

Company No. 05149111

INCORPORATED UNDER THE COMPANIES ACT 1985

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

AA PLC



A9WRMLF

A08

25/01/2021

#21

COMPANIES HOUSE

Incorporated on 9 June 2004

Adopted by special resolution passed on 19 June 2014

As amended by a special resolution passed on 25 June 2014

As amended by a special resolution passed on 7 June 2018

As amended by a special resolution passed on 14 January 2021

CONTENTS

CLAUSE	PAGE
PART 1 - INTERPRETATION AND LIMITATION OF LIABILITY	1
1. Defined terms	1
2. Model articles or regulations Do not apply	14
3. Liability of members	14
PART 2 - DIRECTORS' POWERS AND RESPONSIBILITIES	14
4. Directors' general authority	14
5. Borrowing powers	15
6. Members' reserve power	15
7. Directors may delegate	15
8. Committees	16
DECISION-MAKING BY DIRECTORS	16
9. Directors to take decisions collectively	16
10. Calling a directors' meeting	16
11. Participation in directors' meetings	17
12. Quorum for directors' meetings	17
13. Meetings where total number of directors is less than quorum	17
14. Chairing directors' meetings	18
15. Voting at directors' meetings: general rules	18
16. Chairman's casting vote at directors' meetings	18
17. Alternates voting at directors' meetings	18
DIRECTORS' INTERESTS	19
18. Directors' interests other than in relation to transactions or arrangements with the Company	19
19. Confidential information and attendance at directors' meetings	19
20. Declaration of interests in proposed or existing transactions or arrangements with the Company	20
21. Ability to enter into transactions and arrangements with the Company notwithstanding interest	21
22. Remuneration and benefits	21
23. General voting and quorum requirements	22
24. Proposing directors' written resolutions	23
25. Adoption of directors' written resolutions	24
26. Directors' discretion to make further rules	24

APPOINTMENT OF DIRECTORS	24
27. Number of directors	24
28. Methods of appointing directors	24
29. Retirement of directors by rotation	26
30. Termination of a director's appointment	27
31. Directors' fees	28
32. Directors' additional remuneration	29
33. Directors' pensions and other benefits	29
34. Remuneration of alternate directors	29
35. Remuneration of executive directors	29
36. Directors' expenses	30
ALTERNATE DIRECTORS	30
37. Appointment and removal of alternates	30
38. Rights and responsibilities of alternate directors	31
39. Termination of alternate directorships	31
PART 3 - DECISION-MAKING BY MEMBERS	32
ORGANISATION OF GENERAL MEETINGS	32
40. Annual general meetings	32
41. Calling general meetings	32
42. Notice of general meetings	32
43. Attendance and speaking at general meetings	33
44. Meeting security	34
45. Quorum for general meetings	34
46. Chairing general meetings	35
47. Conduct of meetings	35
48. Attendance and speaking by directors and non-members	36
49. Dissolution and adjournment if quorum not present	36
50. Adjournment if quorum present	37
51. Notice of adjourned meeting	37
52. Business at adjourned meeting	38
VOTING AT GENERAL MEETINGS	38
53. Voting: general	38
54. No voting rights attached to the Management Value Participation Shares or Deferred Shares	39
55. Chairman's declaration	39

56.	Errors and disputes.....	39
57.	Demanding a poll.....	40
58.	Procedure on a poll.....	40
59.	Appointment of proxy.....	41
60.	Content of proxy notices.....	42
61.	Delivery of proxy notices.....	42
62.	Corporate representatives.....	43
63.	Termination of authority.....	44
64.	Amendments to resolutions.....	44
	RESTRICTIONS ON MEMBERS' RIGHTS.....	45
65.	No voting of shares on which money is owed to company.....	45
	APPLICATION OF RULES TO CLASS MEETINGS AND RIGHTS.....	45
66.	Variation of class rights.....	45
67.	Failure to disclose interests in shares.....	46
	PART 4 - SHARES AND DISTRIBUTIONSzzmpShiftReturnISSUE OF SHARES.....	48
68.	Allotment.....	48
69.	Power to issue different classes of shares.....	48
70.	Rights and restrictions attaching to shares.....	48
71.	Payment of commissions on subscription for shares.....	48
	INTERESTS IN SHARES.....	49
72.	Company not bound by less than absolute interests.....	49
73.	Certificates to be issued except in certain cases.....	49
74.	Contents and execution of certificates.....	49
75.	Consolidated certificates.....	50
76.	Replacement certificates.....	51
77.	Uncertificated shares.....	51
	PARTLY PAID SHARES.....	53
78.	Company's lien over partly paid shares.....	53
79.	Enforcement of the company's lien.....	53
80.	Call notices.....	54
81.	Liability to pay calls.....	55
82.	When call notice need not be issued.....	55
83.	Failure to comply with call notice: automatic consequences.....	56
84.	Payment of uncalled amount in advance.....	56
85.	Notice of intended forfeiture.....	56

86.	Directors' power to forfeit shares	57
87.	Effect of forfeiture	57
88.	Procedure following forfeiture	58
89.	Surrender of shares	59
	UNTRACED SHAREHOLDERS	59
90.	Power of sale	59
91.	Application of proceeds of sale	60
	TRANSFERS AND TRANSMISSION OF SHARES	60
92.	Transfers of shares	60
93.	Transfers of Management Value Participation Shares or Deferred Shares	61
94.	Compulsory Transfer by Bad Leavers	62
95.	Transfers of uncertificated shares	64
96.	Transmission of shares	64
97.	Transmittees' rights	65
98.	Exercise of transmittees' rights	65
99.	Transmittees bound by prior notices	66
	CONSOLIDATION/DIVISION OF SHARES	66
100.	Procedure for disposing of fractions of shares	66
	DISTRIBUTIONS	67
101.	Procedure for declaring dividends	67
102.	Calculation of dividends	68
103.	No dividend payable to holders of Management Value Participation Shares or Deferred Shares	68
104.	Payment of dividends and other distributions	68
105.	Deductions from distributions in respect of sums owed to the company	70
106.	No interest on distributions	70
107.	Unclaimed distributions	70
108.	Non-cash distributions	71
109.	Waiver of distributions	71
110.	Scrip dividends	72
	CAPITALISATION OF PROFITS AND RESERVES	74
111.	Authority to capitalise and appropriation of capitalised sums	74
112.	Record dates	75
113.	Management Value Participation Shares	75
114.	Repurchase of Deferred Shares	80

PART 5 - MISCELLANEOUS PROVISIONS	80
COMMUNICATIONS	80
115. Means of communication to be used	80
116. Loss of entitlement to notices	82
ADMINISTRATIVE ARRANGEMENTS	82
117. Secretary	82
118. Authentication of documents	83
119. Company seals	83
120. Records of proceedings	83
121. Destruction of documents	84
122. Accounts	85
123. Provision for employees on cessation of business	86
124. Winding up of the company	86
DIRECTORS' INDEMNITY AND INSURANCE	86
125. Indemnity of officers and funding directors' defence costs	86
126. Insurance	88
127. SCHEME OF ARRANGEMENT	88
128. scheme of arrangement	89

PART 1 - INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS

1.1 In the Articles, unless the context requires otherwise:

"A Shares" means the A1 Shares and the A2 Shares.

"A Shares Hurdle Amount" means (subject to Article 113.13) an amount (expressed in GBP) equal to $A \times B$, where:

- (a) "A" means the number of Ordinary Shares in issue immediately following the Admission Date; and
- (b) "B" means the amount by which the Adjusted Issue Price would need to increase for there to be a 12 per cent. per annum increase (accruing daily and compounding annually on each anniversary of the Admission Date) in the Adjusted Issue Price in the period commencing on the Admission Date and ending on the day immediately preceding:
 - (i) the third anniversary of the Admission Date when tested on the third anniversary of the Admission Date; or
 - (ii) the fourth anniversary of the Admission Date when tested in respect of the fourth anniversary of the Admission Date; or
 - (iii) the fifth anniversary of the Admission Date when tested in respect of the fifth anniversary of the Admission Date.

"A Shares Performance Condition" means that:

- (a) the Total Shareholder Return immediately prior to the third anniversary of the Admission Date is equal to or greater than the A Shares Hurdle Amount;
- (b) the condition specified in paragraph (a) of this definition is not met, but the Total Shareholder Return immediately prior to the fourth anniversary of the Admission Date is equal to or greater than the A Shares Hurdle Amount; or
- (c) the conditions specified in paragraphs (a) and (b) of this definition are not met, but the Total Shareholder Return immediately prior to the fifth anniversary of the Admission Date is equal to or greater than the A Shares Hurdle Amount.

"A1 Shares" means the convertible, redeemable A1 shares of £0.001 each in the capital of the Company.

"A2 Shares" means the convertible, redeemable A2 shares of £0.001 each in the capital of the Company.

"Act" means the Companies Act 2006.

"acting in concert" has the meaning given to it in the City Code on Takeovers and Mergers from time to time.

"Adjusted Issue Price" means £2.50 as adjusted pursuant to Article 113.13.

"Adjustment Event" has the meaning given to it in Article 113.13.

"Admission Date" means the date on which the Ordinary Shares are first admitted to the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities.

"alternate director" means the person appointed to that role pursuant to Article 37.1 and **"alternate"** shall be construed accordingly.

"Anniversary" means each of:

- (a) the third anniversary of the Admission Date;
- (b) the fourth anniversary of the Admission Date; and
- (c) the fifth anniversary of the Admission Date.

"Anniversary Price" means the arithmetic mean Closing Price of an Ordinary Share on each of the ten business days immediately preceding the relevant Anniversary (or, in the case of a winding-up, the arithmetic mean Closing Price of an Ordinary Share on each of the ten business days immediately preceding the date on which that winding-up is first announced to members of the Company (or, if earlier, the date on which the intention to effect that winding-up is first announced to members of the Company)).

"appointor" has the meaning given to it in Article 37.1.

"Articles" means these Articles of Association.

"auditors" means the auditors from time to time of the Company.

"Available Assets" has the meaning given to it in Article 103.1.

"B Shares" means the B1 Shares and the B2 Shares.

"B Shares Hurdle Amount" means (subject to Article 113.13) an amount (expressed in GBP) equal to $A \times B$, where:

- (a) **"A"** means the number of Ordinary Shares in issue immediately following the Admission Date; and
- (b) **"B"** means the amount by which the Adjusted Issue Price would need to increase for there to be a 12 per cent. per annum increase (accruing daily and compounding annually on each anniversary of the Admission Date) in the Adjusted Issue Price in the period commencing on the Admission Date and ending on the day immediately preceding:

- (i) the fourth anniversary of the Admission Date when tested in respect of the fourth anniversary of the Admission Date; or
- (ii) the fifth anniversary of the Admission Date when tested in respect of the fifth anniversary of the Admission Date.

"B Shares Performance Condition" means that:

- (a) the Total Shareholder Return immediately prior to the fourth anniversary of the Admission Date is equal to or greater than the B Shares Hurdle Amount; or
- (b) the condition specified in paragraph (a) of this definition is not met, but the Total Shareholder Return immediately prior to the fifth anniversary of the Admission Date is equal to or greater than the B Shares Hurdle Amount.

"B1 Shares" means the convertible, redeemable B1 shares of £0.001 each in the capital of the Company.

"B2 Shares" means the convertible, redeemable B2 shares of £0.001 each in the capital of the Company.

"Bad Leaver" means a Class 1 Bad Leaver or a Class 2 Bad Leaver.

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

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

"C Shares" means the C1 Shares and the C2 Shares.

"C Shares Hurdle Amount" means (subject to Article 113.13) an amount (expressed in GBP) equal to $A \times B$, where:

- (a) "A" means the number of Ordinary Shares in issue immediately following the Admission Date; and
- (b) "B" means the amount by which the Adjusted Issue Price would need to increase for there to be a 12 per cent. per annum increase (accruing daily and compounding annually on each anniversary of the Admission Date) in the Adjusted Issue Price in the period commencing on the Admission Date and ending on the day immediately preceding the fifth anniversary of the Admission date.

"C Shares Performance Condition" means that the Total Shareholder Return immediately prior to the fifth anniversary of the Admission Date is equal to or greater than the C Shares Hurdle Amount.

"C1 Shares" means the convertible, redeemable C1 shares of £0.001 each in the capital of the Company.

"C2 Shares" means the convertible, redeemable C2 shares of £0.001 each in the capital of the Company.

"Calculation Date" means, in relation to the calculation of the A Shares Hurdle Amount, the B Shares Hurdle Amount, the C Shares Hurdle Amount, the Change of Control Hurdle Amount, the Liquidation Hurdle Amount, the Total Shareholder Return or the Weighted Average Number of Ordinary Shares, the date of the relevant Anniversary, Change of Control or winding-up in respect of which such amount is to be calculated.

"call" has the meaning given to it in Article 80.1.

"call notice" has the meaning given to it in Article 80.1.

"capitalised sums" has the meaning given to it in Article 111.1.2.

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

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

"Cessation Date" means, in relation to a Leaver:

- (a) where a payment is made in lieu of notice, the date on which that payment is made;
- (b) (in circumstances where paragraph (a) does not apply), where the employment or contract for services ceases by virtue of notice given by the Leaver or by the relevant Group Company, the date on which such notice expires, whether or not the Leaver is placed on Garden Leave;
- (c) if the Leaver dies, the date of his death or certification of such death (if the date of death is unknown); and
- (d) (in circumstances where none of paragraphs (a), (b) or (c) apply) the date on which the Leaver ceases to be employed or engaged by (or appointed as a director to) a Group Company.

"chairman" means the person appointed to that role pursuant to Article 14.1.

"chairman of the meeting" has the meaning given to it in Article 46.4.

"Change of Control" means the acquisition of Control following the Admission Date and on or prior to the fifth Anniversary by any person or party (or by any group of persons and/or parties who are acting in concert) other than the Selling Shareholder and its group undertakings.

"Change of Control Determination Date" has the meaning given to it in Article 113.2.

"Change of Control Hurdle Amount" means (subject to Article 113.13) an amount (expressed in GBP) equal to $A \times B$, where:

- (a) "A" means the number of Ordinary Shares in issue immediately following the Admission Date; and
- (b) "B" means the amount by which the Adjusted Issue Price would need to increase for there to be a 12 per cent. per annum increase (accruing daily and compounding annually on each anniversary of the Admission Date) in the Adjusted Issue Price in the period commencing on the Admission Date and ending on the day immediately preceding the Change of Control.

"Change of Control Performance Condition" means, where there is a Change of Control on or prior to the fifth Anniversary, the Total Shareholder Return is equal to or greater than the Change of Control Hurdle Amount.

