

Company No. 3320972

THE COMPANIES ACTS 1985 TO 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

XAAR PLC

incorporated as Harbourjet Limited

as adopted by special resolution passed on 29
April 2009 and as amended by special
resolutions passed on 19 May 2010 and 31
May 2023

Certified as a True Copy



Andrew Herbert
Director
31 May 2023

THURSDAY



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COMPANIES HOUSE

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PRELIMINARY

1 Interpretation

1.1 in the articles

"Act" means the Companies Act 2006, including any statutory modification or re-enactment for the time being in force;

"Acts" means the Companies Acts 1985 and 1989 and the Act and all statutes and subordinate legislation for the time being in force concerning companies so far as they apply to the Company;

"articles" means these articles of association as amended from time to time;

"auditors" means the auditors of the Company;

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

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

"certificated" means, in relation to a share, a share which is recorded in the register as being held in certificated form;

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

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

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

"dividend" includes bonus;

"electronic facility" includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever

providing an electronic means of attendance at or participation in (or both attendance at and participation in) a general meeting;

“electronic form” has the meaning given to it in section 1168 of the Act;

“electronic means” has the meaning given to it in section 1168 of the Act;

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

“executed” includes, in relation to a document, execution under hand or under seal or by another method permitted by law;

“holder” means, in relation to a share, the member whose name is entered in the register as the holder of that share;

“London Stock Exchange” means London Stock Exchange plc;

“member” means, unless context otherwise requires, a member of the Company;

“office” means the registered office of the Company;

“paid”, “paid up” and “paid-up” include credited as paid or paid up;

“recognised person” means a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange which is designated for the purposes of section 185(4) of the Act;

“register” means, unless the context otherwise requires, the register of members kept pursuant to section 113 of the Act;

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

“secretary” means the secretary of the Company and includes any assistant or deputy secretary and a person appointed by the board to perform the duties of the secretary;

“Uncertificated Securities Regulations” means the Uncertificated Securities Regulations 2001, including any statutory modification or re-enactment for the time being in force;

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

- 1.2 Words and expressions contained in these articles which are not defined in paragraph 1.1 have, unless the contrary is indicated, the same meaning as in the Acts, but excluding any statutory modification to the Acts not in force at the date of adoption of these articles. In particular, the expression “ “relevant system” shall have the same meaning as in the Uncertificated Securities Regulations.
- 1.3 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution also effective for that purpose.
- 1.4 The headings in the articles do not affect the interpretation of the articles.

2 Model Articles excluded

- 2.1 No regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies (including the regulations in the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply as the articles of the Company. The following shall be the articles of association of the Company.

SHARE CAPITAL

- 3 [ARTICLE REMOVED]

4 Allotment

- 4.1 Subject to the provisions of the Acts relating to authority, pre-emption rights or otherwise and to the relevant authority of the Company in general meeting required by the articles and the Acts, the board has general and unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of unissued shares (whether forming part of the original or any increased capital) or rights to subscribe for or convert any security into shares, to such persons, at such times and on such terms and conditions as board may decide but no share may be issued at a discount.

5 Power to attach rights

- 5.1 Subject to the Acts and to the rights attached to existing shares, new shares may be allotted or issued with or have attached to them such special rights or restrictions as the Company may by ordinary resolution decide, or, if no resolution is passed, as the board may decide

6 Redeemable shares

- 6.1 Subject to the Acts and to the rights attached to existing shares, shares may be issued on terms that they are to be redeemed or, the option of the Company or the holder, are liable to be redeemed. The board may determine the terms, conditions and manner of redemption of shares provided that it does so before the shares are allotted.

7 Variation of rights

- 7.1 Subject to the Acts, the rights attached to a class of shares may be varied whether or not the Company is being wound up (i) in such manner (if any) as may be provided by those rights, or (ii) in the absence of provision, with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class.
- 7.2 The rights attached to a class of shares are not, unless otherwise expressly provided in the rights attaching to those shares, deemed to be varied by the creation, allotment or issue of further shares ranking *pari passu* with or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the Acts.
- 7.3 All the provisions of these articles as to general meetings shall apply, with any necessary modifications, to every class meeting except that:
- 7.3.1 the quorum at every such meeting shall not be less than two persons holding or representing by proxy at least one-third of the nominal amount paid up on the issued shares of the class (excluding any shares of that class held as treasury shares); and
- 7.3.2 if at any adjourned meeting of such holders such quorum as set out above is not present, at least one person holding shares of the class who is present in person or by proxy shall be a quorum.

- 7.4 The board may convene a class meeting whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights.

8 **Commission**

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

9 **Trusts not recognised**

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

10 **Uncertificated shares**

- 10.1 In this article 10:

10.1.1 the term “**uncertificated securities rules**” means any provision of the Acts relating to the holding, evidencing of title to, or transfer of uncertificated shares and any legislation, rules or other arrangements made under or by virtue of such provision; and

10.1.2 the term “**Operator**” shall mean Euroclear UK and International Limited or such other person as may for the time being be approved by HM Treasury as Operator under the uncertificated securities rules.

- 10.2 Under and subject to the uncertificated securities rules, the board may permit title to shares of any class to be evidenced otherwise than by certificate and title to shares of such a class to be transferred by means of a relevant system and may make arrangements for a class of shares (if all shares of that class are in all respects identical) to become a participating class. Title to shares of a particular class may only be evidenced otherwise than by a certificate where that class of shares is at the relevant time a participating class. The board may also, subject to compliance with the uncertificated securities rules, determine at any time that title to any class of shares

may from a date specified by the board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular relevant system.

10.3 In relation to a class of shares which is a participating class and for so long as it remains a participating class, no provision of these articles shall apply or have effect to the extent that it is inconsistent in any respect with:

10.3.1 the holding of shares of that class in uncertificated form;

10.3.2 the transfer of title to shares of that class by means of a relevant system;
or

10.3.3 any provision of the uncertificated securities rules,

and, without prejudice to the generality of this article, no provision of these articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the uncertificated securities rules, of an Operator register of securities in respect of that class of shares in uncertificated form.

10.4 Shares of a class which is at the relevant time a participating class may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the uncertificated securities rules.

10.5 If, under these articles or the Acts, the Company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over an uncertificated share, then, subject to these articles and the Acts, such entitlement shall include the right of the board to:

10.5.1 require the holder of the uncertificated share by notice in writing to change that share from uncertificated to certificated form within such period as may be specified in the notice and keep it as a certificated share for as long as the board requires;

10.5.2 appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such share as may be required to effect the transfer of such share and such steps shall be as effective as if they had been taken by the registered holder of that share; and

- 10.5.3 take such other action that the board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.
- 10.6 Unless the board determines otherwise, shares which a member holds in uncertificated form shall be treated as separate holdings from any shares which that member holds in certificated form but a class of shares shall not be treated as two classes simply because some shares of that class are held in certificated form and others in uncertificated form.
- 10.7 Unless the Board determines otherwise or the uncertificated securities rules require otherwise, any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated shares and any shares issued or created out of or in respect of any certificated shares shall be certificated shares.
- 10.8 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the uncertificated securities rules and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption. Any provision of these articles which requires or envisages that action will be taken in reliance on information contained in the register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

SHARE CERTIFICATES

11 Right to certificates

- 11.1 Subject to the Acts and the requirements of the London Stock Exchange, a person (except a recognised person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) on becoming the holder of a certificated share is entitled, unless the terms of issue of the shares provide otherwise, without charge, to one certificate for all the certificated shares of a class registered in his name or, in the case of certificated shares of more than one class being registered in his name, to a separate certificate for each class of shares.

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

12 Replacement certificates

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

LIEN

13 Company's lien on shares not fully paid

- 13.1 The Company has a first and paramount lien on every share (other than a fully-paid share) registered in the name of a member (whether solely or jointly with another person) for an amount payable in respect of the share, whether the due date for

payment has arrived or not. The lien applies to all dividends from time to time declared or other amounts payable in respect of the share.

- 13.2 The board may either generally or in a particular case declare a share to be wholly or partly exempt from the provisions of this article. Unless otherwise agreed with the transferee, the registration of a transfer of a share operates as a waiver of the Company's lien (if any) on that share.

14 Enforcement of lien by sale

- 14.1 For the purpose of enforcing the lien, the board may sell shares subject to the lien in such manner as it may decide, if the due date for payment of the relevant amounts has arrived and payment is not made within 14 clear days after the service of a notice in writing (stating, and demanding payment of, the amounts and giving notice of the intention to sell in default of payment) on the member concerned (or to a person entitled by transmission to the shares).
- 14.2 To give effect to a sale, the board may authorise a person to transfer the shares in the name and on behalf of the holder of or the person entitled by transmission to the shares to the purchaser or his nominee. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity in or an invalidity of the proceedings connected with the sale.

