIRECTORS' INTERESTS .....</b>	<b>18</b>
DIRECTORS' INTERESTS .....	18
CONFIDENTIAL INFORMATION.....	18
DECLARATION OF INTERESTS .....	19
ENTRY INTO TRANSACTIONS AND ARRANGEMENTS WITH THE COMPANY. ....	20
REMUNERATION AND BENEFITS .....	20
REQUIREMENTS AS TO VOTING AND QUORUM .....	21
DIRECTORS' INTERESTS : MISCELLANEOUS .....	23
<b>DIRECTORS' PENSIONS OR OTHER BENEFITS .....</b>	<b>23</b>
DIRECTORS' PENSIONS AND OTHER BENEFITS .....	23
<b>PROVISIONS FOR EMPLOYEES .....</b>	<b>23</b>
PROVISIONS FOR EMPLOYEES .....	23
<b>PROCEEDINGS OF THE BOARD.....</b>	<b>24</b>
PROCEEDINGS OF THE BOARD .....	24
QUORUM.....	24
<b>POWERS OF DIRECTORS BEING LESS THAN MINIMUM REQUIRED NUMBER.....</b>	<b>24</b>
POWERS OF DIRECTORS IF NUMBER FALLS BELOW MINIMUM .....	24
<b>CHAIRMAN OF BOARD.....</b>	<b>24</b>
CHAIRMAN AND DEPUTY CHAIRMAN.....	24
<b>VALIDITY OF PROCEEDINGS OF BOARD OR COMMITTEE.....</b>	<b>25</b>
VALIDITY OF ACTS OF THE BOARD ....	25
<b>RESOLUTION IN WRITING.....</b>	<b>25</b>
RESOLUTIONS IN WRITING.....	25
<b>PARTICIPATION BY TELEPHONE.....</b>	<b>25</b>
PARTICIPATION BY TELEPHONE.....	25
<b>EXERCISE OF VOTING POWERS.....</b>	<b>25</b>
EXERCISE OF VOTING POWERS .....	25
<b>SECRETARY .....</b>	<b>26</b>
APPOINTMENT AND REMOVAL OF SECRETARY ....	26
<b>AUTHENTICATION OF DOCUMENTS.....</b>	<b>26</b>
AUTHENTICATION OF DOCUMENTS.....	26
<b>RECORDS OF PROCEEDINGS.....</b>	<b>26</b>
MINUTES.. ..	26

<b>THE SEAL.....</b>	<b>26</b>
THE SEAL . . . . .	26
<b>DIVIDENDS.....</b>	<b>27</b>
DECLARATION OF DIVIDENDS . . . . .	27
INTERIM DIVIDENDS . . . . .	27
PAYMENT OF DIVIDENDS IN SPECIE . . . . .	27
METHOD OF PAYMENT . . . . .	27
DIVIDENDS NOT TO BEAR INTEREST . . . . .	28
CALLS OR DEBTS MAY BE DEDUCTED . . . . .	29
<b>CAPITALISATION OF PROFITS.....</b>	<b>29</b>
CAPITALISATION OF PROFITS. . . . .	29
<b>RECORD DATES.....</b>	<b>30</b>
RECORD DATES FOR DIVIDENDS, ETC. . . . .	30
<b>ACCOUNTS.....</b>	<b>30</b>
KEEPING AND INSPECTION OF ACCOUNTS.....	30
ACCOUNTS TO BE SENT TO MEMBERS ETC. . . . .	30
SUMMARY FINANCIAL STATEMENT . . . . .	31
<b>NOTICES AND COMMUNICATIONS.....</b>	<b>31</b>
FORM OF NOTICE.....	31
DEEMED DELIVERY . . . . .	31
NOTICE BINDING ON TRANSFEREES . . . . .	32
NOTICE TO JOINT HOLDERS OR ON TRANSMISSION. . . . .	32
<b>WINDING UP .....</b>	<b>32</b>
WINDING UP.....	32
<b>INDEMNITY OF OFFICERS, FUNDING DIRECTORS' DEFENCE COSTS AND POWER TO PURCHASE INSURANCE .....</b>	<b>33</b>
INDEMNITY . . . . .	33
FUNDING DIRECTORS' DEFENCE COSTS . . . . .	34
POWER TO PURCHASE INSURANCE.....	34

COMPANY NO. 2999842

COMPANIES ACT 1985

COMPANIES ACT 2006

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

EGG BANKING PLC

(adopted by special resolution effective 13 February 2012)

**PRELIMINARY**

- |             |   |   |
|-------------|---|---|
| Table A     | 1 | The regulations contained in these Articles shall constitute the regulations for the management of the Company to the exclusion of the regulations in Table A in the Schedule to the Companies (A-F) Regulations 1985, as amended and all other regulations which might otherwise apply to the Company  |
| Definitions | 2 | <p>In these Articles, except where the subject or context otherwise requires</p> <p>"<b>Act</b>" means the Companies Act 2006,</p> <p>"<b>Articles</b>" means these Articles of association as amended from time to time,</p> <p>"<b>auditors</b>" means the auditors from time to time of the Company,</p> <p>"<b>the board</b>" means the board of directors from time to time of the Company or the directors present at a duly convened meeting of the directors at which a quorum is present,</p> <p>"<b>clear days</b>" in relation to a period of notice, the period excluding the day on which a notice is sent or deemed to be sent and the day for which it is sent or on which it is to take effect,</p> |

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

**"entitled by transmission"** means, in relation to a share in the capital of the Company, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law,

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

**"in writing"** means in hard copy form or, to the extent permitted by the Act, in any other form,

**"member"** means a member of the Company,

**"office"** means the registered office of the Company from time to time,

**"paid"** means paid or credited as paid,

**"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 representative of a corporation in relation to a meeting or a person appointed as proxy of a member in relation to the meeting,

**"register"** means the register of members of the Company kept pursuant to section 113 of the Act,

**"seal"** means the common seal of the Company and includes any official or securities seal kept by the Company under the Act,

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

**"subsidiary undertaking"** or **"parent undertaking"** is to be construed in accordance with section 1162 (and Schedule 7) of the Act which, for the purposes of this definition, shall be treated as including 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

**Interpretation  
and construction**

**3**

Unless the context otherwise requires words and expressions to which a particular meaning is given by the Act as in force when the Articles are adopted, shall have the same meaning in the Articles except where the word or expression is otherwise defined in the Articles

References to a **"meeting"** shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person

Subject to the preceding paragraph, references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the

Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force

References to a document include, unless the context otherwise requires, references to an electronic communication

References to a document being executed include references to its being executed under hand or under seal or in the case of an electronic communication, by electronic signature

Words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender, and words denoting persons include corporations

Headings and marginal notes are inserted for convenience only and do not affect the construction of these Articles

References to any statutory provision or statute include all modifications thereto and all re enactments thereof (with or without modification) and all subordinate legislation made thereunder in each case for the time being in force This Article does not affect the interpretation of the first paragraph of this Article 3