"Change of Control Price" means, in respect of a Change of Control, the offer price per Ordinary Share in respect of the offer which gives rise to or which arises as a result of the Change of Control or the offer price per Ordinary Share made pursuant to the scheme of arrangement which gives rise to the Change of Control (as the case may be).

"Class 1 Bad Leaver" means a person who becomes a Leaver by reason of his bankruptcy, disqualification from acting as a director, conviction of a serious criminal offence, breach of any non-compete undertaking, any act of gross misconduct or act which brings the Group into disrepute, or any other reason justifying summary dismissal, or who subsequently takes action or makes comments which denigrate the Group or bring the Group into disrepute.

"Class 2 Bad Leaver" means a person who becomes a Leaver other than by reason of his death, permanent disability, redundancy, or the sale by the Group of his employing business unit, or who subsequently takes action or makes comments which denigrate the Group or bring the Group into disrepute.

"Class 1 Management Value Participation Shares" means the A1 Shares, the B1 Shares and the C1 Shares.

"Class 2 Management Value Participation Shares" means the A2 Shares, the B2 Shares and the C2 Shares.

"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.

"Closing Price" means the closing mid-market price (expressed in GBP) of an Ordinary Share on the London Stock Exchange on the relevant day as specified by Bloomberg.

"Companies Acts" means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company.

"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.

"Company" means AA plc, a company incorporated in England and Wales (registered number 05149111).

"Company Conversion Notice" has the meaning given to it in Article 113.4.

"company's lien" has the meaning given to it in Article 78.1.

"Compulsory Transfer Completion Date" has the meaning given to it in Article 94.5.

"Compulsory Transfer Notice" has the meaning given to it in Article 94.2.

"Compulsory Transfer Price" has the meaning given to it in Article 94.4.

"Compulsory Transfer Shares" means:

- (a) in relation to a Class 1 Bad Leaver, all Class 1 Management Value Participation Shares (if any) held by such Class 1 Bad Leaver or by any Compulsory Transferor in respect of such Class 1 Bad Leaver; and
- (b) in relation to a Class 2 Bad Leaver, all Class 2 Management Value Participation Shares (if any) held by such Class 2 Bad Leaver or by any Compulsory Transferor in respect of such Class 2 Bad Leaver.

"Compulsory Transferee(s)" has the meaning given to it in Article 94.3.

"Compulsory Transferor" has the meaning given to it in Article 94.2.

"Control" means:

- (a) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (i) cast, or control the casting of, 30 per cent. or more of the maximum number of votes that might be cast at a general meeting of the Company; or
 - (ii) appoint or remove all, or the majority, of the directors of the Company; and/or
- (b) the holding beneficially of 30 per cent. or more of the issued share capital of the Company (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

"Converting Shareholder" has the meaning given to it in Article 113.4.

"corporate representative" has the meaning given to it in Article 62.1.

"Deadline" means:

- (a) other than in the case of a Change of Control, the date falling one calendar month following the later of:

- (i) the date of the relevant Management Value Participation Share Notice; and
 - (ii) if a Dispute Notice is duly served, the date on which the items set out in the Management Value Participation Share Notice are agreed between the Company and the Disputing Shareholders or otherwise determined in accordance with Article 113.6; or
- (b) in the case of a Change of Control, the date falling 5 Business Days following the date of the relevant Management Value Participation Share Notice.

"default shares" has the meaning given to it in Article 67.1.

"Defaulting Compulsory Transferor" has the meaning given to it in Article 94.7.

"Deferred Shares" means the deferred shares of £0.001 each in the capital of the Company.

"director" means a director of the Company, and includes any person occupying the position of director, by whatever name called.

"Disclosure Rules and Transparency Rules" mean the disclosure rules made by the Financial Conduct Authority under Part VI of FSMA.

"Dispute Notice" has the meaning given to it in Article 113.5.

"Disputing Shareholders" has the meaning given to it in Article 113.5.

"distribution recipient" has the meaning given to it in Article 104.2.

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

"due date for payment" has the meaning given to it in Articles 80.2.2 and 82.1.

"elected shares" has the meaning given to it in Article 110.7.

"excepted transfer" has the meaning given to it in Article 67.5.5.

"Excess Entitlement" has the meaning given to it in Article 113.9.

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

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

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

"Garden Leave" means the period in respect of which a person who is employed or engaged by a Group Company is given a direction to perform no duties under his employment contract or contract for services during some or all of the notice period

under that contract, and **"being placed on Garden Leave"** shall be construed accordingly.

"Group" means the Company and its subsidiary undertakings.

"group undertaking" is to be construed in accordance with section 1161 (and Schedule 7) of the Act and for the purposes of this definition, a group undertaking shall include any person the shares or ownership interests in which are subject to security and where the legal title to the shares or ownership interests so secured is registered in the name of the secured party or its nominee pursuant to such security.

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

"Independent Expert" means a valuation expert (acting as an expert and not as an arbitrator) nominated by the directors and appointed by them on the basis set out in Article 113.6 or, in the event of disagreement as to nomination, appointed upon application by the directors by the President for the time being of the Institute of Chartered Accountants in England and Wales.

"instrument" means a document in hard copy form.

"interested" has the meaning given to it in Article 67.5.2.

"lien enforcement notice" means a notice given in accordance with Article 79.

"Leaver" means a person who ceases to be an employee or director of any member of the Group.

"Liquidation Hurdle Amount" means (subject to Article 113.13) an amount (expressed in GBP) equal to $A \times B$, where:

- (a) "A" means the number of Ordinary Shares in issue immediately following the Admission Date; and
- (b) "B" means the amount by which the Adjusted Issue Price would need to increase for there to be a 12 per cent. per annum increase (accruing daily in the period commencing on the Admission Date and ending on the day immediately preceding the relevant winding-up and compounding annually on each anniversary of the Admission Date) in the Adjusted Issue Price.

"Liquidation Performance Condition" means there is a winding-up of the Company on or prior to the fifth Anniversary and the Total Shareholder Return is equal to or greater than the Liquidation Hurdle Amount.

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

"London Stock Exchange" means London Stock Exchange plc.

"Management Value Participation Scheme Value" means, as at the relevant Calculation Date, an amount equal to the sum of:

- (a) 5 per cent. of the Total Shareholder Return up to the Relevant Hurdle Amount; and
- (b) 10 per cent. of the amount by which the Total Shareholder Return exceeds the Relevant Hurdle Amount (if at all),

and, for the avoidance of doubt, if the Relevant Performance Condition is not met, the Management Value Participation Scheme Value shall be zero.

"Management Value Participation Share Notice" has the meaning given to it in Article 113.3.

"Management Value Participation Shares" means:

- (a) the A Shares;
- (b) the B Shares; and
- (c) the C Shares.

"member" means a member of the Company.

"new shares" has the meaning given to it in Article 110.1.

"Ordinary Share Entitlement" means, in respect of a holder of Relevant Shares, such number of Ordinary Shares (or, in the case of a winding-up, such amount in pounds sterling) as is equal to $((A - B) \times C) / D$, rounded down to the nearest whole number (or, in the case of a winding-up, rounded down to the nearest whole pound), where:

- (a) "A" means the Management Value Participation Scheme Value;
- (b) "B" means the Prior Management Value Participation Share Receipts Amount;
- (c) "C" means the Relative Proportion of the Relevant Shares held by the relevant holder; and
- (d) "D" means the Anniversary Price in respect of the Calculation Date or, in the case of a Change of Control, the Change of Control Price, or, in the case of a winding-up, £1.00.

"Ordinary Share Conversion Amount" means, in respect of a holder of a Relevant Shares, the lower of:

- (a) the Ordinary Share Entitlement of such holder in respect of the Relevant Shares; and
- (b) the number of the Relevant Shares held by such holder.

"Ordinary Shares" means the ordinary shares of £0.001 each in the capital of the Company.

"paid" and **"paid up"** mean paid or credited as paid.

"participate", in relation to a directors' meeting, has the meaning given to it in Article 11.1 and **"participating director"** shall be construed accordingly.

"partly paid" in relation to a share means that part of that share's nominal value and any premium at which it was issued which has not been paid to the Company.

"Performance Condition" means each of the A Shares Performance Condition, the B Shares Performance Condition, the C Shares Performance Condition, the Change of Control Performance Condition and the Liquidation Performance Condition.

"persons entitled" has the meaning given to it in Article 111.1.2.

"prescribed period" has the meaning given to it in Article 67.5.4.

"Prior Management Value Participation Share Receipts Amount" means an amount equal to the aggregate of the following:

- (a) the aggregate amount paid to current or former holders of any class of Management Value Participation Shares on any redemption or repurchase of Management Value Participation Shares; and
- (b) the aggregate value (on the basis of the relevant Anniversary Price of the relevant Ordinary Shares) of any Ordinary Shares issued to current or former holders of any class of Management Value Participation Shares on conversion of Management Value Participation Shares into Ordinary Shares.

"proxy notice" has the meaning given in Article 60.1.

"proxy notification address" has the meaning given to it in Article 61.1.

"qualifying person" means an individual who is a member of the Company, a corporate representative in relation to a meeting or a person appointed as proxy of a member in relation to a meeting.

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

"Relative Proportion" means, in respect of a holder of Relevant Shares, the percentage that the number of Relevant Shares held by him represents as a proportion of the total number of Relevant Shares of that class issued by the Company since the Admission Date.

"relevant company" has the meaning given to it in Article 23.1.4.

"relevant dividend" has the meaning given to it in Article 110.5.

"Relevant Hurdle Amount" means:

- (a) in respect of the A Shares, the A Shares Hurdle Amount;
- (b) in respect of the B Shares, the B Shares Hurdle Amount;
- (c) in respect of the C Shares, the C Shares Hurdle Amount;
- (d) in respect of a Change of Control, the Change of Control Hurdle Amount;
- (e) in respect of a winding-up, the Liquidation Hurdle Amount.

"Relevant Performance Condition" means:

- (a) in respect of the A Shares, the A Shares Performance Condition;
- (b) in respect of the B Shares, the B Shares Performance Condition;
- (c) in respect of the C Shares, the C Shares Performance Condition; and
- (d) in respect of a Change of Control, the Change of Control Performance Condition.

"relevant period" has the meaning given to it in Article 90.1.3.

"relevant rate" has the meaning given to it in Article 83.2.

"relevant rules" has the meaning given to it in Article 77.1.

"Relevant Shareholders" means, for the purposes of Article 113:

- (a) where Management Value Participation Shares are to be converted as a result of service of a Company Conversion Notice, all of the holders of Relevant Shares; and
- (b) where Management Value Participation Shares are to be converted as a result of service of a Shareholder Conversion Notice, all of the Converting Shareholders.

"Relevant Shares" means:

- (a) in respect of the A Shares Performance Condition, the A Shares;
- (b) in respect of the B Shares Performance Condition, the B Shares;
- (c) in respect of the C Shares Performance Condition, the C Shares;
- (d) in respect of the Change of Control Performance Condition, all outstanding Management Value Participation Shares; and
- (e) in respect of the Liquidation Performance Condition, all outstanding Management Value Participation Shares.

"relevant value" has the meaning given to it in Article 110.5.

"Remuneration Committee" means the remuneration committee of the Company.

"seal" means 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 Act.

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

"section 793 notice" has the meaning given to it in Article 67.1.

"Selling Shareholder" means Acromas Bid Co Limited, a company incorporated in England and Wales (registered number 06252535).

"senior holder" means, in the case of a share held by two or more joint holders, whichever of them is named first in the register.

"share sale" has the meaning given to it in Article 90.2.

"Shareholder Conversion Notice" has the meaning given to it in Article 113.4.

"shares" means shares in the Company.

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

"Total Shareholder Return" means, in respect of a Calculation Date, $A \times (B - C) + D$, where:

- (a) "A" means the Weighted Average Number of Ordinary Shares;
- (b) "B" means the Anniversary Price or, in the case of a Change of Control the Change of Control Price;
- (c) "C" means the Adjusted Issue Price as at the Calculation Date; and
- (d) "D" means the Value Return,

and for the avoidance of doubt, in the case of a winding-up, proceeds payable to the shareholders on a winding-up shall not constitute part of the Value Return and in the case of a Change of Control, proceeds payable to the shareholders on or as a result of the Change of Control shall not constitute part of the Value Return.

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

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

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

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

"Value Return" means the cumulative amount (expressed in GBP) of any value paid since the Admission Date by the Company (whether in the form of cash or otherwise) and received by (or issued to) holders of Ordinary Shares prior to the relevant Calculation Date on or in respect of that holding, including dividends, other distributions and returns of capital, but excluding dividends paid in scrip and any value paid out under Article 113.

"Weighted Average Number of Ordinary Shares" means, in respect of a Calculation Date, the weighted average number of Ordinary Shares in issue in the period commencing on the Admission Date and ending on the day immediately preceding the relevant Calculation Date.

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

- 1.2 The expressions **"issuer register of members"**, **"Operator"**, **"Operator-instruction"**, **"Operator register of members"**, **"participating issuer"**, **"participating security"** and **"relevant system"** have the same meaning as in the Uncertificated Securities Regulations.
- 1.3 Unless the context requires otherwise, words or expressions contained in these Articles bear the same meaning given by the Act as it is in force when the Articles are adopted.
- 1.4 All references in the Articles to the giving of instructions by means of a relevant system shall be deemed to relate to a properly authenticated dematerialised instruction given in accordance with the Uncertificated Securities Regulations. The giving of such instructions shall be subject to:
 - 1.4.1 the facilities and requirements of the relevant system;
 - 1.4.2 the Uncertificated Securities Regulations; and
 - 1.4.3 the extent to which such instructions are permitted by or practicable under the rules and practices from time to time of the Operator of the relevant system.

- 1.5 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- 1.6 References to a "**meeting**" shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.
- 1.7 The headings in the Articles do not affect the interpretation of the Articles.
- 1.8 References to any statutory provision or statute include all modifications and re-enactments (with or without modification) to such provision or statute and all subordinate legislation made under any such provision or statute, in each case for the time being in force. This Article 1.8 does not affect the interpretation of Article 1.3.
- 1.9 The *ejusdem generis* principle of construction shall not apply. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words.
- 1.10 In the Articles, words importing one gender shall include each gender and a reference to a "spouse" shall include a reference to a civil partner under the Civil Partnership Act 2004.

2. MODEL ARTICLES OR REGULATIONS DO NOT APPLY

No Model Articles or regulations contained in any statute or subordinate legislation, including those contained in the regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985, apply as the Articles of Association of the Company.

3. LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2 - DIRECTORS' POWERS AND RESPONSIBILITIES

4. DIRECTORS' GENERAL AUTHORITY

- 4.1 Subject to the Act and the Articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company whether relating to the management of the business or not.
- 4.2 No alteration of the Articles invalidates anything which the directors have done before the alteration.
- 4.3 The provisions of the Articles giving specific powers to the directors do not limit the general powers given by this Article 4.
- 4.4 The directors can appoint a person (not being a director) to an office having the title including the word "director" or attach such a title to an existing office. The directors can also terminate the appointment or use of that title. Even though a person's title

includes "director", this does not imply that they are (or are deemed to be) directors of the Company or that they can act as a director as a result of having such a title or be treated as a director of the Company for any of the purposes of the Act or the Articles.

4.5 The directors may in their discretion exercise (or cause to be exercised) the powers conferred by shares of another company held (or owned) by the Company or a power of appointment to be exercised by the Company (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).

4.6 Subject to the Act and the Uncertificated Securities Regulations, the directors may exercise the powers of the Company regarding keeping an overseas, local or other register and may make and vary regulations as they think fit concerning the keeping of such a register.

5. BORROWING POWERS

5.1 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 £4,500,000,000.

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

6. MEMBERS' RESERVE POWER

6.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

6.2 No such special resolution invalidates anything that the directors have done before that resolution is passed.

7. DIRECTORS MAY DELEGATE

7.1 Subject to the Articles, the directors may delegate any of the powers, authorities and discretions which are conferred on them under the Articles:

7.1.1 to such person or committee;

7.1.2 by such means (including by power of attorney);

7.1.3 to such an extent;

7.1.4 in relation to such matters or territories; and

7.1.5 on such terms and conditions;

as they think fit.

- 7.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers, authorities and discretions by any person to whom they are delegated.
- 7.3 If the directors delegate under Article 7.1, they may retain or exclude the right to exercise the delegated powers, authorities and discretions together with that person or committee.
- 7.4 Where a provision in the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a person or a committee under Article 7.1, the provision shall be construed as permitting the exercise of the power, authority or discretion by that person or committee.
- 7.5 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

8. COMMITTEES

- 8.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.
- 8.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles.

DECISION-MAKING BY DIRECTORS

9. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 9.1 Decisions of the directors may be taken:

- 9.1.1 at a directors' meeting; or

- 9.1.2 in the form of a directors' written resolution.

10. CALLING A DIRECTORS' MEETING

- 10.1 Any director may call a directors' meeting.
- 10.2 The secretary must call a directors' meeting if a director so requests.
- 10.3 A directors' meeting is called by giving notice of the meeting to the directors.
- 10.4 Notice of any directors' meeting must indicate:
 - 10.4.1 its proposed date and time;
 - 10.4.2 where it is to take place; and

- 10.4.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 10.5 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 10.6 Notice of a directors' meeting need not be given to a director who waives his entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 10.7 An alternate director is entitled to notice of all meetings of the directors and committees of which his appointor is a member.
- 11. PARTICIPATION IN DIRECTORS' MEETINGS**
- 11.1 Subject to the Articles, directors "**participate**" in a directors' meeting, or part of a directors' meeting, when:
- 11.1.1 the meeting has been called and takes place in accordance with the Articles; and
- 11.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.2 In determining whether a director is participating in a directors' meeting, it is irrelevant where the director is or how he communicates with the others.
- 11.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 12. QUORUM FOR DIRECTORS' MEETINGS**
- 12.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is two.
- 12.3 An alternate director counts as one director for the purpose of deciding whether a quorum is present regardless of whether he is a director acting also as an alternate director or has been appointed as an alternate director by more than one director.
- 13. MEETINGS WHERE TOTAL NUMBER OF DIRECTORS IS LESS THAN QUORUM**
- 13.1 This Article 13 applies where the total number of directors for the time being is less than the quorum for directors' meetings.
- 13.2 If there is only one director, that director may appoint sufficient directors to make up a quorum or may call a general meeting to do so.

13.3 If there is more than one director but the total number of directors is less than the quorum for a directors' meeting:

13.3.1 a directors' meeting may take place, if it is called in accordance with the Articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so; and

13.3.2 if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or may call a general meeting to do so.

14. CHAIRING DIRECTORS' MEETINGS

14.1 The directors may appoint a director to chair their meetings.

14.2 The directors may appoint other directors as deputy or assistant chairmen to chair directors' meetings in the chairman's absence.

14.3 The directors may terminate the appointment of the chairman, deputy or assistant chairman at any time.

14.4 If neither the chairman nor any director appointed generally to chair directors' meetings in the chairman's absence is participating in a meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of their number to chair it.

15. VOTING AT DIRECTORS' MEETINGS: GENERAL RULES

15.1 Subject to the Articles, a decision is taken at a directors' meeting by a majority of the votes of the participating directors.

15.2 Subject to the Articles, each director participating in a directors' meeting has one vote.

16. CHAIRMAN'S CASTING VOTE AT DIRECTORS' MEETINGS

16.1 Subject to Article 16.2, if the number of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

16.2 Article 16.1, does not apply if, in accordance with the Articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

17. ALTERNATES VOTING AT DIRECTORS' MEETINGS

17.1 A director who is also an alternate director has an additional vote on behalf of each appointor who:

17.1.1 is not participating in a directors' meeting; and

17.1.2 would have been entitled to vote if he were participating in it.

DIRECTORS' INTERESTS

18. DIRECTORS' INTERESTS OTHER THAN IN RELATION TO TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

- 18.1 The directors may authorise any matter proposed to them which would, if not so authorised, involve a breach of duty by a director under section 175 of the Act.
- 18.2 Any authorisation under Article 18.1 will be effective only if:
- 18.2.1 any requirement as to the quorum at the meeting or part of the meeting at which the matter is considered is met without counting the director in question or any other director interested in the matter under consideration; and
 - 18.2.2 the matter was agreed to without such directors voting or would have been agreed to if such directors' votes had not been counted.
- 18.3 The directors may give any authorisation under Article 18.1 upon such terms and conditions as they think fit. The directors may vary or terminate any such authorisation at any time.
- 18.4 For the purposes of Articles 18 to 23 a conflict of interest includes a conflict of interest and duty and a conflict of duties, and "interest" includes both direct and indirect interests.

19. CONFIDENTIAL INFORMATION AND ATTENDANCE AT DIRECTORS' MEETINGS

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

However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article 19.1 applies only if the existence of that relationship has been authorised by the directors under Article 18.1 (subject, in any such case, to any terms and conditions upon which such authorisation was given).

- 19.2 Where the existence of a director's relationship with another person has been authorised by the directors under Article 18.1 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act if he:

19.2.1 absents himself from meetings of the directors or a committee of directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or

19.2.2 makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser on his behalf,

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

19.3 The provisions of Articles 19.1 and 19.2 are without prejudice to any equitable principle or rule of law which may excuse the director from:

19.3.1 disclosing information, in circumstances where disclosure would otherwise be required under these Articles; and/or

19.3.2 attending meetings or discussions or receiving documents and information as referred to in Article 19.2, in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles.

20. DECLARATION OF INTERESTS IN PROPOSED OR EXISTING TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

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

20.2 A director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company must declare the nature and extent of his interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under Article 20.1.

20.3 Any declaration required by Article 20.1 may (but need not) be made:

20.3.1 at a meeting of the directors;

20.3.2 by notice in writing in accordance with section 184 of the Act; or

20.3.3 by general notice in accordance with section 185 of the Act.

20.4 Any declaration required by Article 20.2 must be made:

20.4.1 at a meeting of the directors;

20.4.2 by notice in writing in accordance with section 184 of the Act; or

20.4.3 by general notice in accordance with section 185 of the Act.

20.5 If a declaration made under Articles 20.1 or 20.2 above proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under Article 20.1 or Article 20.2 as appropriate.

20.6 A director need not declare an interest under this Article 20:

20.6.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest;

20.6.2 if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware);

20.6.3 if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for the purpose under these Articles; or

20.6.4 if the director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware).

21. ABILITY TO ENTER INTO TRANSACTIONS AND ARRANGEMENTS WITH THE COMPANY NOTWITHSTANDING INTEREST

21.1 Subject to the Act and provided that he has declared to the directors the nature and extent of any direct or indirect interest of his in accordance with Article 20 or where Article 20.6 applies and no declaration of interest is required, a director notwithstanding his office:

21.1.1 may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested;

21.1.2 may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the directors may decide; or

21.1.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is directly or indirectly interested.

22. REMUNERATION AND BENEFITS

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

22.1.1 the acceptance, entry into or existence of which has been authorised by the directors under Article 18.1 (subject, in any such case, to any terms and conditions upon which such authorisation was given); or

22.1.2 which he is permitted to hold or enter into by virtue of Article 21 or otherwise under these Articles,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act. No transaction or arrangement authorised or permitted under Articles 18.1 or 21 or otherwise under these Articles shall be liable to be avoided on the ground of any such interest or benefit.

23. GENERAL VOTING AND QUORUM REQUIREMENTS

23.1 Save as otherwise provided by these Articles, a director shall not vote on or be counted in the quorum in relation to a resolution of the directors or committee of the directors concerning a matter in which he has a direct or indirect interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters:

- 23.1.1 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;
- 23.1.2 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 the director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- 23.1.3 a transaction or arrangement concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- 23.1.4 a transaction or arrangement to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he or any person connected with him is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "**relevant company**"), if he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the Act) representing one per cent. or more of either any class of the equity share capital (excluding any shares of that class held as treasury shares) in the relevant company or of the voting rights available to members of the relevant company;
- 23.1.5 a transaction or arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates; or
- 23.1.6 a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.

- 23.2 A director shall not vote on or be counted in the quorum in relation to a resolution of the directors or committee of the directors concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any body corporate in which the Company is directly or indirectly interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a body corporate in which the Company is directly or indirectly interested, such proposals may be divided and a separate resolution considered in relation to each director. In that case, each of the directors concerned (if not otherwise debarred from voting under Article 23) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 23.3 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.
- 23.4 If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.
- 23.5 For the purposes of Article 23, in relation to an alternate director, the interest of his appointor is treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has. Articles 18 to 23 apply to an alternate director as if he were a director otherwise appointed.
- 23.6 The Company may by ordinary resolution suspend or relax the provisions of Articles 18 to 23 to any extent. Subject to the Act, the Company may by ordinary resolution ratify any transaction or arrangement not properly authorised by reason of a contravention of Articles 18 to 23.

24. PROPOSING DIRECTORS' WRITTEN RESOLUTIONS

- 24.1 Any director may propose a directors' written resolution.
- 24.2 The secretary must propose a directors' written resolution if a director so requests.
- 24.3 A directors' written resolution is proposed by giving written notice of the proposed resolution to each director.
- 24.4 Notice of a proposed directors' written resolution must indicate:
- 24.4.1 the proposed resolution;

24.4.2 the time by which it is proposed that the directors should adopt it; and

24.4.3 the manner in which directors can indicate their agreement in writing to it, for the purposes of Article 25.

25. ADOPTION OF DIRECTORS' WRITTEN RESOLUTIONS

25.1 A proposed directors' written resolution is adopted when all directors who would have been entitled to vote on the resolution at a directors' meeting or committee meeting have signed one or more copies of it, or have otherwise indicated their agreement in writing to it, provided that those directors would have formed a quorum at such a meeting. A director indicates his agreement in writing to a proposed directors' written resolution when the Company receives from him an authenticated document identifying the resolution to which it relates and indicating the director's agreement to the resolution, in accordance with section 1146 of the Act. Once a director has so indicated his agreement, it may not be revoked.

25.2 It is immaterial whether any director signs the resolution or otherwise indicates his agreement in writing to it before or after the time by which the notice proposed that it should be adopted.

25.3 A directors' written resolution does not need to be signed by an alternate in that capacity, if it is signed by his appointor and a resolution does not need to be signed by his appointor, if it is signed by the alternate director in that capacity.

25.4 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting or committee meeting in accordance with the Articles.

26. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

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

APPOINTMENT OF DIRECTORS

27. NUMBER OF DIRECTORS

Unless and until otherwise decided by the Company by ordinary resolution the number of directors (other than alternate directors) must not be less than two.

28. METHODS OF APPOINTING DIRECTORS

28.1 Subject to the Articles, any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

28.1.1 by ordinary resolution;

28.1.2 at a general meeting called under Article 41.4;

- 28.1.3 by a decision of the directors; or
- 28.1.4 under Article 13.2 if the Company has only one director.
- 28.2 A director appointed under Article 28.1.3 or 28.1.4 must retire at the conclusion of the next annual general meeting after his appointment unless he is reappointed during that meeting. A director who retires in this way is not taken into account in determining the number of directors who are to retire by rotation at the meeting.
- 28.3 Subject to the Act, the directors may appoint one or more directors to hold an executive office with the Company for such term and on such other terms and conditions as (subject to the Act) the directors think fit. The directors may revoke or terminate an appointment, without prejudice to a claim for damages for breach of the contract of service between the director and the Company or otherwise.
- 28.4 Subject to the Act, the directors may enter into an agreement or arrangement with any director for the provision of any services outside the scope of the ordinary duties of a director. Any such agreement or arrangement may be made on such terms and conditions as (subject to the Act) the directors think fit and (without prejudice to any other provision of the Articles) they may remunerate any such director for such services as they think fit.
- 28.5 The only persons who can be elected directors at a general meeting are the following:
- 28.5.1 a director who is retiring at the meeting;
- 28.5.2 a person who is recommended by the directors;
- 28.5.3 a person who has been proposed by a member (other than the person to be proposed) who is entitled to attend and to vote at the meeting. The proposing member must provide written notice that he intends to propose the person for election and the notice must:
- (a) be delivered at least seven days before the date of the meeting;
 - (b) state the particulars which would be required to be included in the register of directors if the proposed director were appointed (or reappointed); and
 - (c) be accompanied by notice given by proposed director of his willingness to be appointed (or reappointed); and
- 28.5.4 a person who has been proposed by a member (other than the person to be proposed) who is entitled to attend and to vote at the meeting. Any such person may only be proposed at a meeting in circumstances where the qualifying persons have voted at that meeting to remove all the directors. The proposed director must be present at the meeting and indicate his willingness to be appointed.

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

28.7 A director need not be a member.

28.8 All acts done by:

28.8.1 a meeting of the directors;

28.8.2 a meeting of a committee of the directors;

28.8.3 written resolution of the directors; or

28.8.4 a person acting as a director, alternate director or a committee,

shall be valid notwithstanding that it is discovered afterwards that there was a defect in the appointment of a person or persons acting or that any of them were disqualified from holding office, had ceased to hold office or were not entitled to vote on the matter in question.