15 Application of proceeds of sale

- 15.1 The net proceeds of a sale effected under article 14, after payment of the costs of the sale, shall be applied by the Company in or towards satisfaction of the amount in respect of which the lien exists. Any residue shall (on surrender to the Company for cancellation of any certificate for the shares sold, or the provision of an indemnity (with or without security) as to any lost or destroyed certificate required by the board and subject to a like lien for amounts not presently payable as existed on the shares before the sale) be paid to the member or a person entitled by transmission to the shares immediately before the sale

CALLS ON SHARES

16 Calls

- 16.1 Subject to the terms of allotment or issue, the board may make calls on members in respect of amounts unpaid on the shares or a class of shares held by them respectively

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

17 Power to differentiate

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

18 Interest on calls

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

19 Payment in advance

- 19.1 The board may, if it thinks fit, receive from a member all or part of the amounts uncalled and unpaid on shares held by him. A payment in advance of calls extinguishes to the extent of the payment the liability of the member on the shares in respect of which it is made. The Company may pay interest on the amount paid in advance, or on so much of it as from time to time exceeds the amount called on the shares in respect of which the payment in advance has been made, at such rate (not exceeding, without the

sanction of the Company given by ordinary resolution, 20 per cent per annum) as the board may decide.

20 Amounts due on allotment or issue treated as calls

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

FORFEITURE

21 Notice if call not paid

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

22 Forfeiture for non-compliance

- 22.1 If the notice referred to in article 21 is not complied with, a share in respect of which it is given may, at any time before payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture includes all dividends declared or other amounts payable in respect of the forfeited share and not paid before the forfeiture.

23 Notice after forfeiture

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

24 Disposal of forfeited shares

- 24.1 Until cancelled in accordance with the Acts, a forfeited share and all rights attaching to it are deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before the forfeiture the holder or to another person, on such terms and in such manner as the board may decide. Where for this purpose a forfeited share is to be transferred, the board may authorise a person to transfer the share the transferee. The Company may receive the consideration (if any) for the share on its disposal and may register the transferee as the holder of the share.
- 24.2 The board may before a forfeited share has been cancelled, sold, re-allotted or otherwise disposed of annul the forfeiture on such conditions as it thinks fit.
- 24.3 A statutory declaration by a director or the secretary that a share has been forfeited on the date stated in the declaration conclusive evidence of the facts stated in the declaration against all persons claiming to be entitled the share. The declaration (subject if necessary the transfer of the share) constitutes good title to the share and the person to whom the share is disposed of is not bound see to the application of consideration (if any). His title to the share is not affected by an irregularity in or invalidity of the proceedings connected with the forfeiture or disposal.

25 Arrears to be paid notwithstanding forfeiture

- 25.1 A person whose share has been forfeited ceases on forfeiture to be a member in respect of it and shall surrender to the Company for cancellation any certificate for the forfeited share or shares. He remains liable to pay, and shall immediately pay to the Company, all calls, interest, costs, charges and expenses owing in respect of the share at time of forfeiture, with interest, from the time of forfeiture until payment, at such rate as may be fixed by the terms of allotment or issue of the share or, if rate is fixed, at the rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent per annum) as the board may decide. The board may if it thinks fit enforce payment without allowance for the value of the share at the time of forfeiture or for consideration received on disposal.

26 Surrender

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

UNTRACED SHAREHOLDERS

27 Power of sale

27.1 The Company may sell the share of a member or of a person entitled by transmission if:

27.1.1 during a period of not less than 12 years before the date of publication of the advertisements referred to in paragraph 27.1.3 (or, if published on two different dates, the first date) (the "**relevant period**") the Company has paid at least three cash dividends (whether interim or final) in respect of the share;

27.1.2 throughout the relevant period no cheque, warrant or money order sent by the Company by post in a pre-paid envelope addressed to the holder of the share or to the person entitled transmission to the share in accordance with article 123.2 has been presented to the paying bank, no payment made by the Company by any other means permitted by article 123.2 has been claimed or accepted and no communication has been received by the Company from the member or person entitled by transmission (in his capacity member person entitled by transmission);

27.1.3 on expiry of the relevant period the Company has given notice of its intention to sell the share by advertisement in a national newspaper and in a newspaper circulating in the area of the address referred to in paragraph 27.1.2;

27.1.4 the Company has not, so far as the board is aware, during a further period of three months after the date of the advertisements referred to paragraph 27.1.3 (or the later advertisement if the advertisements are published on different dates) and before the exercise of the power of sale received a communication from the member or person entitled by transmission (in his capacity as member or person entitled by transmission); and

27.1.5 the Company has first given notice in writing to the London Stock Exchange of its intention to sell the share.

27.2 In addition to the power of sale conferred by paragraph 27.1, if during the relevant period or a further period ending on the date when all the requirements of paragraphs 27.1.1 to 27.1.5 have been satisfied an additional share has been allotted or issued in

right of that held at the beginning of, or previously so allotted or issued during, those periods and all the requirements of paragraphs to (v) have been satisfied respect of the additional share, the Company is entitled to sell the additional share.

- 27.3 To give effect to a sale pursuant to paragraphs 27.1 or 27.2, the board may authorise a person to transfer the share in the name and on behalf of the holder of, or the person entitled by transmission to, the share to the purchaser or his nominee. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity or invalidity in the proceedings connected with the sale of the share.

28 Application of proceeds of sale

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

TRANSFER OF SHARES

29 Form of transfer

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

30 Right to refuse registration

- 30.1 Subject to article 68 and the requirements of the London Stock Exchange, the board may, in its absolute discretion, refuse to register the transfer of a certificated share

which is not fully paid or the transfer of a certificated share on which the Company has a lien. If that share has been admitted to the Official List of the London Stock Exchange, the board may not refuse to register the transfer if this would prevent dealings in the share from taking place on an open and proper basis.

30.2 Subject to article 68 and the requirements of the London Stock Exchange, the board may also, in its absolute discretion, refuse to register the transfer of a certificated share or a renunciation of a renounceable letter of allotment unless all of the following conditions are satisfied:

30.2.1 it is in respect of only one class of shares;

30.2.2 it is in favour of a single transferee or renouncee or not more than four joint transferees or renounces;

30.2.3 it is duly stamped (if required); and

30.2.4 it is delivered for registration to the office or such other place as the board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person where a certificate has not been issued, or in the case of a renunciation) and such other evidence as the board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

30.3 If the board refuses to register the transfer of a certificated share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of refusal setting out its reasons for such refusal to the transferee. An instrument of transfer which the board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it. Subject to article 140, the Company may retain all instruments of transfer which are registered.

31 **Fees on registration**

31.1 The Company may not charge a fee for registering the transfer of a share or the renunciation of a renounceable letter of allotment or other document relating to or affecting the title to a share or the right to transfer it or for making any other entry in the register.

32 Suspension of registration and closing of register

- 32.1 Subject to the Acts and the requirements of the London Stock Exchange, the registration of transfers may be suspended at such times and for such period (not exceeding 30 days in any year) as the board may decide and either generally or in respect of a particular class of shares.

TRANSMISSION OF SHARES

33 On death

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

34 Election of person entitled by transmission

- 34.1 A person becoming entitled by transmission to a share may, on production of any evidence the board may require, elect either to be registered as a member or to have a person nominated by him registered as a member.
- 34.2 If he elects to be registered himself, he shall give notice the Company to that effect. If he elects to have another person registered, he shall:
- 34.2.1 if it is a certificated share, execute an instrument of transfer of the share to that person; or
- 34.2.2 if it is an uncertificated share:
- (i) transfer the share to that person by means of a relevant system; or
- (ii) change the share to a certificated share and execute an instrument of transfer of the share to that person.
- 34.3 All the provisions of the articles relating to the transfer of certificated shares apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of

transfer executed by the member and his death, bankruptcy or other event giving rise to a transmission of entitlement had not occurred.

- 34.4 The board may give notice requiring a person to make the election referred to in article 34.1. If that notice is not complied with within 60 days, the board may withhold payment of all dividends and other amounts payable in respect of the share until notice of election has been made.

35 **Rights on transmission**

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share cease. The person entitled by transmission may, however, give a good discharge for dividends and other amounts payable in respect of the share and, subject to articles 34 and 123, has the rights to which he would be entitled if he were the holder of the share. The person entitled by transmission is not, however, before he is registered the holder of the share entitled in respect of it to receive notice of or exercise rights conferred by membership in relation to meetings of the Company or a separate meeting of the holders of a class of shares.