A member is "present" at a meeting if the member (being an individual) attends in person or if the member (being a corporation) attends by its duly authorised representative, who attends in person, or if the member attends by his or its duly appointed proxy, who attends in person

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

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

## **MODEL ARTICLES OR REGULATIONS NOT TO APPLY**

<b>Model articles or regulations not to apply</b>	<b>4</b>	No model articles or regulations contained in any statute or subordinate legislation including the regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 apply to the Company
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## **LIABILITY OF MEMBERS**

<b>Liability of members</b>	<b>5</b>	The liability of the members of the Company is limited to the amount, if any, unpaid on the shares held by them.
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## **SHARE CAPITAL**

<b>Share capital</b>	<b>6</b>	The share capital of the Company at the date of adoption of this Article is comprised of Ordinary Shares of £1 00 each, Preference shares of £1 00 each, Preference shares of US\$1 00 each and Preference shares of €1 00 each
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## **ALLOTMENT AND PRE-EMPTION**

<b>Authority to allot</b>	<b>7</b>	Subject to the Act and relevant authority given by the Company in general meeting, the board has general and unconditional authority to allot, grant options over, or otherwise dispose of, unissued shares of the Company or rights to subscribe for or convert any security into shares, to such persons, at such times and on such terms as the board may decide, except that no share may be issued at a discount
	<b>8</b>	The board has general and unconditional authority, pursuant to section 551 of the Act and in substitution for all existing authorities, to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount equal to the general allotment amount for (as the case may be) the first period and thereafter, each subsequent period
<b>Allotment after expiry</b>	<b>9</b>	By the authority conferred by Article 8, the board may, during a period which is the first period or a subsequent period, make offers and enter into agreements before the authority expires which would, or might, require shares in the Company to be allotted or rights to subscribe for or convert any security in the Company to be granted after the authority expires and the directors may allot such shares or grant such rights under any such offer or agreement as if the authority had not expired
<b>Section 561 disapplication</b>	<b>10</b>	<p>The board has general power, pursuant to section 570 of the Act and in substitution for all existing powers, to allot equity securities for cash pursuant to the authority conferred by Article 8 and/or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Act, in each case free of the restriction in section 561(1) of the Act for (as the case may be) the first period and thereafter, each subsequent period This power is limited to the allotment of equity securities</p> <p>(a) in connection with an offer of equity securities</p>

- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings, and
- (ii) to holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,

so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, and

- (b) otherwise than in the circumstances set out in Article 10(a), up to a nominal amount equal to the pre-emption disapplication amount

11 By the power conferred by Article 10, the board may, during a period which is the first period or a subsequent period, make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted after the power expires and the directors may allot equity securities under any such offer or agreement as if the power had not expired.

12 In Articles 7 to 11 (inclusive)

"**first period**" means the period commencing on the date of adoption of the Articles and expiring on the date on which a resolution to renew the authority conferred by Article 8 or the powers conferred by Article 10 (as the case may be) is passed or the fifth anniversary of the date of adoption of the Articles, whichever is the earlier,

"**general allotment amount**" means, for the first period, £176,884,806 and, for a subsequent period, the amount stated in the relevant ordinary or special resolution and identified as the general allotment amount,

"**pre-emption disapplication amount**" means, for the first period, £26,532,721 and, for a subsequent period, the amount stated in the relevant special resolution and identified as the pre-emption disapplication amount;

"**subsequent period**" means any period starting on or after the expiry of the first period for which the authority conferred by

- (a) Article 8 is renewed by ordinary or special resolution stating the general allotment amount
- (b) Article 10 is renewed by special resolution stating the pre-emption disapplication amount, and

the nominal amount of securities is, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of shares which may be allotted pursuant to those rights

	13	The board may at any time after the allotment of a share, but before a person has been entered in the register as the holder of the share, recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on such terms and conditions as the board thinks fit
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<b>Fully paid shares</b>	14	The Company may only issue shares fully paid
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#### **POWER TO ISSUE DIFFERENT CLASSES OF SHARES**

<b>Redeemable shares</b>	15	Subject to the Act, and without prejudice to any rights attached to any existing shares or class of shares, shares may be issued which are to be redeemed or are to be 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
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<b>Shares with special rights</b>	16	Subject to the Act and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with, or have attached to them, such rights or restrictions as either the Company may by ordinary resolution determine or, subject to and in default of such determination, as the board shall determine
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#### **RIGHTS AND RESTRICTIONS ATTACHING TO SHARES**

<b>Rights and restrictions</b>	17	If rights and restrictions attaching to shares are determined by ordinary resolution or by the directors pursuant to Article 15, 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
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#### **TRUSTS NOT RECOGNISED**

<b>Trusts not recognised</b>	18	Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share on any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any share except the holder's absolute right to the entirety of the share
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#### **VARIATION OF RIGHTS**

<b>Method of varying rights</b>	19	Subject to the Act, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of allotment of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class, but not otherwise
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<b>When rights deemed to be varied</b>	20	For the purposes of this Article 20, if at any time the capital of the Company is divided into different classes of shares, unless otherwise expressly provided by
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the rights attached to any share or class of shares, those rights shall be deemed to be varied by

- (a) the reduction of the capital paid up on that share or class of shares otherwise than by a purchase or redemption by the Company of its own shares, and
- (b) the allotment of another share ranking in priority for payment of a dividend or in respect of capital or which confers on its holder voting rights more favourable than those conferred by that share or class of shares,

but shall not be deemed to be varied by the creation, allotment or issue of further shares ranking equally with, or subsequent to, that share or class of shares or by the purchase or redemption by the Company of its own shares in accordance with the Act

#### SHARE CERTIFICATES

- |  |           |  |
|--|-----------|--|
| <b>Members' rights to certificates</b> | <b>21</b> | Every member (except a person to whom the Company is not required by law to issue a certificate), upon becoming the holder of any shares, shall within two months be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be issued under the seal, which may be affixed or printed on it, or shall be signed by two directors of the Company or by a director and the secretary of the Company or by one director in the presence of a witness who attests his signature, or shall be issued in such other manner as the board may approve and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them. |
|--|-----------|--|

Shares of different classes may not be included in the same certificate

- |                                 |           |   |
|---------------------------------|-----------|---|
| <b>Replacement certificates</b> | <b>22</b> | If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms as the board may determine. |
|---------------------------------|-----------|---|

#### TRANSFER OF SHARES

- |   |           |  |
|---|-----------|--|
| <b>Form and execution of transfer of certificated share</b> | <b>23</b> | The instrument of transfer of a share may be in writing in any usual form or in any other form which the board may approve and shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. An instrument of transfer need not be under seal. |
| <b>Invalid transfers of shares</b>                          | <b>24</b> | The board may, in its absolute discretion, refuse to register the transfer of a share unless the instrument of transfer  |