29. RETIREMENT OF DIRECTORS BY ROTATION

29.1 Subject to Article 29.2, at every annual general meeting one third of the current directors who are subject to retirement by rotation must retire. If one third is not a whole number, the number of directors to retire is the number which is nearest to (but not less than) one third. If there are fewer than three directors who are subject to retirement by rotation, one must retire. Any directors retiring in this way continue to be directors until the end of the meeting at which they retire.

29.2 If any director:

29.2.1 was appointed by the directors since the last annual general meeting;

29.2.2 was last appointed (or reappointed) three or more years prior to the meeting;

29.2.3 was not last appointed (or reappointed) at one of the preceding two annual general meetings; or

29.2.4 at the time of the meeting will have served more than eight years as a non-executive director of the Company (excluding as chairman),

he must retire from office. Only a director retiring under Articles 29.2.2 to 29.2.4 will be counted in determining the number required to retire at the meeting. However, the number of directors required to retire under Article 29.1 will be increased to the extent necessary to comply with this Article 29.2.

29.3 Subject to the Act and the Articles, the directors required to retire at an annual general meeting under Article 29.1 (as necessary to obtain the required number) are:

29.3.1 first, any director who wants to retire and who does not want to be reappointed;

- 29.3.2 second, those directors who have been directors longest since they were last appointed or reappointed. If there are directors who were last appointed or reappointed on the same date they can agree on who is to retire. If they do not agree, they must draw lots to decide.

The number and identity of directors to retire will be determined based on the composition of the board of directors at the start of business on the date of notice calling the annual general meeting, disregarding a change in the number or identity of the directors after that time but before the end of the meeting.

- 29.4 A director who retires at an annual general meeting can be reappointed by the members. If he is not reappointed (or deemed to be reappointed), he may remain a director until the meeting appoints someone in his place or, if it does not appoint anyone, until the end of the meeting.
- 29.5 If the Company does not fill the vacancy of a director who retires at an annual general meeting, the retiring director (if willing) will be deemed reappointed unless:
- 29.5.1 it is expressly resolved not to fill the vacancy; or
- 29.5.2 a resolution for reappointment of the director is put to the meeting and lost.
- 29.6 Subject to the Act, a person can be appointed (or remain) a director regardless of his age.

30. TERMINATION OF A DIRECTOR'S APPOINTMENT

- 30.1 In addition to any power of removal under the Act, the Company can by ordinary resolution remove a director even though his time in office has not ended (without prejudice to a claim for damages for breach of contract or otherwise) and, subject to the Articles, by ordinary resolution appoint a person to replace a director who has been removed in this way. A person appointed under this Article 30.1 to replace a director who has been removed, will be due to retire when the director he replaces would have been due to retire.
- 30.2 A person ceases to be a director as soon as:
- 30.2.1 the period expires, if he has been appointed for a fixed period;
- 30.2.2 he ceases to be a director by virtue of any provision of the Act, is removed from office under the Articles or is prohibited from being a director by law;
- 30.2.3 a bankruptcy order is made against him;
- 30.2.4 a composition is made with his creditors generally in satisfaction of his debts;
- 30.2.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

- 30.2.6 both he and his alternate director appointed under the provisions of the Articles (if any) are absent, without the permission of the directors, from directors' meetings for six consecutive months and the directors resolve that he cease to be a director;
 - 30.2.7 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); or
 - 30.2.8 notification is received by the Company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms.
- 30.3 A resolution of the directors declaring a director to have ceased to be a director under the terms of Article 30.2 is conclusive as to the fact and grounds of cessation stated in the resolution.
- 30.4 If a director ceases to be a director for any reason, he shall cease to be a member of any committee of the directors.

31. DIRECTORS' FEES

- 31.1 Directors may undertake any services for the Company that the directors decide.
- 31.2 Unless otherwise determined by ordinary resolution, directors (but not alternate directors) are entitled for their services to such total fees as the directors determine. But the total fees paid to directors must not exceed:

31.2.1 £750,000 a year; or

31.2.2 any other sum decided by ordinary resolution.

The total fees will be divided among the directors in the proportions that the directors decide. If no decision is made, the total fees will be divided equally. A fee payable under this Article 31.2 is distinct from any salary, remuneration or other amount payable to a director under the Articles or otherwise. Unless the directors determine otherwise, a fee payable under this Article 31.2 accrues from day to day.

- 31.3 Subject to the Act and the Articles, directors' fees may be payable in any form and, in particular, the directors may arrange for part of a fee payable under this Article 31 to be provided in the form of fully paid shares of the Company. The amount of the fee payable in this way is at the directors' discretion. The amount of the fee will be applied to purchase or subscribe for shares on behalf of the director. The subscription price will be deemed to be the closing middle-market quotation for a fully paid share of that class as published in the Daily List of the London Stock Exchange on the day of subscription (or another quotation derived from another source as the directors decide).
- 31.4 Unless the directors decide otherwise, a director is not accountable to the Company for any remuneration which he receives as a director or other officer or employee of the Company's subsidiary undertakings or of any other body corporate in which the Company is interested.

32. DIRECTORS' ADDITIONAL REMUNERATION

32.1 The directors can pay additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses to any director who at the request of the directors:

- 32.1.1 makes a special journey for the Company;
- 32.1.2 performs a special service for the Company; or
- 32.1.3 works abroad in connection with the Company's business.

33. DIRECTORS' PENSIONS AND OTHER BENEFITS

33.1 The directors may decide whether to pay or provide (by insurance or otherwise):

- 33.1.1 pensions, retirement or superannuation benefits;
- 33.1.2 death, sickness or disability benefits;
- 33.1.3 gratuities; or
- 33.1.4 other allowances,

to any person who is or who was a director of:

- 33.1.5 the Company;
- 33.1.6 a subsidiary undertaking of the Company;
- 33.1.7 any company which is or was allied to or associated with the Company or any of its subsidiary undertakings; or
- 33.1.8 a predecessor in business of the Company or any of its subsidiary undertakings, or to a member of his family including a spouse, former spouse or a person who is (or was) dependent on him.

33.2 For the purpose of Article 33.1, the directors may establish, maintain, subscribe and contribute to any scheme trust or fund and pay premiums. The directors may arrange for this to be done either by the Company alone or in conjunction with another person.

34. REMUNERATION OF ALTERNATE DIRECTORS

34.1 An alternate director is not entitled to a fee from the Company for his services as an alternate director except such part of his appointor's fee as the appointor may direct by notice in writing to the Company.

35. REMUNERATION OF EXECUTIVE DIRECTORS

35.1 The salary or remuneration of a director appointed to hold employment or executive office in accordance with these Articles may be:

35.1.1 a fixed sum;

35.1.2 wholly or partly governed by business done or profits made; or

35.1.3 as the directors decide.

This salary or remuneration may be in addition to or instead of a fee payable to him for his services as a director under these Articles.

36. **DIRECTORS' EXPENSES**

36.1 The Company may repay any reasonable travelling, hotel and other expenses which a director properly incurs in performing his duties as director in connection with his attendance at:

36.1.1 directors' meetings;

36.1.2 committee meetings;

36.1.3 general meetings; or

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

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

36.2 Subject to the Act, the directors may make arrangements to provide a director with funds to meet expenditure incurred (or to be incurred) by him for the purposes of:

36.2.1 the Company;

36.2.2 enabling him to properly perform his duties as an officer of the Company; or

36.2.3 enabling him to avoid incurring any such expenditure.

ALTERNATE DIRECTORS

37. **APPOINTMENT AND REMOVAL OF ALTERNATES**

37.1 Any director (other than an alternate director) (the "**appointor**") may appoint as an alternate any other director, or any other person approved by the directors and willing to act, to:

37.1.1 exercise that director's powers; and

37.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor.

37.2 Subject to the Articles, any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

37.3 The notice must:

37.3.1 identify the proposed alternate; and

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

37.4 An alternate director need not be a member of the Company.

37.5 Any person appointed as an alternate director under this Article 37 may act as an alternate director for more than one director.

38. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

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

38.2 Except as the Articles specify otherwise, alternate directors:

38.2.1 are deemed for all purposes to be directors;

38.2.2 are liable for their own acts and omissions;

38.2.3 are subject to the same restrictions as their appointors; and

38.2.4 are not deemed to be agents of or for their appointors.

38.3 Subject to the Articles, a person who is an alternate director but not a director:

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

38.3.2 may sign a written resolution (but only if it is not signed by his appointor),

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

39. TERMINATION OF ALTERNATE DIRECTORSHIPS

39.1 An alternate director's appointment as an alternate director terminates:

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

39.1.2 on the occurrence in relation to him of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's appointment as a director;

39.1.3 on the death of his appointor; or

39.1.4 when his appointor's appointment as a director terminates, except that his appointment as an alternate director does not terminate when the appointor retires by rotation at a general meeting and is then re-appointed (or deemed reappointed) as a director at the same general meeting.

PART 3 - DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

40. ANNUAL GENERAL MEETINGS

40.1 Subject to the Act, the Company must hold an annual general meeting in each period of six months beginning with the day following its accounting reference date (in addition to any other general meeting held in that period).

40.2 The directors may decide where and when to hold annual general meetings.

41. CALLING GENERAL MEETINGS

41.1 The directors may call a general meeting whenever they think fit.

41.2 On the requirement of members under the Act, the directors must call a general meeting:

41.2.1 within 21 days from the date on which the directors become subject to the requirement; and

41.2.2 to be held on a date not more than 28 days after the date of the notice calling the meeting.

41.3 At a general meeting called by a requisition (or by requisitionists), no business may be transacted except that stated by the requisition or proposed by the directors.

41.4 A general meeting may also be called under this Article 41.4. if:

41.4.1 the Company has fewer than two directors; and

41.4.2 the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so,

then two or more members may call a general meeting (or instruct the secretary to do so) for the purpose of appointing one or more directors.

42. NOTICE OF GENERAL MEETINGS

42.1 At least 21 clear days' notice must be given to call an annual general meeting. Subject to the Act, at least 14 clear days' notice must be given to call all other general meetings.

42.2 Notice of a general meeting must be given to:

- 42.2.1 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);
 - 42.2.2 the directors;
 - 42.2.3 beneficial owners nominated to enjoy information rights under the Act; and
 - 42.2.4 the auditors.
- 42.3 The directors may decide that persons entitled to receive notice of a general meeting are those on the register at the close of business on a day the directors decide. However, if the Company is a participating issuer, the day decided by the directors must be no more than 21 days before the day the relevant notice is being sent.
- 42.4 The notice of a general meeting must specify a time (which must not be more than 48 hours, excluding any part of a day that is not a working day, before the time fixed for the meeting) by which a person must be entered on the register in order to have the right to attend or vote at the meeting. Changes to entries on the register after the time specified in the notice will be disregarded in deciding the rights of any person to attend or vote.
- 42.5 The accidental omission to give notice of a general meeting or to send, supply or make available any document or information relating to a meeting to, or the non-receipt of any such notice, document or information by, a person entitled to receive any such notice, document or information will not invalidate the proceedings at that meeting.
- 42.6 Subject to the Act, if the directors decide that it is impractical or unreasonable for any reason to hold a general meeting at the time, date or place set out in the notice for calling the meeting, they can move or postpone the meeting (or both). Subject to the Act, if the directors do this, an announcement of the time, date and place of the re-arranged meeting will, if practicable, be published in at least two national newspapers in the United Kingdom. Notice of the business of the meeting does not need to be given again. The directors must take reasonable steps to ensure that any member trying to attend the meeting at the original time, date and/or place is informed of the new arrangements. If a meeting is re-arranged in this way, proxy forms can be delivered as specified in Article 61. The directors can also move or postpone (or both) the re-arranged meeting under this Article.
43. **ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**
- 43.1 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak and vote at it.
- 43.2 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 43.3 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

43.4 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

43.5 A person is able to exercise the right to vote at a general meeting when:

43.5.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

43.5.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

44. **MEETING SECURITY**

44.1 The directors may make any arrangement and impose any restriction they consider appropriate to ensure the security of a general meeting including 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.

44.2 The directors may authorise one or more persons, including a director or the secretary or the chairman of the meeting, to:

44.2.1 refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions; and

44.2.2 eject from a meeting any person who causes the proceedings to become disorderly.

45. **QUORUM FOR GENERAL MEETINGS**

45.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending the meeting do not constitute a quorum.

45.2 If the Company has only one member entitled to attend and vote at the general meeting, one qualifying person present at the meeting and entitled to vote is a quorum.

45.3 Subject to the Act and Article 45.4, in all cases other than that in Article 45.2 two qualifying persons present at the meeting and entitled to vote are a quorum.

45.4 One qualifying person present at the meeting and entitled to vote:

45.4.1 both in his own capacity as a member and as a corporate representative of one or more corporations, each of which is a member entitled to attend and vote upon the business to be transacted at the meeting;

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

45.4.3 both in his own capacity as a member and as a proxy duly appointed by one or more members entitled to attend and vote upon the business to be transacted at the meeting; or

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

is a quorum.

46. **CHAIRING GENERAL MEETINGS**

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

46.2 If the chairman is absent and the directors have appointed a deputy or assistant chairman, then the senior of them shall act as the chairman.

46.3 If the directors have not appointed a chairman (or deputy or assistant chairman), or if the chairman (or deputy or assistant chairman) is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

46.3.1 the directors present; or

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

must appoint a director or member to chair the meeting. If only one director is present and willing and able to act, he shall be the chairman. The appointment of the chairman of the meeting must be the first business of the meeting.

46.4 The person chairing a meeting in accordance with this Article 46 is referred to as the "**chairman of the meeting**".

47. **CONDUCT OF MEETINGS**

47.1 Without prejudice to any other power which he may have under the Articles or at common law, the chairman of the meeting may take such action as he thinks fit to promote the orderly conduct of the business of the meeting as specified in the notice of the meeting. His decision on matters of procedure or arising incidentally from the business of the meeting will be final, as will be his decision as to whether any matter is of such a nature.

47.2 If it appears to the chairman of the meeting that the meeting place specified in the notice calling the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting shall be 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:

47.2.1 participate in the business for which the meeting has been called;

47.2.2 exercise his rights to speak and to vote at the meeting in accordance with Article 43;

47.2.3 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

47.2.4 be heard and seen by all other persons present in the same way.

48. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

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

48.2 The chairman of the meeting may permit other persons who are not:

48.2.1 members of the Company, or

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

to attend and speak at a general meeting if he considers it will assist the deliberations of the meeting.

49. DISSOLUTION AND ADJOURNMENT IF QUORUM NOT PRESENT

49.1 If a general meeting was requisitioned by members and the persons attending the meeting within 30 minutes of the time at which the meeting was due to start (or such longer time as the chairman of the meeting decides to wait) do not constitute a quorum, or if during the meeting a quorum ceases to be present, the meeting is dissolved.