ALTERATION OF SHARE CAPITAL

36 **Increase, consolidation, sub-division and cancellation**

- 36.1 The Company may by ordinary resolution:

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

37 Fractions

- 37.1 If, as the result of consolidation and division or sub-division of shares, members become entitled to fractions of a share, the board may on behalf of the members deal with the fractions as it thinks fit. In particular, the board may:
- 37.1.1 sell fractions of a share to a person (including, subject to the Acts, to the Company) for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion amongst the persons entitled (except that if the amount due to a person is less than £3, or such other sum as the board may decide, the sum may be retained for the benefit of the Company); or
 - 37.1.2 subject to the Acts, allot or issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub-division, leaves a whole number of shares (such allotment or issue being deemed have been effected immediately before consolidation or sub-division, as the case may be).
- 37.2 To give effect to a sale pursuant to article 37.1.1 the board may authorise a person to transfer the shares to the purchaser or his nominee and may cause the name of the purchaser or his nominee to be entered in the register as the holder of the shares. The purchaser is not bound to see to the application of the purchase money and the title of the transferee to the shares is not affected by an irregularity or invalidity in the proceedings connected with the sale.
- 37.3 If shares are allotted or issued pursuant to article 37.1.2, the amount required to pay up those shares may be capitalised as the board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to article 130. In relation to the capitalisation the board may exercise all the powers conferred on it by article 130 without an ordinary resolution of the Company.

38 [ARTICLE REMOVED]

39 [ARTICLE REMOVED]

GENERAL MEETINGS

40 Annual general meeting

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

41 [ARTICLE REMOVED]

42 Convening of general meetings

42.1 The board may convene a general meeting whenever it thinks fit. The board must convene a general meeting immediately on receipt of a requisition from members in accordance with the Acts and in default a meeting may be convened by requisitions provided in the Acts. At a meeting convened on a requisition or by requisitionists no business may be transacted except that stated by the requisition or proposed by the board. A general meeting may also be convened in accordance with article 93.

42.2 The board shall determine in relation to each general meeting the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be able to do so:

42.2.1 by means of an electronic facility or facilities pursuant to article 42a; and/or

42.2.2 by simultaneous attendance and participation at a satellite meeting place or places pursuant to article 43.6.

42.3 If, at any general meeting at which members are entitled to participate by means of an electronic facility or facilities determined by the board pursuant to article 42a, any document is required to be on display or to be available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.

42a. Simultaneous attendance and participation by electronic facilities

42a.1 Without prejudice to article 43.6, the board may resolve to enable persons entitled to attend and participate in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of an electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the board) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chair is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:

42a.1.1 participate in the business for which the meeting has been convened;

42a.1.2 hear all persons who speak at the meeting; and

42a.1.3 be heard by all other persons attending and participating in the meeting.

42a.2 All persons seeking to attend and participate in a general meeting by way of an electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the requirement for the chair to adjourn a general meeting in accordance with the provisions of article 50, any inability of a person or persons to attend or participate in a general meeting by way of an electronic facility or facilities shall not invalidate the proceedings of that meeting.

42a.3 Nothing in these articles authorises or allows a general meeting to be held exclusively on an electronic basis.

43 Length and form of notice

43.1 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.

43.2 Subject to the Acts, and although called by shorter notice than that specified in paragraph 43.1, a general meeting is deemed to have been duly called if it is so agreed.

43.2.1 in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and

- 43.2.2 in the case of another meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
- 43.3 The notice of meeting shall specify:
- 43.3.1 whether the meeting is an annual general meeting;
 - 43.3.2 the place, the date and the time of the meeting;
 - 43.3.3 the general nature of the business to be transacted at the meeting;
 - 43.3.4 the address of the website on which the information required by the Act is published;
 - 43.3.5 if the meeting is convened to consider a special resolution, the intention to propose the resolution as such; and
 - 43.3.6 with reasonable prominence, that a member entitled to attend and vote may appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.
- 43.4 The notice of meeting shall be given to the members (other than any who, under the provisions of the articles or the terms of allotment or issue of shares, are not entitled to receive notice), to the directors and to the auditors.
- 43.5 If pursuant to article 42a the Board determines that a general meeting shall be held partly by means of an electronic facility or facilities, the notice shall:
- 43.5.1 include a statement to that effect;
 - 43.5.2 specify the means, or all different means, of attendance and participation thereat, and any access, identification and security arrangements determined pursuant to article 54.2; and
 - 43.5.3 state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.

43.6 Without prejudice to article 42a, the board may resolve to enable persons entitled to attend and participate in a general meeting to do so by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the general meeting in question, and the meeting shall be duly constituted and its proceedings valid if the chair is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting places are able to:

43.6.1 participate in the business for which the meeting has been convened;

43.6.2 hear all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and

43.6.3 be heard by all other persons so present in the same way,

and the meeting shall be deemed to take place at the place where the chairman of the meeting presides (the principal meeting place, with any other location where that meeting takes place being referred in these articles as a satellite meeting). The chairman shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the chair shall apply equally to each satellite meeting place, including their power to adjourn the meeting as referred to in article 50.

44 **Omission to send notice**

44.1 The accidental omission to send a notice of meeting or, in cases where it is sent out with the notice, an instrument of proxy to, or the non-receipt of either by, a person entitled to receive it does not invalidate the proceedings at a general meeting.

45 [ARTICLE REMOVED]

PROCEEDINGS AT GENERAL MEETINGS

46 **Quorum**

46.1 No business may be transacted at a general meeting unless a quorum is present. The absence of a quorum does not prevent the appointment of a chairman in accordance with the articles, which is not treated as part of the business of the meeting.

46.2 The quorum for a general meeting is for all purposes two members present in person or by proxy and entitled to vote.

47 Procedure if quorum not present.

47.1 If a quorum is not present within thirty minutes from the time fixed for the start of the meeting, the meeting, if convened by or on the requisition of members, is dissolved. In any other case it stands adjourned to such time (being not less than 14 days nor more than 28 days later) and place as the chairman (or, in default, the board) decides.

47.2 At an adjourned meeting the quorum is two members present in person or by proxy and entitled to vote. If a quorum is not present within five minutes from the time fixed for the start of the meeting, the adjourned meeting is dissolved.

47.3 The Company shall give not less than seven clear days' notice of any meeting adjourned for the lack of a quorum and the notice shall state the quorum requirement.

48 Chairman

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

49 Director's right to attend and speak

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

50 Power to adjourn

50.1 The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn a meeting from time to time and from place to place or for an indefinite period.

50.2 Without prejudice to any other power which he may have under the provisions of the articles or at common law, the chairman may, without the consent of the meeting,

interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to (i) secure the proper and orderly conduct of the meeting, (ii) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting, or (iii) ensure that the business of the meeting is properly disposed of.

50a. Power to postpone

If, after the sending of the notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board, in its absolute discretion, considers that it is impracticable or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting (including a satellite meeting to which article 43.6 applies) and/or by means of the electronic facility or facilities specified in the notice, it may postpone the general meeting to another date, time and/or place (or in the case of a general meeting to be held at a principal meeting place and one or more satellite meeting places, to such other places) and/or change the electronic facility or facilities. If such a decision is made, the Board may then change the place (or any of the places in the case of a general meeting to which article 43.6 applies) and/or the electronic facility or facilities and/or postpone the date and/or time again if it considers that it is reasonable to do so. No new notice of the general meeting need be sent but the board shall take reasonable steps to ensure that notice of the change of date, time, place (or places, in the case of a general meeting to which article 43.6 applies) of and/or electronic facility or facilities for the postponed meeting appear at the original time and at the original place (or places, in the case of a general meeting to which article 43.6 applies) and/or on the original electronic facility or facilities. When a general meeting is so postponed, notice of the date, time and place (or places in the case of a meeting to which article 43.6 applies), including any electronic facility if applicable, of the postponed meeting shall be given in such manner as the board may, in its absolute discretion, determine. No business shall be transacted at any postponed meeting other than business which might properly have been transacted at the meeting had it not been postponed. Notice of the business to be transacted at such postponed meeting shall not be required. If a general meeting is postponed in accordance with this article 50a, the appointment of a proxy will be valid if it is delivered and received as required by these articles not less than 48 hours before the time appointed for holding the postponed meeting. When

calculating the 48 hour period mentioned in this article, the directors can decide not to take account of any part of a day that is not a working day.