- (a) is lodged, duly stamped (if stampable), at the office or at another place appointed by the board and is accompanied by the certificate for the share to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer, and
  - (b) is in respect of only one class of shares
- Notice of refusal to register**      25      If the board refuses to register a transfer of a share, it shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal together with their reasons for the refusal
- No fee payable on registration**      26      No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to a share
- Retention of transfers**      27      The Company shall be entitled to retain an instrument of transfer which is registered, but an instrument of transfer which the board refuses to register shall (except in the case of suspected fraud) be returned to the person lodging it when notice of the refusal is sent

#### **TRANSMISSION OF SHARES**

- Elections permitted**      28      A person becoming entitled by transmission to a share may, on production of such evidence as to his entitlement as, subject to the Act, may be properly required by the board, elect either to become the holder of the share or to have another person nominated by him registered as the transferee. If he elects to become the holder he shall send notice to the Company to that effect. If he elects to have another person registered, he shall execute an instrument of transfer of the share to that person. All the provisions of these Articles relating to the transfer of shares apply to that notice or instrument of transfer as if it were an instrument of transfer executed by the member and the event giving rise to the transmission had not occurred
- Elections required**      29      The board may at any time send a notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days, the board may after the expiry of that period withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with
- Rights of persons entitled by transmission**      30      A person becoming entitled by transmission to a share shall, on production of any evidence as to his entitlement properly required by the board and subject to the requirements of Article 28 and Article 29, have the same rights in relation to the share as he would have had if he were the holder of the share. That person may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the Company or to receive notice of or to attend or vote at any separate meeting of the holders of any class of shares in the capital of the Company

### **FRACTIONS OF SHARES**

<b>Fractions arising</b>	<b>31</b>	Whenever any fractions arise as a result of a consolidation and division or subdivision of shares, the board may on behalf of the members deal with the fractions as it thinks fit, including any sale thereof
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### **CHANGE OF COMPANY NAME**

<b>Change of name</b>	<b>32</b>	Subject to the Act, the board may by resolution change the name of the Company
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### **GENERAL MEETINGS**

<b>Annual general meetings</b>	<b>33</b>	Subject to the Act, the Company shall hold an annual general meeting in each period of 6 months beginning with the day following its accounting reference date. Such meetings shall be convened by the board at such time and place as it thinks fit.
<b>Convening general meetings board</b>	<b>34</b>	The board may convene a general meeting whenever it thinks fit
<b>Convening general meetings members</b>	<b>35</b>	The board, on the requirement of members pursuant to the Act, shall call a general meeting (i) within 21 days from the date on which the board becomes 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. At a meeting convened on a requisition or by requisitionists no business may be transacted except that stated by the requisition or proposed by the board. A general meeting may also be convened in accordance with Article 92

### **NOTICE OF GENERAL MEETINGS**

<b>Period of notice</b>	<b>36</b>	An annual general meeting shall be called by not less than 21 clear days' notice. All other general meetings shall be called by not less than 14 clear days' notice
<b>Shorter period of notice</b>	<b>37</b>	<p>Subject to the Act, and although called by shorter notice than that specified in Article 36, a general meeting is deemed to have been duly called if it is so agreed</p> <p>(a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting, and</p> <p>(b) in the case of any other general meeting, 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 95 per cent in nominal value of the shares giving that right</p>
<b>Recipients of notice</b>	<b>38</b>	Subject to the Act, to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be sent to all the members (and to all persons entitled to a share in consequence of a death or bankruptcy), to each of the directors and, where required under the Act, to the auditors.
<b>Contents of notice</b>	<b>39</b>	The notice of meeting shall specify

- (a) whether the meeting is an annual general meeting or a general meeting,
- (b) the place, the date and the time of the meeting,
- (c) the general nature of the business to be dealt with at the meeting,
- (d) 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, and
- (e) with reasonable prominence, the member's rights to appoint one or more proxies under section 324 of the Act

**Accidental omission to give notice**

- 40 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

#### **PROCEEDINGS AT GENERAL MEETINGS**

**Quorum**

- 41 No business shall be transacted at any general meeting unless a quorum is present, but the absence of a quorum shall not preclude the choice or appointment of a chairman, which shall not be treated as part of the business of the meeting. If the Company has only one member, one qualifying person present at the meeting and entitled to vote is a quorum. Subject to the Act, in all other cases, two qualifying persons present at the meeting and entitled to vote are a quorum

**Chairman**

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

**Rights to attend and speak**

- 43 Each director shall be entitled to attend and speak at a general meeting and at a separate meeting of the holders of a class of shares whether or not he is a member

**Adjournments chairman's powers**

- 44 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting for such time and to such other place as the chairman may in his absolute discretion determine. No business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place

**Methods of voting**

- 45 A resolution put to the vote of a general meeting shall be decided on a show of hands (by a member or a person as proxy for a member) unless, before or on the declaration of the result of a vote on the show of hands or on the withdrawal of

any other demand for a poll, a poll is duly demanded. Subject to the Act, a poll may be demanded by the chairman of the meeting or any member present and entitled to vote.

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| <b>Declaration of result</b>   | 46 | Unless a poll is duly demanded, a declaration by the chairman 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. |
| <b>Chairman's casting vote</b> | 47 | In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote.  |
| <b>Conduct of poll</b>         | 48 | A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time, date and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.   |

#### VOTES OF MEMBERS

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| <b>Right to vote</b>           | 49 | <p>Subject to any special rights or restrictions attached to any class of shares by or in accordance with the Articles, on a vote on a resolution.</p> <p>(a) on a show of hands at a meeting, every member present (not being present by proxy) and entitled to vote on the resolution has one vote and every proxy present who has been duly appointed by a member entitled to vote on the resolution has one vote, and</p> <p>(b) on a poll taken at a meeting, every member present and entitled to vote has one vote in respect of each share held by him.</p> |
| <b>Joint holders of shares</b> | 50 | In the case of joint holders of a share, only the vote of the senior holder who votes (and any proxy duly authorised by him) may be counted by the Company. For the purposes of this Article 50, the senior holder of a share is determined by the order in which the names of the joint holders appear in the register of members.   |
| <b>Entitlement to vote</b>     | 51 | No member shall, unless the directors otherwise determine, be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.  |

#### PROXIES AND CORPORATE REPRESENTATIVES

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| <b>Appointment of proxy</b> | 52 | A member may appoint another person as his proxy to exercise all or any of his 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. Unless the contrary is stated in it, the appointment of a proxy shall be deemed to confer authority to exercise all such |
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rights, as the proxy thinks fit. A proxy need not be a member. 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. Deposit or delivery of a form of appointment of a proxy does not preclude a member from attending and voting at the meeting or at any adjournment of it or on a poll.