49.2 In the case of a general meeting other than one requisitioned by members, if the persons attending the meeting within 30 minutes of the time at which the meeting was due to start (or such longer time as the chairman of the meeting decides to wait) do not constitute a quorum, or if during the meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

49.3 The continuation of a general meeting adjourned under Article 49.2 for lack of quorum is to take place either:

49.3.1 on a day that is not less than 14 days but not more than 28 days after it was adjourned and at a time and/or place specified for the purpose in the notice calling the meeting; or

49.3.2 where no such arrangements have been specified, on a day that is not less than 14 days but not more than 28 days after it was adjourned and at such time and/or place as the chairman of the meeting decides (or, in default, the directors decide).

49.4 In the case of a general meeting to take place under Article 49.3.2, the Company must give not less than seven clear days' notice of any adjourned meeting and the notice must state the quorum requirement.

49.5 At an adjourned meeting the quorum is one qualifying person present 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.

50. ADJOURNMENT IF QUORUM PRESENT

- 50.1 The chairman may, with the consent of a general meeting at which a quorum is present (and must, 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 of the meeting may, without the consent of the general 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:
- 50.2.1 secure the proper and orderly conduct of the meeting;
 - 50.2.2 give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
 - 50.2.3 ensure that the business of the meeting is properly disposed of.

51. NOTICE OF ADJOURNED MEETING

- 51.1 Whenever a general meeting is adjourned for 28 days or more or for an indefinite period under Article 50 at least seven clear days' notice shall be given to:
- 51.1.1 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);
 - 51.1.2 the directors;
 - 51.1.3 beneficial owners nominated to enjoy information rights under the Act; and
 - 51.1.4 the auditors,
- and except in these circumstances, it is not necessary to give notice of a general meeting adjourned under Article 50 or of the business to be transacted at the adjourned meeting.
- 51.2 The directors may decide that persons entitled to receive notice of an adjourned meeting in accordance with this Article 51 are those persons entered on the register at the close of business on a day determined by the directors. However, if the Company is a participating issuer, the day decided by the directors may not be more than 21 days before the day that the relevant notice of meeting is being sent.
- 51.3 The notice of an adjourned meeting given in accordance with this Article 51 shall also specify a time (which shall not be more than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the meeting) by which a person must be entered on the register in order to have the right to attend or vote at the meeting. Changes to entries on the register after the time so specified in the notice will be disregarded in determining the rights of any person to attend or vote.

52. BUSINESS AT ADJOURNED MEETING

- 52.1 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

53. VOTING: GENERAL

- 53.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

- 53.2 Subject to special rights or restrictions as to voting attached to any class of shares by or in accordance with the Articles, on a vote on a resolution:

53.2.1 on a show of hands at a meeting:

- (a) every qualifying person (not being a proxy) present and entitled to vote on the resolution has one vote; and
- (b) every proxy present who has been appointed by a member entitled to vote on the resolution has one vote, except where:
 - (i) that proxy has been appointed by more than one member entitled to vote on the resolution; and
 - (ii) the proxy has been instructed:
 - (A) by one or more of those members to vote for the resolution and by one or more of those members to vote against the resolution; or
 - (B) by one or more of those members to vote in the same way on the resolution (whether for or against) and one or more of those members has permitted the proxy discretion as to how to vote,

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

- 53.2.2 on a poll taken at a meeting, every qualifying member present and entitled to vote on the resolution has one vote in respect of each share held by the relevant member.
- 53.3 In the case of joint holders of a share, only the vote of the senior holder who votes (or any proxy duly appointed by him) may be counted by the Company.
- 53.4 A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or

other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court may vote by proxy if evidence (to the satisfaction of the directors) of the authority of the person claiming to exercise the right to vote is received at the registered office of the Company (or at another place specified in accordance with the Articles for the delivery or receipt of forms of appointment of a proxy) or in any other manner specified in the Articles for the appointment of a proxy within the time limits prescribed by the Articles for the appointment of a proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

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

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

54. **NO VOTING RIGHTS ATTACHED TO THE MANAGEMENT VALUE PARTICIPATION SHARES OR DEFERRED SHARES**

54.1 Holders of Management Value Participation Shares are not entitled to receive notice of, attend, speak or vote at general meetings of the Company, provided that no resolution of the Company pursuant to section 84(1)(b) of the Insolvency Act 1986 shall be effective without the consent in writing of the holders of at least three quarters in nominal value of the issued Management Value Participation Shares (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the Management Value Participation Shares validly held in accordance with Article 66.3.

54.2 Holders of Deferred Shares are not entitled to receive notice of, attend, speak or vote at general meetings of the Company.

55. **CHAIRMAN'S DECLARATION**

55.1 Subject to Article 57.1.2, on a vote on a show of hands a declaration by the chairman of the meeting that the resolution has or has not been passed, or has or has not been passed by a particular majority, is conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

55.2 An entry in respect of such a declaration in minutes of the meeting recorded in accordance with section 355 of the Act is also conclusive evidence of that fact without such proof.

56. **ERRORS AND DISPUTES**

56.1 No objection may be raised 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. Every vote not disallowed at the meeting is valid.

- 56.2 Any such objection must be referred to the chairman of the meeting whose decision is final. An objection only invalidates the decision of a meeting if in the opinion of the chairman of the meeting, it is of sufficient magnitude to affect the decision of the meeting.

57. **DEMANDING A POLL**

- 57.1 A poll on a resolution may be demanded:

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

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

- 57.2 A poll may be demanded by:

57.2.1 the chairman of the meeting;

57.2.2 five or more qualifying persons having the right to vote on the resolution;

57.2.3 a qualifying person (or qualifying persons) representing in total not less than 10 per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or

57.2.4 a qualifying person (or qualifying persons) representing shares conferring a right to vote on a resolution, being shares on which a total sum has been paid up equal to not less than 10 per cent. of the total sum paid up on all shares conferring that right (excluding any voting rights attached to any shares in the Company held as treasury shares).

- 57.3 A demand for a poll may be withdrawn if:

57.3.1 the poll has not yet been taken; and

57.3.2 the chairman of the meeting consents to the withdrawal,

and a demand so withdrawn validates the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting will continue as if the demand had not been made.

58. **PROCEDURE ON A POLL**

- 58.1 Subject to the Articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs.

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

- 58.3 The result of a poll shall be the decision of the general meeting in respect of the resolution on which the poll was demanded.
- 58.4 A poll on:
- 58.4.1 the election of the chairman of the meeting; or
 - 58.4.2 a question of adjournment,
- must be taken immediately.
- 58.5 Other polls must be taken within 30 clear days of their being demanded.
- 58.6 A demand for a poll (other than on the election of the chairman of the meeting or on a question of adjournment) does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- 58.7 No notice need be given of a poll not taken immediately if the time, date and place at which it is to be taken are announced at the meeting at which it is demanded.
- 58.8 In any other case, at least seven clear days' notice must be given specifying the time, date and place at which the poll is to be taken.
- 58.9 On a poll taken at a general meeting of the Company, a qualifying person present and 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.

59. **APPOINTMENT OF PROXY**

- 59.1 A member may appoint another person as his proxy to exercise all (or any) of his rights to attend and to speak and to vote (both on a show of hands and on a poll) on:
- 59.1.1 a resolution;
 - 59.1.2 an amendment of a resolution; or
 - 59.1.3 on other business arising at a general meeting of the Company.

Unless the contrary is stated in it, the appointment of a proxy shall be deemed to confer authority to exercise all such rights, as the proxy thinks fit.

- 59.2 A member may appoint more than one proxy in relation to a general meeting, provided that each proxy is appointed to exercise the rights attached to different shares held by the member.
- 59.3 When two or more valid but differing appointments of proxy are received for the same share for use at the same general meeting, the one which is last validly delivered or received (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. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

- 59.4 A proxy need not be a member.
- 59.5 The appointment of a proxy shall (unless the contrary is stated in it) be valid for an adjournment of the general meeting as well as for the meeting to which it relates.
- 59.6 The appointment of a proxy shall be 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 unless otherwise specified by the directors.
- 59.7 Subject to the Act, the Listing Rules and the Disclosure and Transparency Rules, the Company may send a form of appointment of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent, the form shall provide for three way voting on all resolutions (other than procedural resolutions) set out in the notice of meeting.

60. **CONTENT OF PROXY NOTICES**

- 60.1 Subject to Article 60.2, the appointment of a proxy (a "**proxy notice**") shall be in writing in any usual form (or in another form approved by the directors) and shall be:
- 60.1.1 signed by the appointor or his duly appointed attorney; or
 - 60.1.2 if the appointor is a company, executed under its seal or signed by its duly authorised officer or attorney or other person authorised to sign.
- 60.2 Subject to the Act, the directors may accept a proxy notice received by electronic means on such terms and subject to such conditions as they consider fit.
- 60.3 A proxy notice received by electronic means shall not be subject to the requirements of Article 60.1.
- 60.4 For the purposes of Articles 60.1 and 60.2, the directors may require such reasonable evidence they consider necessary to determine:
- 60.4.1 the identity of the member and the proxy; and
 - 60.4.2 where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment.

61. **DELIVERY OF PROXY NOTICES**

- 61.1 Any notice of a general meeting must specify the address or addresses ("**proxy notification address**") at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or by electronic means.
- 61.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been received by the Company by or on behalf of that person.

61.3 Subject to Articles 61.4 and 61.5, a proxy notice must be received at a proxy notification address not less than 48 hours (excluding any part of a day that is not a working day) before the general meeting or adjourned meeting to which it relates.

61.4 In the case of:

61.4.1 a general meeting adjourned for not more than 48 hours; or

61.4.2 a poll not taken during the general meeting but taken not more than 48 hours after it was demanded,

the proxy notice must be received by not later than the adjourned meeting or the meeting at which the poll was demanded.

61.5 In the case of:

61.5.1 a meeting adjourned for less than 28 days but more than 48 hours; or

61.5.2 a poll taken more than 48 hours after it is demanded,

the proxy notice must be received at a proxy notification address not less than 24 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting or the taking of the poll.

61.6 In relation to any shares which are held in uncertificated form, the directors may permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction and may permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made.

61.7 The directors may prescribe the method of determining the time at which any such uncertificated proxy instruction (and/or other instruction or notification) is to be treated as received by the Company or a participant acting on its behalf.

61.8 The directors may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

62. **CORPORATE REPRESENTATIVES**

62.1 In accordance with the Act, a corporation which is a member may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any general meeting of the Company (a "**corporate representative**").

62.2 A director, the secretary or other person authorised for the purpose by the secretary may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting the corporate representative to exercise his powers.

63. TERMINATION OF AUTHORITY

63.1 The termination of the authority of a person to act as proxy or as a corporate representative does not affect:

63.1.1 whether he counts in deciding whether there is a quorum at a general meeting;

63.1.2 the validity of anything he does as chairman of a meeting;

63.1.3 the validity of a poll demanded by him at a general meeting; or

63.1.4 the validity of a vote given by that person,

unless the Company receives notice of the termination at the proxy notification address not later than the last time at which a proxy notice should have been received in order to be valid for use at the relevant meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the general meeting or adjourned meeting) for use on the holding of the poll at which the vote is cast.

64. AMENDMENTS TO RESOLUTIONS

64.1 No amendment to a resolution duly proposed as an ordinary resolution (other than an amendment to correct a grammatical or other non-substantive error) may be considered or voted on unless either:

64.1.1 at least 48 hours (excluding any part of a day that is not a working day) before the time appointed for holding the general 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 received at the registered office of the Company; or

64.1.2 the chairman of the meeting 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 of the meeting the proceedings on the substantive resolution are not invalidated by an error in his ruling.

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

64.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

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

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

RESTRICTIONS ON MEMBERS' RIGHTS

65. NO VOTING OF SHARES ON WHICH MONEY IS OWED TO COMPANY

Unless the directors decide otherwise, no voting rights (or other rights conferred by membership in relation to a meeting or poll) attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that share have been paid.

APPLICATION OF RULES TO CLASS MEETINGS AND RIGHTS

66. VARIATION OF CLASS RIGHTS

66.1 Subject to the Act, the rights attached to a class of shares may be varied or abrogated (whether or not the Company is being wound up) either with the consent in writing of the holders of at least three quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with Article 66.3 and other relevant provisions of the Articles.

66.2 The rights attached to a class of shares are not, unless otherwise expressly provided for 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 Act.

66.3 Subject to sections 334(2), 334(2A) and section 334(3) of the Act, a separate meeting for the holders of a class of shares must be called and conducted as nearly as possible in the same way as a general meeting, except that:

66.3.1 no member is entitled to notice of it or to attend unless he is a holder of shares of that class;

66.3.2 no vote may be cast except in respect of a share of that class;

66.3.3 the quorum at a meeting (other than an adjourned meeting) is two qualifying persons present and holding at least one-third in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares);

66.3.4 the quorum at an adjourned meeting is one qualifying person present and holding shares of that class; and

66.3.5 any qualifying person holding shares of that class present may demand a poll.

66.4 Save in relation to the definition of Compulsory Transfer Shares, for the purposes of the Articles:

66.4.1 the A1 Shares and the A2 Shares shall be treated as a single class of A Shares;

66.4.2 the B1 Shares and the B2 Shares shall be treated as a single class of B Shares; and

66.4.3 the C1 Shares and the C2 Shares shall be treated as a single class of C Shares.

67. FAILURE TO DISCLOSE INTERESTS IN SHARES

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

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

67.1.2 where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class (excluding any share of their class held as treasury shares):

(a) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to elect, under Article 110, to receive shares instead of a dividend; and

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

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

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

67.2 For the purpose of enforcing the sanction in Article 67.1.2(b), the directors may give notice to the member requiring the member to change default shares held in uncertificated form to certificated form by the time stated in the notice. The notice may also state that the member may not change any default shares held in certificated form to uncertificated form. If the member does not comply with the notice, the directors may require the Operator to convert default shares held in uncertificated form into certificated form in the name and on behalf of the member in accordance with the Uncertificated Securities Regulations.

67.3 The sanctions under Article 67.1 cease to apply seven days after the earlier of:

67.3.1 receipt by the Company of notice of an excepted transfer, but only in relation to the shares thereby transferred; and

- 67.3.2 receipt by the Company, in a form satisfactory to the directors, of all the information required by the section 793 notice.
- 67.4 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, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of Articles 67.1 or 67.2.
- 67.5 For the purposes of this Article 67:
- 67.5.1 a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, under a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;
- 67.5.2 "**interested**" shall be construed as it is for the purpose of section 793 of the Act;
- 67.5.3 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;
- 67.5.4 the "**prescribed period**" means 14 days; and
- 67.5.5 an "**excepted transfer**" means, in relation to shares held by a member:
- (a) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the Act);
 - (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the FSMA 2000) or through another stock exchange on which shares in the capital of the Company are normally traded; or
 - (c) a transfer which is shown to the satisfaction of the directors to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member or with any other person appearing to be interested in the shares.
- 67.6 The provisions of this Article are in addition and without prejudice to the provisions of the Act.