51 Notice of adjourned meeting

- 51.1 Without prejudice to article 47.3, whenever a meeting is adjourned for 28 days or more or for an indefinite period, at least seven clear days' notice specifying the place, date and time of the adjourned meeting and the general nature of the business to be transacted shall be given to the members (other than any who, under the provisions of the articles or the terms of allotment or issue of the shares, are not entitled to receive notice), the directors and the auditors. Except in these circumstances, and subject to article 47.3, it is not necessary to give notice of an adjourned meeting or of the business to be transacted at the adjourned meeting.

52 Business at adjourned meeting

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

53 Accommodation of members at meeting

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

54 Security

- 54.1 The board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The board is entitled to refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions.

54.2 If a general meeting is held partly by means of an electronic facility or facilities pursuant to article 42a, the board and the chairman may make any arrangement and impose any requirement or restriction that is:

54.2.1 necessary to ensure the identification of those taking part by means of such electronic facility or facilities and the security of the electronic communication; and

54.2.2 in its or the chairman's view, proportionate to those objectives,

in this respect, the board may authorise any voting application, system or facility for attendance and participation as it sees fit.

VOTING

55 Method of voting

55.1 A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates. Subject thereto, at any general meeting, a resolution put to the vote of the meeting is decided by a show of hands unless (before or on the declaration of the result of the show of hands) a poll is duly demanded.

55.2 Subject to the Acts, a poll may be demanded on any question by:

55.2.1 the chairman of the meeting;

55.2.2 not less than five members present in person or by proxy and entitled to vote;

55.2.3 a member or members present in person or by proxy representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

55.2.4 a member or members present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid on all the shares conferring that right.

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

55.3 Unless a poll is demanded and the demand is not withdrawn, a declaration by the chairman that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

55.4 At general meetings, resolutions shall be put to the vote by the chairman of the meeting and there shall be no requirement for the resolution to be proposed or seconded by any person.

56 Procedure on a poll

56.1 If a poll is properly demanded, it shall be taken in such manner as the chairman directs. He may appoint scrutineers, who need not be members, and may fix a time and place for declaring the result of the poll. The result of the poll is deemed to be the resolution of the meeting at which the poll is demanded.

56.2 A poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on another question shall be taken at such time and place as the chairman decides, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the demand).

56.3 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

56.4 The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made. In the case of a poll demanded before the declaration of the result of a show of hands, the meeting shall continue as if the demand has not been made.

56.5 The demand for a poll (other than on the election of the chairman or on a question of adjournment) does not prevent the meeting continuing for the transaction of business other than the question on which a poll has been demanded.

- 56.6 On a poll, votes may be given in person or by proxy and a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way, whether present in person or by proxy.

57 Votes of members

- 57.1 Subject to special terms as to voting on which shares have been allotted or issued, or a suspension or abrogation of voting rights pursuant to the articles, at a general meeting every member present in person or by proxy has on a show of hands one vote and every member present in person or by proxy has on a poll one vote for every ordinary share of which he is the holder.
- 57.2 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote or votes of the other joint stand in the register.
- 57.3 A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or other authorised and appointed person may, on a poll, vote by proxy if evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is deposited at the office (or at another place specified in accordance with the articles for the deposit of instruments of proxy) within the time limits prescribed by the articles for the deposit of instruments of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

58 Casting vote

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

59 Restriction on voting rights for unpaid calls etc.

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

payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non-payment.

60 Voting by proxy

- 60.1 An instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the board) executed by the appointor or his duly constituted attorney or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign.
- 60.2 An instrument of proxy is deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote on a resolution or amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given, as the proxy thinks fit.
- 60.3 Subject to the Acts, the board may accept the appointment of a proxy received by electronic means on such terms and subject to such conditions as it considers fit.
- 60.4 A proxy need not be a member.
- 60.5 A member may appoint more than one proxy to attend on the same occasion. When two or more valid but differing instruments of proxy are delivered for the same share for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share.
- 60.6 Deposit of an instrument of proxy does not prevent a member attending and voting in person at the meeting or an adjournment of the meeting or on a poll.
- 60.7 An instrument of proxy is (unless the contrary is stated in it) valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. An instrument of proxy is valid for 12 months from the date of execution or, in the case of an appointment of proxy delivered by electronic means, for 12 months from the date of delivery.
- 60.8 Subject to the Acts and the requirements of the London Stock Exchange, the Company may send an instrument of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent the instrument shall provide for two-way voting (without prejudice to a right to abstain) on all resolutions set out in the notice of meeting.

61 **Deposit of proxy**

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

61.1.1 deposited at the office, or another place in the United Kingdom specified in the notice convening the meeting or in an instrument of proxy or other accompanying document sent by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting or the taking of a poll at which the person named in the instrument proposes to vote;

61.1.2 in the case of an appointment of a proxy sent by electronic means, where the Company has given an electronic address (a "**proxy notification 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;
- (iii) in an invitation to appoint a proxy issued by the Company in relation to the meeting; or
- (iv) on a website maintained by or on behalf of the Company on which any information relating to the meeting is kept

it shall be received at such proxy notification electronic address not less than 48 hours 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;

61.1.3 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, deposited as required by paragraph (i) not less than 24 hours before the time appointed for the holding of the adjourned meeting or the taking of the poll; or

- 61.1.4 in the case of a meeting adjourned for less than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours after it 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 a director.
- 61.2 An instrument of proxy not deposited or delivered in accordance with this article is invalid. In calculating the periods in this article, no account shall be taken of any part of a day that is not a working day.
- 62 **When votes by proxy valid though authority revoked**
- 62.1 A vote given or poll demanded by a proxy authorised representative of a company is valid despite termination of his authority unless notice of termination is received by the Company at the office (or other place specified for depositing the instrument of proxy) at least one hour before the time for holding the meeting or adjourned meeting which the vote is given or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.
- 63 **Corporate Representative**
- 63.1 A company which is a member may, by resolution of its directors or other governing body, authorise a person to act as its representative at a meeting or at a separate meeting of the holders of a class of shares (the “representative”). The representative is entitled to exercise on behalf of the company those powers that the company could exercise if it were an individual member. The company is for the purposes of the articles deemed to be present in person at a meeting if the representative is present. All references to attendance and voting in person shall be construed accordingly. A director, the secretary or other person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.
- 64 **Objections to and error in voting**
- 64.1 No objection may be made to the qualification of a voter or to the counting of, or failure to count, a vote, except at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. An objection properly made shall be referred to the chairman and only invalidates the result of the voting if, in the option of

the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman is conclusive and binding on all concerned.

65 Amendments to Resolutions

- 65.1 No amendment to a resolution duly proposed as a special resolution other than an amendment to correct a patent error may be considered or voted on. No amendment to a resolution duly proposed as an ordinary resolution other than an amendment to correct a patent error may be considered or voted on unless either (i) at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and intention to move it has been lodged at the office, or (ii) the chairman in his absolute discretion decides that the amendment may be considered or voted on. If an amendment proposed to a resolution under consideration is ruled out of order by the chairman the proceedings on the substantive resolution are not invalidated by an error in his ruling.

66 Liability of Members

- 66.1 The liability of the members is limited.

67 Class Meetings

- 67.1 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:
- 67.2 no member, other than a director, is entitled to notice of it or to attend unless he is a holder of shares of that class;
- 67.3 no vote may be given except in respect of a share of that class;
- 67.4 the quorum at the meeting is two persons present in person holding or representing by proxy at least one-third in nominal value of the issued shares of that class;
- 67.5 the quorum at an adjourned meeting is two persons holding shares of that class who are present in person or by proxy; and
- 67.6 a poll may be demanded in writing by a member present in person or by proxy and entitled to vote at the meeting and on a poll each member has one vote for every share of that class of which he is the holder.

68 **Failure to Disclose interests in Shares**

68.1 Where notice is served by the Company under section 793 of the Act (a “**section 793 notice**”) on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the “**default shares**”, which expression includes any shares allotted or issued after the date of the section 793 notice in right of those shares) to give the Company the information required within the prescribed period from the date of the section 793 notice, the following sanctions apply, unless the board otherwise decides:

68.1.1 the member is not entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll; and

68.1.2 where the default shares represent at least 0.25 per cent in nominal value of the issued shares of their class:

(i) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member is not entitled to elect, pursuant to article 129, to receive shares instead of a dividend; and

(ii) no transfer of any certificated default shares shall be registered unless the transfer is an excepted transfer; or

(A) the member is not himself in default in supplying the information required; and

(B) the member proves to the satisfaction of the board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.