**Instrument of  
appointment**

53

Subject as set out herein, an instrument appointing a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor save that, subject to the Act, the directors may accept the appointment of a proxy received by electronic means at an address specified for such purpose, on such terms and subject to such conditions as they consider fit. The directors may require the production of any evidence which they consider necessary to determine the validity of any appointment pursuant to this Article 53.

**Form of  
appointment**

54

The form of appointment of a proxy and any evidence required by the directors in accordance with Article 53 shall be

(a) subject as set out in paragraphs (c) and (d) of this Article 54, in the case of an instrument of proxy in hard copy form, left at or sent by post to the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in the form of appointment of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote,

(b) subject as set out in paragraphs (c) and (d) of this Article 54, in the case of an appointment of a proxy sent by electronic means, where the Company has given an electronic address

(i) in the notice calling the meeting,

(ii) in an instrument of proxy sent out by the Company in relation to the meeting, or

(iii) in an invitation to appoint a proxy issued by the Company in relation to the meeting,

received at such address at any time before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote,

(c) in the case of a meeting adjourned for less than 28 days but more than 48 hours or in the case of a poll taken more than 48 hours after it is demanded, delivered or received as required by paragraphs (a) or (b) not less than 24 hours before the time appointed for the holding of the adjourned meeting or the taking of the poll, or

(d) in the case of a meeting adjourned for not more than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours

after it was demanded, delivered at the adjourned meeting or at the meeting at which the poll was demanded to the chairman or to the secretary or to any director,

and a form of appointment of proxy which is not deposited or delivered in accordance with this Article 54 is invalid

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| Validity                 | 55 | The Company is not obliged to verify that a proxy or representative of a corporation has acted in accordance with the terms of his appointment and any failure to so act in accordance with the terms of his appointment shall not affect the validity of any proceedings at a meeting of the Company   |
| Quorum                   | 56 | The termination of the authority of a person to act as proxy or as the duly authorised representative of a member which is a corporation does not affect whether he counts in deciding whether there is a quorum at a meeting, the validity of anything he does as chairman of a meeting, the validity of a poll demanded by him at a meeting, or the validity of a vote given by that person unless notice of the termination was received by the Company at the office or, in the case of a proxy, any other place specified for delivery or receipt of the form of appointment of proxy or, where the appointment of a proxy was sent by electronic means, at the address at which the form of appointment was received, before the commencement of the relevant meeting or adjourned meeting or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll |
| Corporate representative | 57 | In accordance with the Act, a corporation which is a member may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company (a " <b>representative</b> ") A director, the secretary or other person authorised for the purpose by the secretary may require a representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers   |

#### CLASS MEETINGS

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| Class meetings | 58 | <p>Save for the circumstances set out in s 334(2) and s 334(2A) of the Act, a separate meeting for the holders of a class of shares shall be convened and conducted as nearly as possible in the same way as a general meeting, except that</p> <ul style="list-style-type: none"><li>(a) no member is entitled to notice of it or to attend unless he is a holder of shares of that class;</li><li>(b) no vote may be cast except in respect of a share of that class,</li><li>(c) the quorum at a meeting (other than an adjourned meeting) is two qualifying persons present and entitled to vote and holding, representing or authorised to exercise voting rights in respect of, at least one third in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares),</li></ul> |
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- (d) the quorum at an adjourned meeting is one qualifying person present and entitled to vote and holding, representing or authorised to exercise voting rights in respect of, shares of that class, and
- (e) any holder of shares of that class present and entitled to vote may demand a poll

#### **NUMBER OF DIRECTORS**

<b>Limits on number of directors</b>	59	Unless otherwise determined by ordinary resolution, there shall be no maximum number of directors (other than alternate directors) and the minimum shall be two
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#### **APPOINTMENT OF DIRECTORS**

<b>Additional powers of the Company</b>	60	The Company by ordinary resolution or the directors may appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director. The appointment of a person to fill a vacancy or as an additional director shall take effect from the end of the meeting
<b>No share qualification</b>	61	A director shall not be required to hold any shares in the capital of the Company by way of qualification
<b>No retirement by rotation</b>	62	The directors shall not be liable to retire by rotation

#### **ALTERNATE DIRECTORS**

<b>Power to appoint alternates</b>	63	Any director (other than an alternate director) may appoint any other director, or any other person approved by the board and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him by notice to the Company by means of an instrument delivered to the Company or in any other manner approved by the board and any such notice shall take effect from receipt by the Company.
<b>Alternates entitled to receive notice</b>	64	An alternate director shall be entitled to attend and vote at any board meeting at which his appointor is not personally present. It shall not be necessary to give notice of a board meeting to an alternate director who is absent from the United Kingdom
<b>Alternates representing more than one director</b>	65	A director or any other person may act as alternate director to represent more than one director, and an alternate director shall be entitled at meetings of the board to one vote for every director whom he represents (and who is not present) in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present
<b>Termination of appointment</b>	66	<p>An alternate director shall cease to be an alternate director</p> <ul style="list-style-type: none"> <li>(a) if his appointor ceases to be a director, or</li> <li>(b) on the happening of any event which, if he were a director, would cause him to vacate his office as director, or</li> </ul>

- (c) if he resigns his office by notice to the Company; or
- (d) if the appointer shall send a notice of the revocation of the appointment to the Company either by an instrument delivered to the Company or in any other manner approved by the board, and shall take effect in accordance with the terms of the notice on receipt of such notice

Alternate not an agent of appointor 67

An alternate director shall be deemed to be a director only for the purposes aforesaid in Articles 63 to 66 but not otherwise. An alternate director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him

#### REMUNERATION AND EXPENSES OF ALTERNATE DIRECTORS

Remuneration and expenses of alternate 68

An alternate director is not entitled to a fee from the Company for his services as an alternate director. The fee payable to an alternate director is payable out of the fee payable to his appointor and consists of such portion (if any) of the fee as he agrees with his appointor. The Company shall, however, repay to an alternate director expenses incurred by him in the performance of his duties if the Company would have been required to repay the expenses to him under Article 79 had he been a director

#### POWERS OF THE BOARD

Business to be managed by board 69

Subject to the Act and these Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the board which may exercise all the powers of the Company, whether relating to the management of the business or not, including without limitation the power to dispose of all or any part of the undertaking of the Company. No alteration of the Articles and no direction given by the Company shall invalidate any prior act of the board which would have been valid if that alteration had not been made or the direction had not been given. A meeting of the board at which a quorum is present may exercise all powers exercisable by the board. The provisions of the Articles giving specific powers to the board do not limit the general powers given by this Article 69

Borrowing powers 70

Subject to the following provisions of this Article 70, the board may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the Act, to issue debentures and other securities, whether outright or as collateral security for a debt, liability or obligation of the Company or of a third party

#### DELEGATION OF POWERS OF THE BOARD

Committees of the board 71

The board may delegate any of its powers (with power to sub-delegate) to any committee consisting of one or more directors and/or one or more other persons (whether a member of the board or not). The board may also delegate to any director holding any executive office such of its powers as the board considers desirable to be exercised by him for such time and on such terms and conditions as it thinks fit. Any such delegation shall, in the absence of express provision to

the contrary in the terms of delegation, be deemed to include authority to sub-delegate to one or more directors or other persons (whether or not acting as a committee) or to any employee or agent of the Company all or any of the powers delegated and may be made subject to such conditions as the board may specify, and may be revoked or altered. In particular, the board may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the committee. The board may at any time revoke the delegations or alter any terms and conditions or discharge the committee in whole or in part. Subject to any conditions imposed by the board, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of directors so far as they are capable of applying.