PART 4 - SHARES AND DISTRIBUTIONS

68. ALLOTMENT

- 68.1 Subject to the Act and relevant authority given by the Company in general meeting, the directors have general and unconditional authority to allot, grant options over, or otherwise dispose of, unissued shares of the Company or rights to subscribe for or convert any security into shares, to such persons, at such times and on such terms as the directors may decide, except that no share may be issued at a discount.
- 68.2 The directors may at any time after the allotment of a share, but before a person has been entered in the register as the holder of the share, recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on such terms and conditions as the directors think fit.
- 68.3 The Company shall not allot in aggregate more than 8,000,000 A1 Shares, 12,000,000 A2 Shares, 8,000,000 B1 Shares, 12,000,000 B2 Shares, 8,000,000 C1 Shares or 12,000,000 C2 Shares without the consent in writing of the holders of at least three quarters in nominal value of the issued Management Value Participation Shares (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the relevant class of Management Value Participation Shares validly held in accordance with Article 66.3.

69. POWER TO ISSUE DIFFERENT CLASSES OF SHARES

- 69.1 Subject to the Act and the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution. If no such resolution is passed or if the relevant resolution does not make specific provision, the directors may determine these rights and restrictions.
- 69.2 Subject to the Act, the Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

70. RIGHTS AND RESTRICTIONS ATTACHING TO SHARES

If rights and restrictions attaching to shares are determined by ordinary resolution or by the directors under Article 69, those rights and restrictions shall apply in place of any rights or restrictions that would otherwise apply by virtue of the Act in the absence of any provisions in the Articles, as if those rights and restrictions were set out in the Articles.

71. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES

- 71.1 Subject to the Act, the Company may pay any person a commission in consideration for that person:
- 71.1.1 subscribing, or agreeing to subscribe, for shares; or
 - 71.1.2 procuring, or agreeing to procure, subscriptions for shares.

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

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

71.2.2 in respect of a conditional or an absolute subscription.

INTERESTS IN SHARES

72. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

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

SHARE CERTIFICATES

73. CERTIFICATES TO BE ISSUED EXCEPT IN CERTAIN CASES

73.1 Except where otherwise provided in the Articles, the Company must issue each member with one or more certificates in respect of the shares which that member holds within:

73.1.1 two months of allotment or lodgement with the Company of a transfer to him of those shares;

73.1.2 two months after the relevant Operator instruction is received by the Company; or

73.1.3 any other period as the terms of issue of the shares provide.

73.2 This Article does not apply to:

73.2.1 uncertificated shares;

73.2.2 shares in respect of which a share warrant has been issued; or

73.2.3 shares in respect of which the Companies Acts permit the Company not to issue a certificate.

73.3 Except as otherwise specified in the Articles, all certificates must be issued free of charge.

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

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

74. CONTENTS AND EXECUTION OF CERTIFICATES

74.1 Every certificate must specify:

- 74.1.1 in respect of how many shares and of what class it is issued;
 - 74.1.2 the nominal value of those shares;
 - 74.1.3 the amount paid up on them;
 - 74.1.4 any distinguishing numbers assigned to them; and
 - 74.1.5 any information required by the FCA.
- 74.2 Certificates must:
- 74.2.1 be executed under the Company's seal, which may be affixed or printed on it; or
 - 74.2.2 be otherwise executed in accordance with the Companies Acts.
- 75. CONSOLIDATED CERTIFICATES**
- 75.1 When a member's holding of shares of a particular class increases, the Company may issue that member with:
- 75.1.1 a single, consolidated certificate in respect of all the shares of a particular class which that member holds; or
 - 75.1.2 a separate certificate in respect of only those shares by which that member's holding has increased.
- 75.2 When a member's holding of shares of a particular class is reduced, the Company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after that reduction. But the Company need not (in the absence of a request from the member) issue any new certificate if:
- 75.2.1 all the shares which the member no longer holds as a result of the reduction; and
 - 75.2.2 none of the shares which the member retains following the reduction, were, immediately before the reduction, represented by the same certificate.
- 75.3 A member may request the Company, in writing, to replace:
- 75.3.1 the member's separate certificates with a consolidated certificate, or
 - 75.3.2 the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify.
- 75.4 When the Company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.
- 75.5 A consolidated certificate or separate certificates must not be issued unless any certificates which they are to replace have first been returned to the Company for

cancellation or the holder has complied with such conditions as to evidence and indemnity as the directors decide.

76. REPLACEMENT CERTIFICATES

76.1 Subject to having first complied with the obligations in Articles 76.2.2 and 76.2.3, if a certificate issued in respect of a member's shares is:

76.1.1 damaged or defaced; or

76.1.2 said to be lost, stolen or destroyed,

that member is entitled to be issued with a replacement certificate in respect of the same shares.

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

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

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

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

SHARES NOT HELD IN CERTIFICATED FORM

77. UNCERTIFICATED SHARES

77.1 In this Article, "the relevant rules" means:

77.1.1 any applicable provision of the Companies Acts about the holding, evidencing of title to, or transfer of shares other than in certificated form; and

77.1.2 any applicable legislation, rules or other arrangements made under or by virtue of such provision including the Uncertificated Securities Regulations.

77.2 The provisions of this Article have effect subject to the relevant rules.

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

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

77.3.2 the transfer of title of that class by means of a relevant system; and

77.3.3 the relevant rules.

77.4 The directors have the power to resolve that a class of shares may become a participating security and/or that a class of shares may cease to be a participating

security. Any share or class of shares of the Company may be issued or held on such terms, or in such a way, that:

77.4.1 title to it or them is not, or must not be, evidenced by a certificate; or

77.4.2 it or they may or must be transferred wholly or partly without a certificate.

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

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

77.6.1 the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares);

77.6.2 any records relating to the holding of uncertificated shares;

77.6.3 the conversion of certificated shares into uncertificated shares; or

77.6.4 the conversion of uncertificated shares into certificated shares.

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

77.7.1 if it is uncertificated, to be converted into certificated form by the time stated on the notice; and

77.7.2 if it is certificated, not be converted into uncertificated form,

to enable it to be dealt with in accordance with the Articles.

77.8 If the member does not comply with the notice, the directors may require the Operator to convert the shares held in uncertificated form into certificated form in the name and on behalf of the member in accordance with the Uncertificated Securities Regulations.

77.9 If:

77.9.1 the Articles give the directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of shares; and

77.9.2 uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument,

the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares.

77.10 In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

- 77.11 Unless the directors otherwise determine, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form.
- 77.12 A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.

PARTLY PAID SHARES

78. COMPANY'S LIEN OVER PARTLY PAID SHARES

- 78.1 The Company has a lien (the "**company's lien**") over every share which is partly paid for any part of:
- 78.1.1 that share's nominal value; and
 - 78.1.2 any premium at which it was issued,
- which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.
- 78.2 The company's lien over a share:
- 78.2.1 takes priority over any third party's interest in that share; and
 - 78.2.2 extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.
- 78.3 The directors may at any time decide that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part. 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 solely for the purposes of the transfer.

79. ENFORCEMENT OF THE COMPANY'S LIEN

- 79.1 Subject to the provisions of this Article, if:
- 79.1.1 a lien enforcement notice has been given in respect of a share; and
 - 79.1.2 the person to whom the notice was given has failed to comply with it,
- the Company may sell that share in such manner as the directors decide.
- 79.2 A lien enforcement notice:
- 79.2.1 must be in writing;

- 79.2.2 may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - 79.2.3 must specify the share concerned;
 - 79.2.4 must require payment of the sum payable within 14 days of the notice;
 - 79.2.5 must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
 - 79.2.6 must state the company's intention to sell the share if the notice is not complied with.
- 79.3 Where shares are sold under this Article 79:
- 79.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
 - 79.3.2 the transferee is not bound to see to the application of the purchase money, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 79.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 79.4.1 first, in payment or towards satisfaction of the amount in respect of which the lien exists; and
 - 79.4.2 secondly, to the person entitled to the shares immediately before the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation, or a suitable indemnity has been given for any lost certificates.
- 79.5 A statutory declaration by a director or the secretary that the declarant is a director or the secretary and that a share has been sold to satisfy the Company's lien on a specified date:
- 79.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - 79.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

80. **CALL NOTICES**

- 80.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a member requiring the member to pay the Company a specified sum of money (a "call") which is payable in respect of shares which that member holds at the date of the call notice.

80.2 A call notice:

80.2.1 may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium);

80.2.2 must state the date by which it is to be paid (the "**due date for payment**") and how any call to which it relates it is to be paid; and

80.2.3 may permit or require the call to be paid by instalments.

80.3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was given.

80.4 Before the Company has received any call due under a call notice the directors may:

80.4.1 revoke it wholly or in part; or

80.4.2 specify a later time for payment than is specified in the call notice,

by a further notice in writing to the member in respect of whose shares the call is made.

80.5 Delivery of a call notice to the senior holder shall constitute delivery to all of the holders of the share.

81. **LIABILITY TO PAY CALLS**

81.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

81.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.

81.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:

81.3.1 to pay calls which are not the same; or

81.3.2 to pay calls at different times.

82. **WHEN CALL NOTICE NEED NOT BE ISSUED**

82.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):

82.1.1 on allotment;

82.1.2 on the occurrence of a particular event; or

82.1.3 on a date fixed by or in accordance with the terms of issue,

each a **"due date for payment"**.

- 82.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned at the due date for payment is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as a person having failed to comply with a call notice as regards the payment of interest and forfeiture.

83. **FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES**

- 83.1 If a person is liable to pay a call and fails to do so by the due date for payment:

83.1.1 the directors may issue a notice of intended forfeiture to that person; and

83.1.2 until the call is paid, that person must pay the Company interest on the call from the due date for payment to the actual date of payment (both dates inclusive) at the relevant rate.

- 83.2 For the purposes of this Article the **"relevant rate"** is:

(a) the rate fixed by the terms on which the share in respect of which the call is due was allotted or issued;

(b) if no rate is fixed under (a), such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or

(c) if no rate is fixed in either of these ways, 5 per cent. per annum.

- 83.3 The relevant rate must not exceed 20 per cent. per annum.

- 83.4 The directors may waive any obligation to pay interest on a call wholly or in part.

84. **PAYMENT OF UNCALLED AMOUNT IN ADVANCE**

- 84.1 The directors may, in their discretion, accept from a member some or all of the uncalled amounts which are unpaid on shares held by him.

- 84.2 A payment in advance of a call extinguishes, to the extent of the payment, the liability of the member on the shares in respect of which the payment is made.

- 84.3 The Company may pay interest on the amount paid in advance (or that portion of it that exceeds the amount called on shares).

- 84.4 The directors may decide this interest rate which must not exceed 20 per cent. per annum.

85. **NOTICE OF INTENDED FORFEITURE**

- 85.1 A notice of intended forfeiture:

- 85.1.1 must be in writing;
- 85.1.2 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- 85.1.3 must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- 85.1.4 must require payment of the call and any accrued interest (and all costs, charges and expenses incurred by the Company by reason of non-payment) by a date which is not less than 14 days after the date of the notice;
- 85.1.5 must state how the payment is to be made; and
- 85.1.6 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

86. DIRECTORS' POWER TO FORFEIT SHARES

If a notice of intended forfeiture is not complied with before the date by which payment (including interest, costs, charges and expenses) of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

87. EFFECT OF FORFEITURE

- 87.1 Subject to the Articles, the forfeiture of a share extinguishes:
 - 87.1.1 all interests in that share, and all claims and demands against the Company in respect of it, and
 - 87.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.
- 87.2 Any share which is forfeited in accordance with the Articles:
 - 87.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;
 - 87.2.2 is deemed to be the property of the Company; and
 - 87.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.
- 87.3 If a person's shares have been forfeited:
 - 87.3.1 the Company must send that person notice that forfeiture has occurred, but no forfeiture is invalidated by an omission to give such notice, and record it in the register of members;
 - 87.3.2 that person ceases to be a member in respect of those shares;

- 87.3.3 that person must surrender the certificate (if any) for the shares forfeited to the Company for cancellation;
 - 87.3.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest at the relevant rate set out in Article 84 (whether accrued before or after the date of forfeiture) and costs, charges and expenses; and
 - 87.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 87.4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

88. PROCEDURE FOLLOWING FORFEITURE

- 88.1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to transfer a forfeited share to a new holder. The Company may register the transferee as the holder of the share.
- 88.2 A statutory declaration by a director or the secretary that the declarant is a director or the secretary and that a share has been forfeited on a specified date:
- 88.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - 88.2.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.
- 88.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- 88.4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any interest, expenses or commission, and excluding any amount which:
- 88.4.1 was, or would have become, payable; and
 - 88.4.2 had not, when that share was forfeited, been paid by that person in respect of that share,
- but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

89. SURRENDER OF SHARES

89.1 A member may surrender any share:

89.1.1 in respect of which the directors may issue a notice of intended forfeiture;

89.1.2 which the directors may forfeit; or

89.1.3 which has been forfeited.

89.2 The directors may accept the surrender of any such share.

89.3 The effect of surrender of a share is the same as the effect of forfeiture of that share.

89.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

UNTRACED SHAREHOLDERS

90. POWER OF SALE

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

90.1.1 during a period of not less than 12 years before the date of publication of the advertisements referred to in Article 90.1.3 (or, if published on two different dates, the first date) (the "**relevant period**") at least three cash dividends have become payable in respect of the share;

90.1.2 throughout the relevant period no cheque, warrant or money order payable on the share has been presented by the holder of, or the person entitled by transmission to, the share to the paying bank of the relevant cheque, warrant or money order, no payment made by the Company by any other means permitted by Article 104.1 has been claimed or accepted and, so far as any director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the share;

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

90.1.4 the Company has not, so far as the directors are aware, during a further period of three months after the date of the advertisements referred to in Article 90.1.3 (or the later advertisement if the advertisements are published on different dates) and before the exercise of the power of sale received a communication from the holder of, or person entitled by transmission to, the share.

- 90.2 Where a power of sale is exercisable over a share under this Article 90 (a "**sale share**"), the Company may at the same time also sell any additional share issued in right of such sale share or in right of such an additional share previously so issued provided that the requirements of Articles 90.1.2 to 90.1.4 (as if the words "throughout the relevant period" were omitted from Article 90.1.2) have been satisfied in relation to the additional share.
- 90.3 To give effect to a sale under Articles 90.1 or 90.2, the directors may authorise any person to transfer the share in the name and on behalf of the holder of, or the person entitled by transmission to, the share, or to cause the transfer of such share, to the purchaser or his nominee and in relation to an uncertificated share may require the Operator to convert the share into certificated form in accordance with the Uncertificated Securities Regulations. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity in or invalidity of the proceedings connected with the sale of the share.