68.2 For the purpose of enforcing the sanction in paragraph 68.1.2(ii), the board may give notice to the member requiring the member to change default shares held in uncertificated form to certificated form by the time stated in the notice. The notice may also state that the member may not change any default shares held in certificated form to uncertificated form. If the member does not comply with the notice, the board may authorise a person to change default shares held in uncertificated form to certificated form in the name and behalf of the member.

- 68.3 The sanctions under paragraph 68.1 cease to apply seven days after the earlier of:
- 68.3.1 receipt by the Company of notice of an excepted transfer, but only in relation to the shares transferred; and
 - 68.3.2 receipt by the Company, in a form satisfactory to the board, of all the information required by the section 793 notice.
- 68.4 Where, on the basis of information obtained from a member in respect of a share held by him, the Company issues a section 793 notice to another person, it shall at the same time send a copy of the section 793 notice to the member, but the accidental omission to do so, non-receipt by the member of the copy, does not invalidate or otherwise affect the application of paragraphs 68.1 or 68.2.
- 68.5 For the purposes of this article 68:
- 68.5.1 a person, other than the member holding a share, is treated as appearing to be interested in that share if the member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;
 - 68.5.2 "**interested**" is construed as it is for the purpose of section 793 of the Act;
 - 68.5.3 reference to a person having failed to give the Company the information required by a section 793 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it, and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
 - 68.5.4 the "**prescribed period**" means 14 days;
 - 68.5.5 an "**excepted transfer**" means, in relation shares held by a member:
 - (i) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the Act), or
 - (ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and

Markets Act 2000) or another stock exchange outside the United Kingdom

- (iii) which shares in the capital of the Company are normally traded, or
- (iv) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

68.6 The provisions of this article are in addition and without prejudice to the provisions of the Acts.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

69 Number of directors

69.1 Unless and until otherwise decided by the Company by ordinary resolution the number of directors is not subject to a maximum but must not be less than two.

70 Power of the Company to appoint directors

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

71 Power of the board to appoint directors

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

72 Appointment of executive directors

- 72.1 Subject to the Acts, the board may appoint one or more of its body to hold employment or executive office (including, without limitation, that of managing director) with the Company for such term (subject to the Acts) and on any other conditions the board thinks fit. The board may revoke or terminate an appointment, without prejudice to a claim for damages for breach of contract or otherwise.

73 Eligibility of new directors

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

73.1.1 he is recommended by the board; or

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

- 73.2 A director need not be a member.

74 Voting on resolution for appointment

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

75 Retirement

- 75.1 At each annual general meeting of the Company every director shall retire from office. A retiring director may offer themselves for re-appointment by the members and a director that is so re-appointed will be treated as continuing in office without a break.

76 [ARTICLE DELETED]

77 Position of retiring director

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

78 **Deemed reappointment**

78.1 At a general meeting at which a director retires the Company may fill the vacancy and, if it does not do so, the retiring director is, if willing, deemed reappointed unless it is expressly resolved not to fill the vacancy or a resolution for the reappointment of the director is put to the meeting and lost.

79 **No retirement on account of age**

79.1 No person is incapable of being appointed a director by reason of his having reached the age of 70 or another age. Special notice is not required in connection with the appointment or the approval of the appointment of such person. No director is required to vacate his office because he has reached the age of 70 or another age.

80 **Removal by ordinary resolution**

80.1 In addition to any power of removal conferred by the Acts, the Company may by ordinary resolution remove a director before the expiration of his period of office (without prejudice to a claim for damages for breach of contract 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.

81 **Vacation of office by directors**

81.1 Without prejudice to the provisions for retirement contained in the articles, the office of a director is vacated if:

81.1.1 he resigns by notice delivered to the secretary at the office or tendered at a board meeting;

- 81.1.2 he ceases to be a director by virtue of a provision of the Acts, is removed from office pursuant to articles or becomes prohibited by law from being a director;
- 81.1.3 he becomes bankrupt, has an interim receiving order made against him, makes an arrangement or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
- 81.1.4 an order is made by a court of competent jurisdiction on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his affairs or he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, under the Mental Health (Scotland) Act 1984 and the board resolves that his office be vacated;
- 81.1.5 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
- 81.1.6 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).
- 81.2 A resolution of the board declaring a director to have vacated office under the terms of this article is conclusive as to the fact and grounds of vacation stated in the resolution.

ALTERNATE DIRECTORS

82 Appointment

- 82.1 A director (other than an alternate director) may by notice delivered to the secretary at the office, or in any other manner approved by the board, appoint as his alternate director:
- 82.1.1 another director; or
- 82.1.2 another person approved by the board willing to act.

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

- 82.2 An alternate director need not be a member and is not counted in reckoning the number of directors for the purpose of article 69.

83 Revocation of appointment

- 83.1 A director may by notice delivered to the secretary at the office revoke the appointment of his alternate director and, subject to the provisions of article 82, appoint another person in his place. If a director ceases to hold the office of director or if he dies, the appointment of his alternate director automatically ceases. If a director retires but is reappointed or deemed reappointed at the meeting at which his retirement takes effect, a valid appointment of an alternate director which was in force immediately before his retirement continues to operate after his reappointment as if he has not retired. The appointment of an alternate director ceases on the happening of an event which, if he were a director otherwise appointed, would cause him to vacate office.

84 Participation in board meetings

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

85 Responsibility

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

REMUNERATION, EXPENSES AND PENSIONS

86 Directors' fees

86.1 Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the directors not appointed to hold employment or executive office (but not their alternate directors) for their services as directors such amount of aggregate fees as the board decides (not exceeding £350,000 per annum or such larger amount as the Company may by ordinary resolution decide). The aggregate fees shall be divided among the directors in such proportions as the board decides or, if no decision is made, equally. A fee payable to a director pursuant to this article is distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of the articles and accrues from day to day.

87 Additional remuneration

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

88 Expenses

88.1 A director is entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director including, without limitation, expenses incurred in attending meetings of the board or of committees of the board or general meetings or separate meetings of the holders of a class of shares or debentures.

89 Remuneration and expenses of alternate directors

89.1 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 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 88 had he been a director.

90 Directors' pensions and other benefits

90.1 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 (i) the Company, (ii) a company which is or was a

subsidiary undertaking of the Company, (iii) a company which is or was allied to or associated with the Company or a subsidiary undertaking of the Company, or (iv) 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.

- 90.2 A director or former director is entitled to receive and retain for his own benefit a pension or other benefit provided under paragraph 90.1 and is not obliged to account for it to the Company.

91 Remuneration of executive director

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

POWERS AND DUTIES OF THE BOARD

92 Powers of the board

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

93 Powers of directors being less than minimum required number

- 93.1 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.

94 Powers of executive directors

- 94.1 The board may delegate to a director holding executive office (including, without limitation, a managing director) any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, without limitation, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the director. The board may at any time revoke the delegation or alter its terms and conditions.

95 Delegation to committees

- 95.1 The board may delegate any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit to a committee consisting of one or more directors and (if thought fit) one or more other persons. In particular, without limitation, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the committee. The board may at any time revoke the delegation or alter its terms and conditions or discharge the committee in whole or in part. Where a provision of the articles refers to the exercise of a power, authority or discretion by the board and that power, authority or discretion has been delegated by the board to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

96 Local management

- 96.1 The board may establish local or divisional boards or agencies for managing the affairs of the Company in a specified locality, either in the United Kingdom or elsewhere, and may appoint persons to be members of a local or divisional board or agency, and may fix their remuneration. The board may delegate to a local or divisional board or agency any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, without limitation, the board may grant the power to sub-delegate, may retain or exclude the right of the board to exercise the

delegated powers, authorities or discretions collaterally with the local or divisional board or agency and may authorise the members of a local or divisional board or agency (or any of them) to fill a vacancy or to act despite a vacancy. The board may at any time revoke or alter the terms and conditions of the appointment or delegation. Subject to terms and conditions imposed by the board, the proceedings of a local or divisional board or agency with two or more members are governed by those articles that regulate the proceedings of the board, so far as applicable.

97 **Agents**

- 97.1 The board may by power of attorney or otherwise appoint a person to be the agent of the Company and may delegate to that person any of its powers, authorities and discretions for such purposes, for such time and on such terms and conditions (including as to remuneration) as it thinks fit. In particular, without limitation, the board may grant the power to sub-delegate and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the agent. The board may at any time revoke or alter the terms and conditions of the appointment or delegation.

98 **Associate directors**

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

99 **Exercise of voting powers**

- 99.1 Subject to article 102, the board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by the Company, or a power of appointment to be exercised by the Company, in 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 or in favour of the payment of remuneration to the officers or employees of that company).