**Agents**                      72      The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company and may delegate to that person any of its powers, authorities and discretions (not exceeding those vested in the board) for such purposes and on such conditions as the board determines, including without limitation authority for the agent to sub-delegate all or any of his powers, authorities and discretions, and may revoke or vary such appointment or delegation.

**Offices including the title "director"**                      73      The board may appoint any person to any office or employment having a designation or title including the words "director" or "managing director" or attach to any existing office or employment with the Company such a designation or title and may terminate any such appointment or the use of any such designation or title. The inclusion of the words "director" or "managing director" in the designation or title of any such office or employment shall not imply that the holder is a director of the Company, and the holder shall not thereby be empowered in any respect to act as, or be deemed to be, a director of the Company for any of the purposes of these Articles.

#### **REMOVAL BY ORDINARY RESOLUTION**

**Removal by ordinary resolution**                      74      In addition to any power of removal conferred by the Act, the Company may by ordinary resolution remove a director before the expiry of his period of office (without prejudice to a claim for damages for breach of contract or otherwise) and may (subject to the Articles) by ordinary resolution appoint another person who is willing to act to be a director in his place. A person appointed in this way is treated, for the purposes of determining the time at which he or another director is to retire, as if he had become a director on the date on which the person in whose place he is appointed was last appointed or reappointed a director.

#### **VACATION OF OFFICE BY DIRECTOR**

**Vacation of office**                      75      Without prejudice to the provisions for retirement contained in the Articles, the office of a director is vacated if

(a)      he resigns by notice delivered to the secretary at the office or tendered at a board meeting,

- (b) where he has been appointed for a fixed term, the term expires,
- (c) he ceases to be a director by virtue of a provision of the Act, is removed from office pursuant to the Articles or becomes prohibited by law from being a director,
- (d) he becomes bankrupt or compounds with his creditors generally or he applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act,
- (e) he is or has been suffering from mental ill health or becomes a patient for the purpose of any statute relating to mental health or any court claiming jurisdiction on the ground of mental disorder (however stated) makes an order for his detention or for the appointment of a guardian, receiver or other person (howsoever designated) to exercise powers with respect to his property or affairs, and in any such case the board resolves that his office be vacated,
- (f) both he and his alternate director appointed pursuant to the provisions of the Articles (if any) are absent, without the permission of the board, from board meetings for six consecutive months and the board resolves that his office be vacated, or
- (g) he is removed from office by notice addressed to him at his last known address and signed by all his co directors (without prejudice to a claim for damages for breach of contract or otherwise)

76 A resolution of the board declaring a director to have vacated office under the terms of this Article is conclusive as to the fact and grounds of vacation stated in the resolution

77 If the office of a director is vacated for any reason, he shall cease to be a member of any committee of the board

#### REMUNERATION OF DIRECTORS

Ordinary remuneration      78 The directors shall be entitled to such remuneration and emoluments as the Company may by ordinary resolution determine.

#### DIRECTORS' EXPENSES

Directors may be paid expenses      79 The directors may be paid all reasonable travelling, hotel, and other expenses properly incurred by them in connection with the performance of their duties as directors, including expenses incurred in connection with their attendance at meetings of the board or committees of the board, general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties. 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 for the purposes of the Company or for the purpose of enabling him properly to

perform his duties as an officer of the Company or to enable him to avoid incurring any such expenditure

#### **DIRECTORS' INTERESTS**

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| <b>Directors' interests</b> | <b>80</b> | <p>Directors' interests other than in relation to transactions or arrangements with the Company - authorisation under section 175 of the Act</p> <ul style="list-style-type: none"><li>(a) The board may authorise any matter proposed to it which would, if not so authorised, involve a breach of duty by a director under section 175 of the Act</li><li>(b) Any authorisation under Article 80(a) will be effective only if<ul style="list-style-type: none"><li>(i) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other director interested in the matter under consideration, and</li><li>(ii) the matter was agreed to without such directors voting or would have been agreed to if such directors' votes had not been counted</li></ul></li><li>(c) The board may give any authorisation under Article 80(a) upon such terms as it thinks fit. The board may vary or terminate any such authorisation at any time.</li><li>(d) For the purposes of Articles 80 to 86 (inclusive), a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests</li></ul> |
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| <b>Confidential information</b> | <b>81</b> | <p>Confidential information and attendance at board meetings</p> <ul style="list-style-type: none"><li>(a) A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. In particular the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he<ul style="list-style-type: none"><li>(i) fails to disclose any such information to the board or to any director or other officer or employee of the Company, and/or</li><li>(ii) does not use or apply any such information in performing his duties as a director of the Company</li></ul></li></ul> |
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However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article 0(a) applies only if the existence of that relationship has been authorised by the board pursuant to Article 80(a) (subject, in any such case, to any terms upon which such authorisation was given)

- (b) Where the existence of a director's relationship with another person has been authorised by the board pursuant to Article 80(a) and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he.
  - (i) absents himself from meetings of the board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
  - (ii) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser on his behalf,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists
- (c) The provisions of Articles 0(a) and 0(b) are without prejudice to any equitable principle or rule of law which may excuse the director from
  - (i) disclosing information, in circumstances where disclosure would otherwise be required under these Articles; and/or
  - (ii) attending meetings or discussions or receiving documents and information as referred to in Article 0(b), in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

**Declaration of  
interests**

- 82 Declaration of interests in proposed or existing transactions or arrangements with the Company
- (a) 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 interest to the other directors before the Company enters into the transaction or arrangement
  - (b) 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 interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under Article 0(a)
  - (c) Any declaration required by Article 0(a) may (but need not) be made at a meeting of the directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act Any declaration required by Article 0(b) must be made at a meeting of the directors or by notice in writing in accordance with

section 184 of the Act or by general notice in accordance with section 185 of the Act

- (d) If a declaration made under Article 0(a) or 0(b) above proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under Article 0(a) or 0(b), as appropriate
- (e) A director need not declare an interest under Articles 80 to 86 (inclusive)
  - (i) if it cannot reasonably be regarded as likely to give rise to a conflict of interest,
  - (ii) 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),
  - (iii) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for the purpose under these Articles, or
  - (iv) if the director is not aware of his 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 ought reasonably to be aware)

Entry into  
transactions and  
arrangements  
with the  
Company

83 Ability to enter into transactions and arrangements with the Company notwithstanding interest

- (a) Subject to the provisions of the Act and provided that he has declared to the board the nature and extent of any direct or indirect interest of his in accordance with Articles 80 to 86 or where Article 0(e) applies and no declaration of interest is required, a director notwithstanding his office
  - (i) 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,
  - (ii) may act by himself or through his 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 board may decide, or
  - (iii) may be a director or other officer of, or employed 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

Remuneration  
and benefits

84 Remuneration and benefits

- (a) A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate
  - (i) the acceptance, entry into or existence of which has been authorised by the board pursuant to Article 80(a) (subject, in any such case, to any terms upon which such authorisation was given), or
  - (ii) which he is permitted to hold or enter into by virtue of Article 0(e) or otherwise pursuant to these Articles,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act. No transaction or arrangement authorised or permitted pursuant to Articles 80(a) or 0(e) or otherwise pursuant to these Articles shall be liable to be avoided on the ground of any such interest or benefit.

Requirements as to voting and quorum 85

#### General voting and quorum requirements

- (a) Save as otherwise provided by these Articles, a director shall not vote on or be counted in the quorum in relation to a resolution of the board or committee of the board concerning a matter in which he has a direct or indirect interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters
  - (i) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings,
  - (ii) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security,
  - (iii) a transaction or arrangement concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub underwriting of which he is to participate,
  - (iv) a transaction or arrangement to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he or any person

connected with him is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "relevant company"), if he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the Act) representing one per cent or more of either any class of the equity share capital (excluding any shares of that class held as treasury shares) in the relevant company or of the voting rights available to members of the relevant company,

- (v) a transaction or arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates, or
  - (vi) a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors
- (b) A director shall not vote on or be counted in the quorum in relation to a resolution of the board or committee of the board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any body corporate in which the Company is directly or indirectly interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a body corporate in which the Company is directly or indirectly interested, such proposals may be divided and a separate resolution considered in relation to each director. In that case, each of the directors concerned (if not otherwise debarred from voting under Articles 80 to 86) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (c) If a question arises at a meeting as to the materiality of a director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a director (other than the chairman) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the director concerned is conclusive and binding on all concerned.
- (d) If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.

- (e) For the purposes of Articles 80 to 86, in relation to an alternate director, the interest of his appointor is treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has. Articles 80 to 86 apply to an alternate director as if he were a director otherwise appointed.

Directors'  
interests  
miscellaneous

86 Miscellaneous

- (a) The Company may by ordinary resolution suspend or relax the provisions of Articles 80 to 86 to any extent. Subject to the Act, the Company may by ordinary resolution ratify any transaction or arrangement not properly authorised by reason of a contravention of Articles 80 to 86.

**DIRECTORS' PENSIONS OR OTHER BENEFITS**

Directors'  
pensions and  
other benefits

- 87 The board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (by insurance or otherwise) for a person who is or has at any time been a director of:

- (a) the Company,  
(b) a company which is or was a subsidiary undertaking of the Company,  
(c) a company which is or was allied to or associated with the Company or a subsidiary undertaking of the Company; or  
(d) a predecessor in business of the Company or of a subsidiary undertaking of the Company,

(or, in each case, for any member of his family, including a spouse or former spouse, or a person who is or was dependent on him). For this purpose the board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums. The board may arrange for this to be done by the Company alone or in conjunction with another person.

- 88 A director or former director is entitled to receive and retain for his own benefit a pension or other benefit provided under Article 87 and is not obliged to account for it to the Company.

**PROVISIONS FOR EMPLOYEES**

Provisions for  
employees

- 89 The board may exercise the powers conferred on the Company by the Act to make provision for the benefit of a person (other than a director, former director or shadow director) employed or formerly employed by the Company or any of its subsidiary undertakings (or any member of his family, including a spouse or former spouse, or any person who is or was dependent on him) in connection with the cessation or the transfer to a person of the whole or part of the undertaking of the Company or the subsidiary undertaking.

## **PROCEEDINGS OF THE BOARD**

**Proceedings of  
the board**

90

Subject to the provisions of these Articles, the board may regulate its proceedings as it thinks fit. A director may, and the secretary at the request of a director shall, call a meeting of the board at any time. Notice of a board meeting shall be deemed to be properly sent to a director if it is sent to him personally or by word of mouth or sent in writing or by electronic means to him at his last known address or any other address as may be for the time being notified by him or on his behalf to the Company. It shall not be necessary to give notice of a board meeting to any director who is for the time being absent from the United Kingdom. No account is to be taken of directors absent from the United Kingdom when considering the adequacy of the period of notice of the meeting. Questions arising at a meeting of the board shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. Any director may waive the requirement that notice be given of a meeting and any such waiver may be retrospective.

**Quorum**

91

The quorum for the transaction of the business of the board may be fixed by the board or these Articles and unless so fixed at any other number shall be two directors present in person or by alternate director. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. Any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no director objects. A duly convened meeting of the board at which a quorum is present is competent to exercise all of any of the authorities, powers and discretions vested in or exercisable by the board.

## **POWERS OF DIRECTORS BEING LESS THAN MINIMUM REQUIRED NUMBER**

**Powers of  
directors if  
number falls  
below minimum**

92

If the number of directors is less than the minimum prescribed by the Articles or decided by the Company by ordinary resolution, the remaining director or directors may act only for the purposes of appointing an additional director or directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If no director or directors is or are able or willing to act, two members may convene a general meeting for the purpose of appointing directors. An additional director appointed in this way holds office (subject to the Articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting.

## **CHAIRMAN OF BOARD**

**Chairman and  
deputy  
chairman**

93

The board may appoint one of their number to be the chairman, and one of their number to be the deputy chairman, of the board and may at any time remove either of them from such office. Unless he is unwilling to do so, the director appointed as chairman, or in his stead the director appointed as deputy chairman, shall preside at every meeting of the board at which he is present. If there is no director holding either of those offices, or if neither the chairman nor the deputy chairman is willing to preside or neither of them is present for the

meeting, the directors present may appoint one of their number to be chairman of the meeting

#### **VALIDITY OF PROCEEDINGS OF BOARD OR COMMITTEE**

- |                                      |           |  |
|--------------------------------------|-----------|--|
| <b>Validity of acts of the board</b> | <b>94</b> | All acts done by a meeting of the board, or of a committee of the board, or by a person acting as a director, alternate director or member of a committee shall be valid notwithstanding that it is afterwards discovered that there was a defect in the appointment of any person or that any of them were disqualified from holding office, or had ceased to hold office, or were not entitled to vote on the matter in question |
|--------------------------------------|-----------|--|