100 **Provision for employees**

100.1 The board may exercise the powers conferred on the Company by the Acts to make provision for the benefit of a person employed or formerly employed by the Company or any of its 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 part of the undertaking of the Company or the subsidiary undertaking.

101 **Registers**

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

102 **Borrowing powers**

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

102.2 The board shall restrict the borrowings of the Company and shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to ensure (as regards subsidiary undertakings, to the extent possible) that the aggregate principal amount outstanding in respect of moneys borrowed by the group does not at any time without the previous sanction of an ordinary resolution of the Company exceed a sum equal to three times the adjusted capital and reserves.

102.3 In this article:

102.3.1 **“adjusted capital and reserves”** means a sum equal to the aggregate of:

- (i) the amount: paid up on the allotted share capital of the Company;
and
- (ii) the amount standing to credit or debt of the consolidated reserves;

all as shown in the relevant balance sheet but after

- (iii) making all adjustments which are, in the opinion of the board, necessary or appropriate to take account of:
 - (A) a variation on the amounts referred to in paragraphs (a) and (b) since the date of the relevant balance sheet arising out of the allotment of shares in the capital of the Company, for this purpose If a proposed allotment of shares by the Company for cash has been underwritten, those shares are deemed to have been allotted and the amount (including any premium) of the subscription moneys payable in respect of those shares (not being moneys payable later than six months after the date of allotment) are deemed to have been paid up to the extent underwritten on the date on which the issue of those shares was underwritten (or, if the underwriting was conditional, the date on which it became unconditional), and
 - (B) other changes in circumstances since the date of the relevant balance sheet, and
- (iv) deducting (so far as not already deducted or provided for
 - (A) sums equivalent to the book values of goodwill and other intangible assets shown in the relevant balance sheet (as adjusted pursuant to the preceding provisions of this article) but adding back the amount of goodwill that would have remained on the relevant balance sheet (as adjusted) if all goodwill arising on acquisitions of group undertakings after 1 January 1985 and which has been written off against reserves in accordance with generally accepted accounting practice in the United Kingdom had been earned on the balance sheet as an asset and amortised on a straight line basis over a period which does not exceed 20 years (or such longer period, as decided by the Company, as may be in accordance with generally accepted accounting practice in the United Kingdom), this amount to be certified by the auditors, and

- (B) the amount of a distribution declared, recommended or paid by a group undertaking to a person other than a group undertaking out of profits accrued up to and including the date of, but not provided for in, the relevant balance sheet,

102.3.2 **"group"** means:

- (i) the Company;
- (ii) all undertakings which are included in the consolidated group accounts in which the relevant balance sheet is comprised and which would be so included if group accounts were prepared at the relevant time (and if that time were the end of the Company's financial year); and
- (iii) all undertakings which are not included in the consolidated group accounts in which the relevant balance sheet is comprised but which would be so included if group accounts were prepared at the relevant time (and if that time were the end of the Company's financial year);

102.3.3 **"group undertaking"** means the Company or another undertaking in the group;

102.3.4 **"moneys borrowed"** means all moneys borrowed including, without limitation:

- (i) the nominal amount of and the amount of any premium paid in respect of any allotted share capital (not being equity share capital) of a group undertaking other than the Company not beneficially owned, directly or indirectly by another group undertaking;
- (ii) any amount raised by acceptance under an acceptance credit facility, other than acceptances relating to the purchases of goods or services in the ordinary course of trading and outstanding for not more than 90 days;
- (iii) any amount raised under a note purchase facility;

- (iv) the amount of any liability in respect of a lease or hire purchase contract which would, in accordance with generally accepted accounting standards in the United Kingdom, be treated as a finance or capital lease;
- (v) amount of any liability in respect of a purchase price for assets or services the payment of which is deferred for a period of more than 90 days; and
- (vi) any amount raised under another transaction (including, without limitation, a forward sale or purchase agreement) having the commercial effect of a borrowing;
- (vii) but excluding:
 - (A) borrowings by one group undertaking from another, including the principal amount of any loan capital (whether secured or unsecured) and the normal amount of any allotted or issued share capital (not being equity share capital) of a group undertaking beneficially owned, directly or indirectly, by another group undertaking;
 - (B) borrowings for the purpose of financing a contract to the extent that the price receivable under the contract is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by another person fulfilling a similar function;
 - (C) borrowings for the purpose of, and applied within six months of being made in, repaying the whole or part of borrowings that constitute moneys borrowed for the purposes of this article. pending their application for that purpose within that period; and

in calculating moneys borrowed for the purposes of this article, there shall be deducted;
- (viii) an amount equal to the aggregate of:

- (A) all cash in hand and cash deposits repayable on demand with any bank or financial institution (not itself a group undertaking); and
- (B) investments which are readily convertible into known amounts of cash with notice of 96 hours or less,

in each case beneficially owned, directly or indirectly, by a group undertaking and whether denominated in sterling or in a currency other than sterling,

102.3.5 “**relevant balance sheet**” means consolidated balance sheet dealing with the state of affairs of the Company and its subsidiary undertakings comprised in the latest group accounts prepared and approved by the board and on which the auditors have made their report pursuant to the Acts.

102.4 When the amount of moneys borrowed to be taken into account for the purposes of this article on a particular day is being calculated, moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent using the same method of translation as used in the relevant balance sheet.

102.5 When calculating moneys borrowed for the purposes of this article, where a group undertaking has issued and paid-up equity share capital that is not owned, directly or indirectly, by a group undertaking (“**external capital**”):

102.5.1 the relevant percentage of any borrowings from that group undertaking by another group undertaking may not be excluded pursuant to paragraph 102.3.4(vii)(A);

102.5.2 the relevant percentage of any borrowings made by that group undertaking that constitute moneys borrowed for the purposes of this article shall be deducted, and

102.5.3 the relevant percentage of any items falling within paragraph 102.3.4(viii) beneficially owned, directly or indirectly, by that group undertaking may not be deducted,

and for the purpose of this paragraph “**relevant percentage**” means a percentage equal to the percentage that the external capital forms of the whole of the issued and paid-up equity share capital of that group undertaking.

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

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

103 [ARTICLE DELETED]

DIRECTORS' INTERESTS

104 **Directors' Interests**

104.1 Subject to the Acts and paragraph 104.2 of this article 104, a director, notwithstanding his office:

104.1.1 may enter into or otherwise be interested in a contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested either in connection with his tenure of an office or place of profit or as seller, buyer or otherwise;

104.1.2 may hold another office or place of profit with the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company, and in that case on such terms as to remuneration and otherwise as the board may decide either in addition to or instead of remuneration provided for by another article;

- 104.1.3 may be a director or other officer of, or employed by, or a party to a contract, transaction, arrangement or proposal with or otherwise interested in, a company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has a power of appointment; and
- 104.1.4 is not liable to account to the Company for a profit, remuneration or other benefit realised by such office, employment, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal is avoided on the grounds of any such interest or benefit.
- 104.2 A director who, to his knowledge, is in any way (directly or indirectly) interested in a contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, the first meeting of the board after he knows that he is or has become interested. For the purposes of this article:
- 104.2.1 a general notice given to the board by a director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in a contract, transaction, arrangement or proposal in which a specified person or class of persons is interested is a sufficient disclosure under this article in relation to that contract, transaction, arrangement or proposal; and
- 104.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge is not treated as his interest.
- 104.3 A director may not vote on a resolution of the board or of a committee of the board concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an 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:
- 104.3.1 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;

- 104.3.2 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 he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- 104.3.3 a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- 104.3.4 a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he is interested (directly indirectly) whether as an officer, shareholder, creditor or otherwise (a “**relevant company**”), if he does 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 of or the voting rights in the relevant company;
- 104.3.5 a contract, arrangement, transaction or proposal for the benefit of the employees of the Company or any of subsidiary undertakings which does not award him a privilege or benefit not generally awarded to the employees to whom it relates; and
- 104.3.6 a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy under which he may benefit.
- 104.4 A director may not vote or be counted in the quorum on a resolution of the board or committee of the board concerning his own appointment (including, without limitation, fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each director. In that case each of the

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

104.5 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.

104.6 If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as 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.

104.7 For the purposes of this article, the interest of a person who is for the purposes of the Acts connected with (within the meaning of section 252 of Act) a director is treated as the interest of the director and, in relation an alternate director, the interest of his appointor is treated as the interest of the alternate director in addition to an interest which the alternate director otherwise has. This article applies to an alternate director as if he were a director otherwise appointed.