#### **RESOLUTION IN WRITING**

- |                               |           |   |
|-------------------------------|-----------|---|
| <b>Resolutions in writing</b> | <b>95</b> | A resolution in writing executed by all directors for the time being entitled to receive notice of a board meeting, who would have been entitled to vote on the resolution at the meeting and not being less than a quorum, or by all members of a committee of the board for the time being entitled to receive notice of a committee meeting, who would have been entitled to vote on the resolution at the meeting and not being less than a quorum, is as valid and effective for all purposes as a resolution passed at a meeting of the board (or committee, as the case may be) The resolution in writing may consist of several documents in the same form each executed by one or more of the directors or members of the relevant committee The resolution in writing need not be executed by an alternate director if it is executed by his appointor and a resolution executed by an alternate director need not be executed by his appointor |
|-------------------------------|-----------|---|

#### **PARTICIPATION BY TELEPHONE**

- |                                   |           |  |
|-----------------------------------|-----------|--|
| <b>Participation by telephone</b> | <b>96</b> | A director or his alternate director may participate in a meeting of the board or a committee of the board through the medium of conference telephone, video teleconference or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting A person participating in this way is deemed to be present in person at the meeting and is counted in the quorum and entitled to vote Subject to the Act, all business transacted in this way by the board or a committee of the board is for the purposes of the Articles deemed to be validly and effectively transacted at a meeting of the board or a committee of the board although fewer than two directors or alternate directors are physically present at the same place The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is |
|-----------------------------------|-----------|--|

#### **EXERCISE OF VOTING POWERS**

- |                                  |           |  |
|----------------------------------|-----------|--|
| <b>Exercise of voting powers</b> | <b>97</b> | The board may exercise or cause to be exercised the voting powers conferred y shares in the capital of another company held or owned by the Company, or a power of appointment to be exercised by the Company, in any manner it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of a director as an officer or employee of that company) |
|----------------------------------|-----------|--|

## **SECRETARY**

**Appointment  
and removal of  
secretary**

- 98 Subject to the Act, the board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including, without limitation, remuneration) as it thinks fit. The board may remove a person appointed pursuant to this Article 98 from office and appoint another or others in his place. Any provision of the Act or of the Articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.

## **AUTHENTICATION OF DOCUMENTS**

**Authentication  
of documents**

- 99 A director or the secretary or another person appointed by the board for the purpose may authenticate documents affecting the constitution of the Company (including the Articles) and resolutions passed by the Company or holders of a class of shares or the board or a committee of the board and books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts.

## **RECORDS OF PROCEEDINGS**

**Minutes**

- 100 The board shall cause minutes to be made in books kept for the purpose
- (a) of all appointments of officers and committees made by the board and of any remuneration fixed by the board; and
  - (b) of all proceedings of general meetings of the Company, of the holders of any class of shares in the Company, and of the board, and of committees of the board, including the names of the directors present at each such meeting.
- 101 If purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, minutes are evidence of the proceedings at the meeting.
- 102 The board shall cause records to be made in books kept for the purpose of all directors' written resolutions.
- 103 All such minutes and written resolutions must be kept for at least 10 years from the date of the meeting or written resolution, as the case may be.

## **THE SEAL**

**The Seal**

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

- (a) share certificates and certificates issued in respect of debentures or other securities (subject to the provisions of the relevant instrument) need not be signed or, if signed, a signature may be applied by mechanical or other means or may be printed; and
- (b) every other instrument to which a seal is affixed shall be signed by one director and by the secretary or a second director, or by one director in the presence of a witness who attests his signature

## **DIVIDENDS**

- |                                       |     |   |
|---------------------------------------|-----|---|
| <b>Declaration of dividends</b>       | 105 | Subject to the Act and the Articles, the Company may by ordinary resolution declare dividends in accordance with the respective rights and interests of the members, but no dividend shall exceed the amount recommended by the board   |
| <b>Interim dividends</b>              | 106 | Subject to the Act, the board may pay interim dividends if it appears to the board that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The board may also pay at intervals settled by it any dividend payable at a fixed rate if it appears to the board that the profits available for distribution justify the payment. If the board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights. |
| <b>Payment of dividends in specie</b> | 107 | <p>The board may, with the prior authority of an ordinary resolution of the Company, direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of another company. Where a difficulty arises in connection with the distribution, the board may settle it as it thinks fit and in particular, may</p> <ul style="list-style-type: none"> <li>(a) issue fractional certificates (or ignore fractions),</li> <li>(b) fix the value for distribution of the specific assets (or any part of them),</li> <li>(c) decide that a cash payment be made to a member on the basis of the value so fixed, in order to secure equality of distribution, and</li> <li>(d) vest assets in trustees on trust for the persons entitled to the dividend as seems expedient to the board</li> </ul>  |
| <b>Method of payment</b>              | 108 | <p>The Company may pay any dividend, interest or other amount payable in respect of a share</p> <ul style="list-style-type: none"> <li>(a) in cash,</li> </ul>  |

- (b) by cheque, warrant or money order made payable to or to the order of the person entitled to the payment (and may, at the Company's option, be crossed "account payee" where appropriate),
  - (c) by a bank or other funds transfer system to an account designated in writing by the person entitled to the payment, or
  - (d) by such other method as the person entitled to the payment may in writing direct and the board may agree
- 109 The Company may send a cheque, warrant or money order by post
- (a) in the case of a sole holder, to his registered address,
  - (b) in the case of joint holders, to the registered address of the person whose name appears first in the register,
  - (c) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with Article 124(b), or
  - (d) in any case, to a person and address that the person or persons entitled to the payment may in writing direct
- 110 Where a share is held jointly or two or more persons are jointly entitled by transmission to a share
- (a) the Company may pay any dividend, interest or other amount payable in respect of that share to any one joint holder, or any one person entitled by transmission to the share, and in either case that holder or person may give an effective receipt for the payment, and
  - (b) for any of the purposes of this Article 110, the Company may rely in relation to a share on the written direction or designation of any one joint holder of the share, or any one person entitled by transmission to the share
- 111 Every cheque, warrant or money order sent by post is sent at the risk of the person entitled to the payment. If payment is made by bank or other funds transfer, by means of a relevant system or by another method at the direction of the person entitled to payment, the Company is not responsible for amounts lost or delayed in the course of making that payment
- 112 The board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided such evidence of his right as the board may reasonably require
- Dividends not to bear interest** 113 No dividend or other amount payable by the Company in respect of a share bears interest as against the Company unless otherwise provided by the rights attached to the share

Calls or debts  
may be  
deducted

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

#### CAPITALISATION OF PROFITS

Capitalisation of  
profits

- 115 Subject to the Act, the board may, with the authority of an ordinary resolution of the Company

- (a) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution,
- (b) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amount of ordinary shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards
  - (i) paying up the amounts (if any) for the time being unpaid on shares held by them respectively, or
  - (ii) paying up in full unissued shares or debentures of a nominal amount equal to that sum,

and allot the shares or debentures, credited as fully paid, to the members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid,

- (c) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular where shares or debentures become distributable in fractions the board may deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than £5, or such other sum as the board may decide, the sum may be retained for the benefit of the Company),
- (d) authorise a person to enter (on behalf of all the members concerned) an agreement with the Company providing for either
  - (i) the allotment to the members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation, or
  - (ii) the payment by the Company on behalf of the members (by the application of their respective proportions of the reserves

resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares,

an agreement made under the authority being effective and binding on all those members, and

- (e) generally do all acts and things required to give effect to the resolution

#### **RECORD DATES**

- Record dates for dividends, etc** 116 Notwithstanding any other provision of these Articles, but subject to the Act and rights attached to the shares, the Company or the board may fix any date as the record date for any dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid.

#### **ACCOUNTS**

- Keeping and inspection of accounts** 117 The board shall ensure that accounting records are kept in accordance with the Act. The accounting records shall be kept at the office or, subject to the Act, at another place decided by the board and shall be available during business hours for the inspection of the directors and other officers. No member (other than a director or other officer) has the right to inspect an accounting record or other document except if that right is conferred by the Act or he is authorised by the board or by an ordinary resolution of the Company.

- Accounts to be sent to members etc** 118 In respect of each financial year, a copy of the Company's annual accounts, the directors' report and the auditors' report on those accounts shall be sent or supplied to

- (a) every member (whether or not entitled to receive notices of general meetings),
- (b) every holder of debentures (whether or not entitled to receive notices of general meetings), and
- (c) every other person who is entitled to receive notices of general meetings,

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

- (d) a member or holder of debentures of whose address the Company is unaware, or
- (e) more than one of the joint holders of shares or debentures

- 119 The board may determine that persons entitled to receive a copy of the Company's annual accounts, the directors' report and the auditors' report on those accounts are those persons entered on the register at the close of business on a day determined by the board.

**Summary  
financial  
statement**

- 120 Where permitted by the Act, a summary financial statement derived from the Company's annual accounts and the directors' report in the form and containing the information prescribed by the Act may be sent or supplied to a person so electing in place of the documents required to be sent or supplied by Article 118.

**NOTICES AND COMMUNICATIONS**

**Form of notice**

- 121 Form of notices and communications by the company.

- (a) Save where these Articles expressly require otherwise, any notice, document or information to be sent or supplied by the Company may be sent or supplied in accordance with the Act (whether authorised or required to be sent or supplied by the Act or otherwise) in hard copy form, in electronic form or by means of a website

**Deemed delivery**

- 122 Deemed delivery of notices, documents and information

- (a) A notice, document or information sent by post and addressed to a member at his registered address or address for service in the United Kingdom is deemed to be given to or received by the intended recipient 24 hours after it was put in the post if pre paid as first class post and 48 hours after it was put in the post if pre paid as second class post, and in proving service it is sufficient to prove that the envelope containing the notice, document or information was properly addressed, pre paid and posted
- (b) A notice, document or information sent or supplied by electronic means to an address specified for the purpose by the member is deemed to have been given to or received by the intended recipient 24 hours after it was sent, and in proving service it is sufficient to prove that the communication was properly addressed and sent
- (c) A notice, document or information sent or supplied by means of a website is deemed to have been given to or 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 122, is deemed to have received) notification of the fact that the material was available on the website
- (d) A notice, document or information not sent by post but delivered by hand (which includes delivery by courier) to a registered address or address for service in the United Kingdom is deemed to be given on the day it is left
- (e) A notice, document or information served or delivered by the Company by any other means authorised in writing by the member concerned is deemed to be served when the Company has taken the action it has been authorised to take for that purpose.

- (f) A member present at a meeting of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called
- Notice binding on transferees**      123      Notice binding on transferees etc.
- (a) A person who becomes entitled to a share by transmission, transfer or otherwise is bound by a notice in respect of that share (other than a notice served by the Company under section 793 of the Act) which, before his name is entered in the register, has been properly served on a person from whom he derives his title
- Notice to joint holders or on transmission**      124      Notice in case of joint holders and entitlement by transmission
- (a) 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 whichever of them is named first in the register in respect of the joint holding. 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 joint holder who is named first in the register in respect of the joint holding
- (b) Where a person is entitled by transmission to a share, the Company may give a notice, document or information to that person as if he were the holder of a share by addressing it to him by name or by the title of representative of the deceased or trustee of the bankrupt member (or by similar designation) at an address in the United Kingdom supplied for that purpose by the person claiming to be entitled by transmission. Until an address has been supplied, a notice, document or information may be given in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this Article is sufficient notice to any other person interested in the share

#### WINDING UP

- Winding up**      125      On a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds, and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be carried out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner

**INDEMNITY OF OFFICERS, FUNDING DIRECTORS' DEFENCE COSTS AND POWER TO  
PURCHASE INSURANCE**

Indemnity

- 126 To the extent permitted by the Act and without prejudice to any indemnity to which he 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 (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise as a director or such other officer of the Company or an associated company) in relation to the Company, an associated company or their affairs provided that such indemnity shall not apply in respect of any liability incurred by him
- (a) to the Company or to any associated company,
  - (b) to pay a fine imposed in criminal proceedings,
  - (c) 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),
  - (d) in defending any criminal proceedings in which he is convicted,
  - (e) in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him, or
  - (f) in connection with any application under any of the following provisions in which the court refuses to grant him relief, namely
    - (i) section 661(3) or (4) of the Act (acquisition of shares by innocent nominee), or
    - (ii) section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct)
- 127 In Article 126(d), 126(e) or 126(f) 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:
- (a) if not appealed against, at the end of the period for bringing an appeal; or
  - (b) if appealed against, at the time when the appeal (or any further appeal) is disposed of
- An appeal is disposed of:
- (c) if it is determined and the period for bringing any further appeal has ended, or

(d) if it is abandoned or otherwise ceases to have effect

128 To the extent permitted by the Act and without prejudice to any indemnity to which he 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 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

(a) to pay a fine imposed in criminal proceedings,

(b) 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

(c) in defending criminal proceedings in which he is convicted

For the purposes of this Article, a reference to a conviction is to the final decision in the proceedings. The provisions of Article 127 shall apply in determining when a conviction becomes final

**Funding  
directors'  
defence costs**

129 Without prejudice to Article 126 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 board may in its absolute discretion think fit, the board shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him 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 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

130 Where at any meeting of the board or a committee of the board any arrangement falling within Article 129 is to be considered, a director shall be entitled to vote and be counted in the quorum at such meeting unless the terms of such arrangement confers upon such director a benefit not generally available to any other director, in that event, the interest of such director in such arrangement shall be deemed to be a material interest for the purposes of Articles 80 to 86 and he shall not be so entitled to vote or be counted in the quorum

**Power to  
purchase  
insurance**

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

(a) a director, alternate director or secretary 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

(b) trustee of a retirement benefits scheme or other trust in which a person referred to in Article 131(a) is or has been interested,

indemnifying him and keeping him 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