104.8 For the purposes of section 175 of the Act, if a situation arises in which a director has, or can have, a direct or indirect interest that conflicts, or may conflict, with the interests of the Company, including without limitation in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it, but excluding any situation:

104.8.1 which cannot reasonably be regarded as likely to give rise to a conflict of interest; or

104.8.2 any situation whereby the conflict of interest arises in relation to any contract, arrangement or transaction with the Company or any proposed contract, arrangement or transaction with the Company (which are covered by paragraphs 104.1 and 104.2 of this article 104),

(a “**Relevant Situation**”), the directors (other than the director in question and any other interested director (“**Interested Directors**”)) shall have the power to authorise any Relevant Situation.

104.9 Authorisation of a Relevant Situation shall be effective only if:

104.9.1 the nature and extent of the Relevant Situation shall have been proposed in writing for consideration at a meeting of the directors in accordance with the board’s normal procedures or in such other manner as the directors may approve;

104.9.2 no Interested Director shall be entitled to vote in respect of the approval of the Relevant Situation nor shall the Interested Director be entitled to count towards the quorum for such meeting;

104.9.3 any terms imposed by the directors at the time of authorisation or which are imposed and subsequently varied including (without limitation):

- (i) the duration of the approval (if not to be provided for an indefinite period) and whether it can be revoked at any time;
- (ii) the exclusion of any Interested Director from all information and discussion by the directors of the Relevant Situation;
- (iii) the exclusion of any Interested Director from the board by way of suspension for the period during which the board is considering for approval any Relevant Situation; and
- (iv) (without prejudice to the general obligations of confidentiality) the application to any Interested Director of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the Relevant Situation,

are complied with in full and each Interested Director shall comply with any obligations imposed on him by the directors pursuant to such authorisation.

104.10 An authorisation under paragraph 104.9 may provide that where an Interested Director:

104.10.1 obtains (other than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to

disclose it to the Company or use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence; and/or

104.10.2 takes mitigating action when the Relevant Situation arises (including without limitation not attending board meetings of the Company or reading board papers circulated by the directors), he shall not be in breach of duty in respect of such action if carried out in relation to the authorised Relevant Situation.

104.11 An Interested Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under paragraphs 104.8 to 104.10 of this article 104 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

PROCEEDINGS OF DIRECTORS AND COMMITTEES

105 Board meetings

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

106 Notice of board meetings

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

107 Quorum

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

A duly convened meeting of the board at which a quorum is present is competent to exercise all or any of the authorities powers and discretions vested in or exercisable by the board.

108 Chairman of board

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

109 Voting

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

110 Participation by telephone

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

111 Resolution in writing

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

112 Proceedings of committees

112.1 Proceedings of committees of the board shall be conducted in accordance with terms prescribed by the board (if any). Subject to those terms and article 112.2, proceedings shall be conducted in accordance with applicable provisions of the articles regulating the proceedings of the board.

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

113 Minutes of proceedings

113.1 The board shall cause minutes be made in books kept for the purpose of:

113.1.1 all appointments of officers and committees made by the board and of any remuneration fixed the board; and

113.1.2 the names of directors present every meeting of the board, committees of the board, the Company or the holders of a class of shares or debentures, and all orders, resolutions and proceedings of such meetings.

113.2 If purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, minutes are receivable as prima facie evidence of the matters stated in them.

114 Validity of proceedings of board or committee

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

SECRETARY AND AUTHENTICATION OF DOCUMENTS

115 Secretary

115.1 Subject to the Acts, the board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including, without limitation, remuneration) as it thinks fit. The board may remove a person appointed pursuant this article from office and appoint another or others in his place.

115.2 Any provision of the Acts or of the articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.

116 Authentication of documents

116.1 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, without limitation, the memorandum of association and the articles) and resolutions passed by the Company or holders of a class of shares or the board or a committee of the board and books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts.

SEALS

117 Safe custody

117.1 The board shall provide for the safe custody of every seal

118 Application of seals

118.1 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 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:

118.1.1 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

118.1.2 every other instrument to which a seal is affixed shall be signed by one director and by the secretary a second director.

119 Official seal for use abroad

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

DIVIDENDS AND OTHER PAYMENTS

120 Declaration of dividends

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

121 Interim dividends

121.1 Subject to the Acts, the board may declare and pay such interim dividends (including, without limitation, a dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares with preferred rights, unless at the time of payment a preferential dividend is in arrears. If the board acts in good faith, it does not incur any liability to the holders of shares conferring preferred rights for a loss they may suffer by the lawful payment of an interim dividend on shares ranking after those with preferred rights.

122 Entitlement dividends

122.1 Except as otherwise provided by the rights attached to shares, a dividend shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is declared and paid, but no amount paid on a share in advance of a call may treated for the purpose of this article as paid up on the share. Except as otherwise provided by the rights attached to shares, dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

123 Method of payment

123.1 The Company may pay any dividend, interest or other amount payable in respect of a share:

123.1.1 in cash;

123.1.2 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);

123.1.3 by a bank or other funds transfer system to an account designated in writing by the person entitled to the payment;

123.1.4 by means of a relevant system in respect of an uncertificated share if the board decides and the person entitled to payment has in writing authorised the payment to be made by means of that system; or

123.1.5 by such other method as the person entitled to the payment may in writing direct.

123.2 The Company may send a cheque, warrant or money order by post (i) in the case of a sole holder, to his registered address, (ii) in the case of joint holders, to the registered address of the person whose name stands first in the register, (iii) the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with article 139, or (iv) in any case, to a person and address that the person or persons entitled to the payment may in writing direct.

123.3 Where a share is held jointly or two or more persons are jointly entitled by transmission to a share, (i) 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 transmission to the share, and in either case that holder or person may give an effective receipt for

the payment, and (ii) for any of the purposes of this article 123, 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.

123.4 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.

123.5 Without prejudice to article 68, the board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided any evidence of his right that the board may reasonably require.

124 **Dividends not to bear interest**

124.1 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.

125 **Calls or debts may be deducted from dividends etc.**

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

126 **Unclaimed dividends etc.**

126.1 Any unclaimed dividend, interest or other amount payable by the Company in respect of a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed. A dividend unclaimed for a period of 12 years the date it was declared or became due for payment is forfeited and ceases to remain owing by the Company. The payment of an unclaimed dividend, interest other amount payable by the Company in respect of a share into a separate account does not constitute the Company a trustee in respect of it

127 **Uncashed dividends**

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

127.1.1 a cheque, warrant or money order is returned undelivered or left uncashed;
or

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

128 **Payment of dividends in specie**

128.1 Without prejudice to article 68, 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, without limitation, may (i) issue fractional certificates (or ignore fractions), (ii) fix the value for distribution of the specific assets (or any part of them), (iii) 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 (iv) vest assets in trustees on trust for the persons entitled to the dividend as seems expedient to the board.

129 **Payment of scrip dividends**

129.1 Subject to the Acts, but without prejudice to article 68, the board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares in either case credited as fully paid ("**new shares**") instead of cash in respect of all or part of a dividend or dividends specified by the resolution, subject to any exclusions, restrictions or other arrangements the board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.

- 129.2 Where a resolution under article 129.1 is to be proposed at a general meeting and the resolution relates in whole or in part to a dividend to be declared at that meeting, then the resolution declaring the dividend is deemed to take effect at the end of that meeting.
- 129.3 A resolution under article 129.1 may relate to a particular dividend or to all or any dividends declared or paid within a specified period, but that period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which the resolution is passed.
- 129.4 The board shall determine the basis of allotment of new shares so that, as nearly as may be considered convenient without involving rounding up of fractions, the value of the new shares (including a fractional entitlement) to be allotted (calculated by reference to the average quotation, or the nominal value of the new shares, if greater) equals (disregarding an associated tax credit) the amount of the dividend which would otherwise have been received by the holder (the “**relevant dividend**”). For this purpose the “**average quotation**” of each of the new shares is the average of the middle-market quotations for a fully-paid share of the Company of that class derived from the Daily Official List of the London Stock Exchange on the business day on which the relevant class of shares is first quoted “ex” the relevant dividend (or such other date as the board may deem appropriate to take account of any subsequent issue of shares by the Company) and the four subsequent business days or shall be as determined by or in accordance with the resolution under article 129.1.
- 129.5 The board may make any provision it considers appropriate in relation to an allotment made or to be made pursuant to this article (whether before or after the passing of the resolution under article 129.1), including, without limitation:
- 129.5.1 the giving of notice to holders of the right of election offered to them;
 - 129.5.2 the provision of forms of election (whether in respect of a particular dividend or dividends generally);
 - 129.5.3 determination of the procedure for making and revoking elections;
 - 129.5.4 the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective; and

- 129.5.5 the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the holders concerned).
- 129.6 The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made (the “**elected shares**”), instead new shares are allotted to the holders of the elected shares on the basis of allotment calculated as in paragraph 129.4. For that purpose, the board may resolve to capitalise out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to article 130. In relation to the capitalisation the board may exercise all the powers conferred on it by article 130 without an ordinary resolution of the Company.
- 129.7 The new shares rank *pari passu* in all respects with each other and with the fully paid shares of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date.

CAPITALISATION OF PROFITS

130 Capitalisation of profits

- 130.1 Subject to the Acts, the board may, with the authority of an ordinary resolution of the Company:
- 130.1.1 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;
 - 130.1.2 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;

130.1.3 make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, 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 sale in due proportion amongst the members (except that if the amount due to a member is less than £3, or such other sum as the board may decide, the sum may be retained for the benefit of the Company);

130.1.4 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 shares,

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

130.1.5 generally do all acts and things required to give effect to the resolution.

130.2 Paragraph 130.3 applies, without prejudice to the generality of paragraph 130.1, where:

130.2.1 a person is granted pursuant to an employees' share scheme a right to subscribe for shares in the capital of the Company on terms that the subscription price payable in cash on the allotment of those shares is a price less than their nominal value; and

130.2.2 pursuant to the terms of an employees' share scheme, the terms on which a person is entitled to subscribe for shares in the capital of the Company are adjusted as a result of a capitalisation issue, rights issue or other variation of capital so that the subscription price payable in cash on the allotment of those shares is a price less than their nominal value.

130.3 Where this paragraph applies, the board shall:

130.3.1 transfer to a reserve account a sum equal to the deficiency between the subscription price and the nominal value of the shares (the "**cash deficiency**") from the reserves of the Company available for distribution and not required for the payment or provision of any fixed preferential dividend; and

130.3.2 subject to paragraph 130.5, not apply that reserve account for any purpose other than paying up the cash deficiency on the allotment of those shares.

130.4 Whenever the Company is required to allot shares pursuant to such a right to subscribe, the board shall, subject to the provisions of the Acts:

130.4.1 capitalise out of the reserve account an amount equal to the cash deficiency applicable to those shares;

130.4.2 apply that amount in paying up the deficiency on the nominal value of those shares;

130.4.3 allot those shares credited as fully paid to the person entitled to them.

130.5 If a person ceases to be entitled to subscribe for shares as described, the restrictions on the reserve account cease to apply in relation to that part of the account that equals the amount of the cash deficiency applicable to those shares.

- 130.6 No right may be granted under an employees' share scheme under paragraph 130.2.1 and no adjustment may be made as mentioned in paragraph 130.2.2 unless the Company has sufficient reserves available for distribution and not required for the payment or provision of a fixed preferential dividend to permit the transfer to a reserve account in accordance with paragraph 130.3 of an amount sufficient to pay up the cash deficiency applicable to the shares concerned.

RECORD DATES

131 Record Dates

- 131.1 Notwithstanding any other provision of the articles, but subject to the Acts and rights attached to shares, the Company or the board may fix any date as the record date for a dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid

ACCOUNTS

132 Keeping and inspection of accounts

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

133 Accounts to be sent to members etc

- 133.1 In respect of each financial year, a copy of the Company's. annual accounts, directors' report and auditors' report on those accounts shall be sent by post or delivered to:
- 133.1.1 every member (whether or not entitled to receive notices of general meetings);
 - 133.1.2 every holder of debentures (whether or not entitled to receive notices of general meetings); and
 - 133.1.3 every other person who is entitled to receive notices of general meetings,

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

- (i) a member or holder of debentures of whose address the Company is unaware; or
- (ii) more than one of the joint holders of shares or debentures.

133.2 Where permitted by the Acts, a summary financial statement derived from the Company's annual accounts and the directors' report and auditors' report in the form and containing the information prescribed by the Acts may be sent or delivered to a person in place of the documents required to be sent or delivered by article 133.1.

NOTICES

134 Notices to be in writing

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

135 Service of notices and other documents on members

135.1 A notice or other document may be given to a member by the Company:

- 135.1.1 either personally or by sending it by post in a pre-paid envelope addressed to the member at his registered address, or by leaving it at that address (or at another address notified for the purpose) in an envelope addressed to the member;
- 135.1.2 through a relevant system, where the notice or document relates to uncertificated shares;
- 135.1.3 where appropriate, by sending or supplying it in electronic form to an address notified by the member to the Company for that purpose;
- 135.1.4 where appropriate, by making it available on a website and notifying the member of its availability in accordance with this article; or
- 135.1.5 by any other means authorised in writing by the member.

135.2 In the case of joint holders of a share, a notice or other document shall be given to whichever of them is named first in the register in respect of the joint holding and notice given in this way is sufficient notice to all joint holders.

135.3 If a member (or, in the case of joint holders, the person first named on the register) has a registered address outside the United Kingdom but has notified the Company of an address in the United Kingdom at which notices or other documents may be given to him, he is entitled to have notices given to him at that address, but otherwise no such member or person is entitled to receive a notice or other document from the Company.

136 Notice by advertisement

If by reason of the suspension or curtailment of postal services in the United Kingdom, the Company is unable effectively to convene a general meeting by notices sent by post, the board may, in its absolute discretion and as an alternative to any other method of service permitted by the articles, resolve to convene a general meeting by a notice advertised in at least one United Kingdom national newspaper. In this case the Company shall send confirmatory copies of the notice by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

137 Evidence of service

137.1 A notice or other document addressed to a member at his registered address or address for service in the United Kingdom is, if sent by post, deemed to be given within 24 hours if pre-paid as first class post and within 48 hours if pre-paid as second class post after it has been posted, and in proving service it is sufficient to prove that the envelope containing the notice or document was properly addressed, pre-paid and posted.

137.2 A notice or document not sent by post but left at a registered address or address for service in the United Kingdom is deemed to be given on the day it is left.

137.3 Where notice given by newspaper advertisement, the notice is deemed to be given to all members and other persons entitled to receive it at noon on the day when the advertisement appears or, where notice is given by more than one advertisement and the advertisements appear on different days, at noon on the last of the days when the advertisements appear.

137.4 A member present in person or by proxy at a meeting or 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.

138 Notice binding on transferees etc.

138.1 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 on the register, has been properly served on a person from whom he derives his title.

139 Notice in case of entitlement by transmission

139.1 Where a person is entitled by transmission to a share, the Company may give a notice or other document 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 or other document 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.

DESTRUCTION OF DOCUMENTS

140 Destruction of documents

140.1 The Company may destroy:

140.1.1 a share certificate which has been cancelled at any time after one year from the date of cancellation;

140.1.2 a mandate for the payment of dividends or other amounts or a variation or cancellation of a mandate or a notification of change of name or address at any time after two years from the date the mandate, variation, cancellation or notification was recorded by the Company;

140.1.3 an instrument of transfer of shares (including a document constituting the renunciation of an allotment of shares) which has been registered at any time after six years from the date of registration; and

140.1.4 any other document on the basis of which any entry in the register is made at any time after six years from the date an entry in the register was first made in respect of it.

140.2 It is presumed conclusively in favour of the Company that every share certificate destroyed was a valid certificate validly cancelled, that every instrument of transfer destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company, but:

140.2.1 the provisions of this article apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document is relevant to a claim;

140.2.2 nothing contained in this article imposes on the Company liability in respect of the destruction of a document earlier than provided for in this article or in any case where the conditions of this article are not fulfilled; and

140.2.3 references in this article to the destruction of a document include reference to its disposal in any manner.

WINDING UP

141 Winding-up

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

INDEMNITY & INSURANCE

142 Indemnity and insurance

142.1 in this article:

- 142.1.1 companies are “**associated**” if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
- 142.1.2 a “**relevant officer**” means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not they are also a director or other officer), to the extent they act in their capacity as auditor; and
- 142.1.3 “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company.
- 142.2 To the extent permitted by the Act and subject to article 142.3, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 142.2.1 each relevant officer shall be indemnified out of the Company’s assets against all relevant loss and in relation to the Company’s (or any associated company’s) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act), including any liability incurred by the officer in defending any civil or criminal proceedings, in which judgment is given in the officer’s favour or in which the officer is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on the officer’s part or in connection with any application in which the court grants the officer, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company’s (or any associated company’s) affairs; and
- 142.2.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in article 142.2.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

142.3 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Acts or by any other provision of law.

142.4 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.