91. APPLICATION OF PROCEEDS OF SALE

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

TRANSFERS AND TRANSMISSION OF SHARES

92. TRANSFERS OF SHARES

- 92.1 Subject to this Article, Article 67 and Article 93, shares of the Company are free from any restriction on transfer. In exceptional circumstances approved by the FCA, the directors may refuse to register a transfer of certificated shares provided that such refusal would not disturb the market in those shares.
- 92.2 Certificated shares may be transferred by means of an instrument of transfer in writing in any usual form or any other form approved by the directors, which is executed by or on behalf of:
- 92.2.1 the transferor; and
 - 92.2.2 (if any of the shares is partly paid) the transferee.
- 92.3 The Company (at its option) may or may not charge a fee for registering:
- 92.3.1 the transfer of a share;

- 92.3.2 the renunciation of a renounceable letter of allotment or other document or instructions relating to or affecting the title to a share or the right to transfer it; or
- 92.3.3 for making any other entry in the register.
- 92.4 Subject to the Uncertificated Securities Regulations, the transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 92.5 Subject to the requirements of the Listing Rules, the directors may, in their absolute discretion, refuse to register the transfer of a certificated share which is not fully paid or the transfer of a certificated share on which the Company has a lien.
- 92.6 The directors may also, in their absolute discretion, refuse to register the transfer of a certificated share or a renunciation of a renounceable letter of allotment of a share unless all of the following conditions are satisfied:
- 92.6.1 it is in respect of only one class of shares;
- 92.6.2 it is in favour of (as the case may be) a single transferee or renounee or not more than four joint transferees or renounees;
- 92.6.3 it is duly stamped (if required); and
- 92.6.4 it is delivered for registration to the registered office of the Company or such other place as the directors may decide, accompanied by the certificate for the shares to which it relates (except in the case of a person to whom the Company is not required by sections 769, 776, 777 or 778 of the Act to issue a certificate, or in the case of a renunciation) and such other evidence as the directors may reasonably require to prove the title of the transferor or person renouncing and the due execution by him 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.
- 92.7 If the directors refuse to register the transfer of a certificated share or renunciation of a renounceable letter of allotment, the instrument of transfer or renunciation must be returned to the transferee or renounee as soon as practicable and in any event within two months after the date on which the transfer or renunciation was lodged with the Company with the notice of refusal and reasons for refusal unless they suspect that the proposed transfer or renunciation may be fraudulent.
- 92.8 Subject to Article 121, the Company may retain all instruments of transfer which are registered.
93. **TRANSFERS OF MANAGEMENT VALUE PARTICIPATION SHARES OR DEFERRED SHARES**

A holder of Management Value Participation Shares or Deferred Shares shall not transfer his Management Value Participation Shares or Deferred Shares without the

prior written consent of the Remuneration Committee (which consent the Remuneration Committee may grant or withhold or subject to conditions in its absolute discretion).

94. **COMPULSORY TRANSFER BY BAD LEAVERS**

94.1 This Article 94 applies when an employee or director of, or consultant to, any Group Company who holds Management Value Participation Shares or who has transferred Management Value Participation Shares pursuant to Article 93 becomes a Bad Leaver.

94.2 In the 12 months immediately following the relevant Cessation Date for that Bad Leaver, the Remuneration Committee may serve notice in writing (a "**Compulsory Transfer Notice**") on each or any of:

94.2.1 the Bad Leaver;

94.2.2 any holder of Management Value Participation Shares to whom Management Value Participation Shares subscribed for (or otherwise acquired) by that Bad Leaver have been transferred under Article 93;

94.2.3 if the Bad Leaver has died, his personal representatives and/or any other person who becomes beneficially entitled to Management Value Participation Shares on the death of that Bad Leaver;

94.2.4 if the Bad Leaver has become bankrupt, any person who becomes entitled to Management Value Participation Shares on his bankruptcy; and

94.2.5 any holder of Management Value Participation Shares who is a nominee of, or who otherwise holds Management Value Participation Shares on behalf of, any person referred to in Articles 94.2.1 to 94.2.4 (inclusive),

(each a "**Compulsory Transferor**" and one or more of them, the "**Compulsory Transferor(s)**").

94.3 A Compulsory Transfer Notice may require the Compulsory Transferor(s) to transfer the legal and beneficial title to some or all of the relevant Compulsory Transfer Shares on the terms set out in this Article 93 to the Company (and, for the avoidance of doubt, if the Remuneration Committee so determines such Compulsory Transfer Shares may be held by the Company as treasury shares) or such other person(s) as specified by the Remuneration Committee (the "**Compulsory Transferee(s)**").

94.4 The price for all of the Compulsory Transfer Shares (the "**Compulsory Transfer Price**") shall be £0.01 in aggregate.

94.5 The Compulsory Transfer Notice shall specify the date on which the sale and purchase of the Compulsory Transfer Shares is to be completed (the "**Compulsory Transfer Completion Date**").

94.6 The Compulsory Transferor(s) shall transfer the legal and beneficial title to the relevant Compulsory Transfer Shares to the Company on the terms set out in this Article 94, by delivering to the Company on or before the Compulsory Transfer Completion Date:

- 94.6.1 duly executed stock transfer form(s) in respect of the relevant Compulsory Transfer Shares registered in its name;
 - 94.6.2 the relevant share certificate(s) (or an indemnity in respect thereof in a form satisfactory to the directors); and
 - 94.6.3 a duly executed short form sale and purchase agreement in a form required by the Remuneration Committee under which the Compulsory Transferor(s) will transfer the legal and beneficial title to the relevant Compulsory Transfer Shares to the relevant Compulsory Transferee(s) free from all Encumbrances and with full title guarantee only,
- against payment of the aggregate Compulsory Transfer Price due to it on the Compulsory Transfer Completion Date.
- 94.7 If a Compulsory Transferor fails to comply with its obligations under Article 94.6 (a **"Defaulting Compulsory Transferor"**), the directors may (and shall, if requested by the Remuneration Committee) authorise any director to execute, complete and deliver as agent for and on behalf of that Compulsory Transferor each of the documents referred to in Article 94.6.1 to 94.6.3 (inclusive). Subject to due stamping, the directors shall authorise registration of the transfer(s), after which the validity of such transfer(s) shall not be questioned by any person.
 - 94.8 Each Defaulting Compulsory Transferor shall surrender its share certificate(s) relating to the relevant Compulsory Transfer Shares (or provide an indemnity in respect thereof in a form satisfactory to the directors) to the Company. On, but not before, such surrender or provision, the Defaulting Compulsory Transferor(s) shall be entitled to the aggregate Compulsory Transfer Price for the relevant Compulsory Transfer Shares transferred on its/their behalf, without interest. Payment to the Compulsory Transferor(s) shall be made in such manner as is agreed between the directors and the Compulsory Transferor(s) and in the absence of such agreement, by cheque to the relevant Compulsory Transferor's last known address. Receipt of the aggregate Compulsory Transfer Price for the Compulsory Transfer Shares so transferred shall constitute an implied warranty from the relevant Compulsory Transferor(s) in favour of the Compulsory Transferee(s) that the legal and beneficial title to the relevant Compulsory Transfer Shares was transferred to the Compulsory Transferee(s) free from all Encumbrances and with full title guarantee.
 - 94.9 The holders of Management Value Participation Shares acknowledge and agree that the authority conferred under Article 94.7 is necessary as security for the performance by the Compulsory Transferor(s) of their obligations under this Article 94.
 - 94.10 Subject to Article 94.11, unless the Remuneration Committee otherwise agrees in writing, each Compulsory Transfer Share held by a Compulsory Transferor from time to time shall automatically, and irrespective of whether a Compulsory Transfer Notice has been served on that Compulsory Transferor pursuant to Article 94.2, cease to confer the right to receive notice of or to attend or vote at any meeting of the holders of any class of shares in the capital of the Company and the relevant share shall not be counted in determining the total number of votes which may be cast at any such meeting or for the purposes of any other consent required under these Articles.

- 94.11 The rights referred to in Article 94.10 shall be restored immediately upon the Company registering a transfer of the Compulsory Transfer Shares in accordance with this Article 94.

95. TRANSFERS OF UNCERTIFICATED SHARES

- 95.1 Uncertificated shares may be transferred in accordance with the Uncertificated Securities Regulations.

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

95.2.1 title to any uncertificated share; or

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

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

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

95.3.1 an uncertificated share; or

95.3.2 any uncertificated renounceable right of allotment of a share,

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

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

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

96. TRANSMISSION OF SHARES

- 96.1 If title to a share passes to a transferee, the Company may only recognise the transferee as having any title to a share held by that member alone or to which he was

alone entitled. In the case of a share held jointly by two or more persons, the Company may recognise only the survivor or survivors as being entitled to it.

- 96.2 Nothing in these Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

97. TRANSMITTEES' RIGHTS

- 97.1 Where a person become entitled by transmission to a share, the rights of the holder in relation to a share cease.

- 97.2 A transmittee may give an effective receipt for dividends and other sums payable in respect of that share.

- 97.3 A transmittee who produces such evidence of entitlement to shares, subject to the Act, as the directors may properly require:

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

97.3.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

- 97.4 But transmittees do not have the right to receive notice of or exercise rights conferred by membership in relation to meetings of the Company (or at a separate meeting of the holders of a class of shares) in respect of shares to which they are entitled by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

98. EXERCISE OF TRANSMITTEES' RIGHTS

- 98.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.

- 98.2 If the share is a certificated share and a transmittee wishes to have it transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

- 98.3 If the share is an uncertificated share and the transmittee wishes to have it transferred to another person, the transmittee must:

98.3.1 procure that all appropriate instructions are given to effect the transfer; or

98.3.2 procure that the uncertificated share is changed into certificated form and then execute an instrument of transfer in respect of it.

- 98.4 Any transfer made or executed under this Article 99 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

99. TRANSMITTEES BOUND BY PRIOR NOTICES

- 99.1 The directors may give notice requiring a person to make the choice referred to in Article 97.3.1.
- 99.2 If that notice is not complied with within 60 days, the directors may withhold payment of all dividends and other sums payable in respect of the share until the choice has been made.
- 99.3 If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register.

CONSOLIDATION/DIVISION OF SHARES

100. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES

- 100.1 This Article 101 applies where:

100.1.1 there has been a consolidation and division or sub-division shares; and

100.1.2 as a result, members are entitled to fractions of shares.

- 100.2 Subject to the Act and to the Uncertificated Securities Regulations, the directors may, in effecting divisions and/or consolidations, treat a member's shares held in certificated form and uncertificated form as separate holdings.

- 100.3 The directors may on behalf of the members deal with fractions as they think fit, in particular they may:

100.3.1 sell the shares representing the fractions to any person including (subject to the Act) the Company for the best price reasonably obtainable;

100.3.2 in the case of a certificated share, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser;

100.3.3 distribute the net proceeds of sale in due proportion among the holders of the shares or, if the directors decide, some or all of the sum raised on sale may be retained for the benefit of the Company; and/or

100.3.4 subject to the Act, 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 to have been effected immediately before consolidation and division or sub-division, as the case may be).

- 100.4 To give effect to a sale under Article 100.3.1 the directors may arrange for the shares representing the fractions to be entered in the register as certificated shares.

- 100.5 The directors may authorise any person to transfer the shares to, or to the direction of, the purchaser.
- 100.6 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 100.7 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.
- 100.8 If shares are allotted or issued under Article 100.3.4, the amount required to pay up those shares may be capitalised as the directors think 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.
- 100.9 A resolution of the directors capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company under Article 111. In relation to the capitalisation the directors may exercise all the powers conferred on them by Article 111 without an ordinary resolution of the Company.

DISTRIBUTIONS

101. PROCEDURE FOR DECLARING DIVIDENDS

- 101.1 Subject to the Act and the Articles, the Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 101.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 101.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.
- 101.4 Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.
- 101.5 The directors may pay any dividend (including any dividend payable at a fixed rate) if it appears to them that the profits available for distribution justify the payment.
- 101.6 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 101.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

102. CALCULATION OF DIVIDENDS

- 102.1 Except as otherwise provided by the Articles or the rights attached to or the terms of issue of shares, all dividends must be:
- 102.1.1 declared and paid according to the amount of the nominal value paid up on the shares on which the dividend is paid; and
 - 102.1.2 apportioned and paid proportionately to the amount of the nominal value paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 102.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.
- 102.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.
- 102.4 Except as otherwise provided by the rights attached to shares, dividends may be declared or paid in any currency.
- 102.5 The directors may agree with any member that dividends which may at any time or from time to time be declared or become due on his shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.

103. NO DIVIDEND PAYABLE TO HOLDERS OF MANAGEMENT VALUE PARTICIPATION SHARES OR DEFERRED SHARES

- 103.1 No dividend or other distribution shall be paid to any holder of Management Value Participation Shares, provided that, on a winding-up of the Company, the assets of the Company to be distributed on such winding-up (the "**Available Assets**") shall (subject to Article 103.2) be distributed as follows:
- 103.1.1 if the Liquidation Performance Condition is not met, all the Available Assets shall be paid to the holders of Ordinary Shares *pari passu*; and
 - 103.1.2 if the Liquidation Performance Condition is met, each holder of Management Value Participation Shares shall receive an amount equal to his Ordinary Share Entitlement and the balance of the Available Assets shall be paid to the holders of the Ordinary Shares *pari passu*.
- 103.2 No dividend or other distribution shall be paid to any holder of Deferred Shares, provided that each holder of Deferred Shares has the right to receive, £1 in aggregate for every £100,000,000,000 paid to the holders of Ordinary Shares.

104. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

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

- 104.1.1 in cash;
 - 104.1.2 by transfer to a bank or building society account specified by the distribution recipient in writing or as the directors otherwise decide;
 - 104.1.3 by sending a cheque, warrant or money order made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing or as the directors otherwise decide;
 - 104.1.4 by sending a cheque, warrant or money order made payable to such person by post to such person at such address as the distribution recipient has specified in writing or as the directors otherwise decide;
 - 104.1.5 if the directors so decide, by means of a relevant system in respect of an uncertificated share, subject to any procedures established by the directors to enable a holder of uncertificated shares to elect not to receive dividends by means of a relevant system and to vary or revoke any such election; or
 - 104.1.6 by any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- 104.2 In the Articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
- 104.2.1 the holder of the share;
 - 104.2.2 if the share has two or more joint holders, the senior holder;
 - 104.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee (or, where two or more person are jointly entitled by transmission to the share, to any one transmittee and that person shall be able to give effective receipt for payment); or
 - 104.2.4 in any case, to a person that the person or persons entitled to payment may direct in writing.
- 104.3 Every cheque, warrant or money order sent by post is sent at the risk of the distribution recipient. If payment is made by transfer to a bank or building society account, by means of a relevant system or by another method at the direction of the distribution recipient, the Company is not responsible for amounts lost or delayed in the course of making that payment.
- 104.4 Without prejudice to Article 99, the directors may withhold payment of a dividend (or part of a dividend) payable to a transmittee until he has provided such evidence of his right as the directors may reasonably require.

105. DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY

105.1 If:

105.1.1 a share is subject to the Company's lien; and

105.1.2 the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

105.2 Money so deducted must be used to pay any of the sums payable in respect of that share.

105.3 The Company must notify the distribution recipient in writing of:

105.3.1 the fact and amount of any such deduction;

105.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and

105.3.3 how the money deducted has been applied.

106. NO INTEREST ON DISTRIBUTIONS

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

106.1.1 the rights attached to the share; or

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

107. UNCLAIMED DISTRIBUTIONS

107.1 All dividends or other sums which are:

107.1.1 payable in respect of shares; and

107.1.2 unclaimed after having been declared or become payable,

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

107.2 The payment of an unclaimed dividend or other sum into a separate account does not make the Company a trustee in respect of it.

107.3 If:

107.3.1 12 years have passed from the date on which a dividend or other sum became due for payment; and

107.3.2 the distribution recipient has not claimed it,

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

107.4 If, in respect of a dividend or other sum payable in respect of a share, on any one occasion:

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

107.4.2 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 distribution recipient, the Company is not obliged to send or transfer a dividend or other sum 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.

108. NON-CASH DISTRIBUTIONS

108.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including shares or other securities in any company).

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

108.2.1 issuing fractional certificates (or ignoring fractions);

108.2.2 fixing the value of any assets;

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

108.2.4 vesting any assets in trustees.

109. WAIVER OF DISTRIBUTIONS

109.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if:

109.1.1 the share has more than one holder; or

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

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

110. **SCRIP DIVIDENDS**

110.1 Subject to the Act, but without prejudice to Article 67, the directors 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.

110.2 The directors may on any occasion determine that the right of election under Article 110.1 shall be subject to any exclusions, restrictions or other arrangements that the directors may in their 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.

110.3 Where a resolution under Article 110.1 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.

110.4 A resolution under Article 110.1 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 five years after the date of the meeting at which the resolution is passed.

110.5 The entitlement of each holder of shares to new shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any associated tax credit) of the dividend which would otherwise have been received by the holder (the "**relevant dividend**") provided that, in calculating the entitlement, the directors may at their discretion adjust the figure obtained by dividing the relevant value by the amount payable on the new shares up or down so as to procure that the entitlement of each holder of shares may be represented by a simple numerical ratio. For this purpose the "**relevant value**" of each of the new shares shall be calculated by reference to 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 (or such other average value derived from such other source as the directors may deem appropriate) for the business day on which the relevant class of shares is first quoted "ex" the relevant dividend (or such other date as the directors may deem appropriate) and the four subsequent business days or shall be as determined by or in accordance with the resolution under Article 110.1. A certificate or report by the auditors as to the value of the new shares to be allotted in respect of any dividend shall be conclusive evidence of that amount.

110.6 The directors may make any provision they consider appropriate in relation to an allotment made or to be made under this Article (whether before or after the passing of the resolution under Article 110.1), including:

- 110.6.1 the giving of notice to holders of the right of election offered to them;
 - 110.6.2 the provision of forms of election (whether in respect of a particular dividend or dividends generally);
 - 110.6.3 determination of the procedure for making and revoking elections;
 - 110.6.4 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
 - 110.6.5 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).
- 110.7 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 Article 110.5. For that purpose, the directors 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 directors capitalising part of the reserves has the same effect as if the directors had resolved to effect the capitalisation with the authority of an ordinary resolution of the Company under Article 111. In relation to the capitalisation the directors may exercise all the powers conferred on them by Article 111 without an ordinary resolution of the Company.
- 110.8 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.
- 110.9 In relation to any particular proposed dividend, the directors may in their absolute discretion decide:
- 110.9.1 that holders shall not be entitled to make any election in respect of, and that any election previously made shall not extend to, such dividend; or
 - 110.9.2 at any time prior to the allotment of the new shares which would otherwise be allotted in lieu of such dividend, that all elections to take new shares in lieu of such dividend shall be treated as not applying to that dividend, and if so the dividend shall be paid in cash as if no elections had been made in respect of it.

CAPITALISATION OF PROFITS AND RESERVES

111. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

111.1 Subject to the Act and the Articles, the directors may, if they are so authorised by an ordinary resolution:

111.1.1 decide to capitalise any amount standing to the credit of the Company's reserves (including share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, which are not required for paying a preferential dividend; and

111.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

111.2 Capitalised sums must be applied:

111.2.1 on behalf of the persons entitled; and

111.2.2 in the same proportions as a dividend would have been distributed to them.

111.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

111.4 A capitalised sum which was appropriated from profits available for distribution may be applied:

111.4.1 in or towards paying up any amounts unpaid on existing shares held by the persons entitled; or

111.4.2 in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

111.5 Subject to the Act and the Articles the directors may:

111.5.1 apply capitalised sums in accordance with Articles 111.3 and 111.4 partly in one way and partly in another;

111.5.2 make such arrangements as they think fit to resolve a difficulty arising in the distribution of a capitalised sum and in particular to deal with shares or debentures becoming distributable in fractions under this Article the directors may deal with fractions as they think fit (including the issuing of fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than £5, or such other sum as the directors may decide, the sum may be retained for the benefit of the Company));

111.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them or the payment by the Company on behalf of the members of the amounts or part of the amounts or part of the amounts remaining unpaid on their existing shares under this Article; and

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

112. **RECORD DATES**

112.1 Notwithstanding any other provision of the Articles, but subject to the Act and rights attached to shares, the Company or the directors 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.

113. **MANAGEMENT VALUE PARTICIPATION SHARES**

113.1 As soon as reasonably practicable following each Anniversary, the board shall determine:

113.1.1 the Total Shareholder Return in respect of the relevant Anniversary;

113.1.2 the Prior Management Value Participation Share Receipts Amount;

113.1.3 whether any Performance Condition has been met; and

113.1.4 where any Performance Condition has been met:

- (a) the Management Value Participation Scheme Value in respect of the Relevant Shares;
- (b) each holder's Ordinary Share Entitlement (if any); and
- (c) each holder's Excess Entitlement (if any).

113.2 In the event of a Change of Control, the board shall determine not more than 10 Business Days following the Change of Control (the "**Change of Control Determination Date**") in good faith and acting reasonably:

113.2.1 the Total Shareholder Return;

113.2.2 the Prior Management Value Participation Share Receipts Amount;

113.2.3 whether the Change of Control Performance Condition has been met; and

113.2.4 where the board determines that the Change of Control Performance Condition has been met:

- (a) the Management Value Participation Scheme Value in respect of the Change of Control;

- (b) each holder's Ordinary Share Entitlement (if any); and
- (c) each holder's Excess Entitlement (if any).

- 113.3 As soon as reasonably practicable following determination by the board of the items referred to in Article 113.1 or Article 113.2 (as the case may be), the Company shall notify the holders of Relevant Shares of the board's determination of the items listed in Article 113.1 or Article 113.2 (as the case may be) and shall inform each holder of Relevant Shares of its rights under Article 113.4 (the "**Management Value Participation Share Notice**").
- 113.4 If any Performance Condition has been met (or, in the case of the Change of Control Performance Condition, if the board determines in accordance with Article 113.2 that it has been met), the Board shall be entitled (provided that, in the case of a Change of Control, such entitlement shall be conditional upon the Change of Control occurring) to elect to convert all (but not some only) of the Relevant Shares into Ordinary Shares and/or Deferred Shares in accordance with Article 113.8 by serving notice in writing (a "**Company Conversion Notice**") on all holders of Relevant Shares on or before the Deadline. If the Board does not serve a Company Conversion Notice on or before the Deadline, each holder of Relevant Shares shall be entitled (provided that, in the case of a Change of Control, such entitlement shall be conditional upon the Change of Control occurring) to require the Company to convert all (but not some only) of his Relevant Shares into Ordinary Shares and/or Deferred Shares in accordance with Article 113.8 by such holder by serving notice in writing (a "**Shareholder Conversion Notice**" and all holders who duly serve a Conversion Notice on the Company being a "**Converting Shareholder**") on the Company together with the share certificates relating to the Relevant Shares (or an indemnity in respect thereof in a form satisfactory to the directors) on or before the date falling one calendar month after the Deadline. All Conversion Notices shall be irrevocable and any Shareholder Conversion Notice served on the Company more than one calendar month after the Deadline or which is not accompanied by the share certificates relating to the Relevant Shares (or an indemnity in respect thereof in a form satisfactory to the directors) shall not be valid. Alternatively, if the Board does not serve a Company Conversion Notice on or before the Deadline, each holder of Relevant Shares shall be entitled (provided that, in the case of a Change of Control, such entitlement shall be conditional upon the Change of Control occurring) to require the Company to elect to redeem all (but not some only) of his Relevant Shares in accordance with Article 113.10 by serving irrevocable notice in writing on the Company together with the share certificates relating to the Relevant Shares (or an indemnity in respect thereof in a form satisfactory to the directors) on or before the date falling one calendar month after the Deadline.
- 113.5 Holders of not less than two-thirds of the Relevant Shares ("**Disputing Shareholders**") may dispute any of the calculations in the Management Value Participation Share Notice by giving notice in writing to the Company before the Deadline setting out the disputed items and the reasons therefor (a "**Dispute Notice**"). As soon as reasonably practicable following receipt of a Dispute Notice, the Company and the Disputing Shareholders shall negotiate in good faith with a view to resolving the dispute. To the extent any such dispute is resolved within 10 Business Days of the date of the Dispute Notice, the Company shall issue a revised Management Value Participation Share

Notice to the holders of the Relevant Shares which notice shall replace the original Management Value Participation Share Notice or inform the holders of the Relevant Shares that the original Management Value Participation Share Notice still stands (as the case may be).

- 113.6 If no agreement is reached within 10 Business Days of the date of the Dispute Notice, the directors shall instruct the auditors (or, if the auditors are unable or unwilling to act for any reason or the directors determine that it is inappropriate for them to act, an Independent Expert) to certify the matters listed in Article 113.1 as soon as possible and their decision shall (in the absence of fraud or manifest error) be final and binding on the parties. The directors are authorised to engage the auditors/the Independent Expert jointly on behalf of themselves and the Disputing Shareholders and to agree the auditors/Independent Expert's engagement letter (on customary terms for those purposes) on behalf of themselves and the Disputing Shareholders, and thereafter any director is authorised to execute and deliver the auditors/Independent Expert's engagement letter for and on behalf of the directors and the Disputing Shareholders. The costs of the auditors (or the Independent Expert, as relevant) shall be paid by the Company unless i) (and to the extent that) such arrangement would not be permitted by the Act or ii) the Management Value Participation Scheme Value in respect of the Relevant Shares as so determined by the auditors (or the Independent Expert) is less than 2.5 per cent. higher than the Management Value Participation Scheme Value specified in the Management Value Participation Share Notice, in which case the costs of the auditors (or the Independent Expert) shall be borne by the Disputing Shareholders pro rata to the number of the Relevant Shares which they each hold.
- 113.7 Following determination of the dispute by the auditors/Independent Expert, the Company shall issue a revised Management Value Participation Share Notice to the holders of the Relevant Shares which notice shall replace the original Management Value Participation Share Notice or inform the holders of the Relevant Shares that the original Management Value Participation Share Notice still stands (as the case may be).
- 113.8 Subject to Articles 113.10 and 113.11, as soon as reasonably practicable following the Deadline (or, if no Company Conversion Notice has been served, as soon as reasonably practicable after one calendar month following the Deadline) (and, in the case of a Change of Control, conditionally upon the Change of Control occurring), the Ordinary Shares Conversion Amount of the Relevant Shares held by each Relevant Shareholder shall be converted on a one-for-one basis into Ordinary Shares (which shall rank pari passu with the existing Ordinary Shares) and all the remaining Relevant Shares held by Relevant Shareholders shall be converted on a one-for-one basis into Deferred Shares (which rank pari passu with any existing Deferred Shares).
- 113.9 Where the Ordinary Share Entitlement of a Relevant Shareholder exceeds the number of the relevant class of Relevant Shares held by that holder (the "**Excess Entitlement**"), such Relevant Shareholder shall (subject to the Company having the necessary authority to allot such Ordinary Shares under section 551 of the Act and to allot such Ordinary Shares free of the restriction in section 561 of the Act, which the Company undertakes to use all reasonable endeavours so to have) be entitled to subscribe in cash at their nominal value for up to such number of fully-paid Ordinary Shares as is equal to his Excess Entitlement.

- 113.10 Instead of converting Management Value Participation Shares into Ordinary Shares, the Company may (subject to the remaining provisions of this Article 113.10) elect in its absolute discretion (or, if required to do so pursuant to Article 113.4, shall (subject to the remaining provisions of this Article 113.10) elect) by giving written notice to all holders of Relevant Shares as soon as reasonably practicable following the Deadline to redeem all of the Relevant Shares (subject to, and in accordance with, the Act), whereupon (and, in the case of a Change of Control, conditionally upon the Change of Control occurring) the Company shall redeem the Relevant Shares held by each holder as soon as reasonably practicable for a cash payment equal to that holder's Relative Proportion of the Management Value Participation Scheme Value. If the Company is unable to redeem the Relevant Shares in accordance with the Act by virtue of having insufficient distributable profits, the Relevant Shares shall remain outstanding until such time as the Company has sufficient distributable profits, whereupon the Company shall redeem the Relevant Shares.
- 113.11 The Company shall not convert Management Value Participation Shares into Ordinary Shares to the extent that the aggregate number of Ordinary Shares created by the conversion of Management Value Participation Shares would in any 10-year period exceed 5 per cent. of the number of issued Ordinary Shares from time to time (excluding Ordinary Shares in issue resulting from the conversion of Management Value Participation Shares).
- 113.12 For the avoidance of doubt, more than one Performance Condition may be met in respect of a particular Anniversary, in which case the procedures set out in Articles 113.3 to 113.10 shall be applied separately in respect of each class of Relevant Shares.
- 113.13 Following any consolidation or subdivision of the Ordinary Shares or allotment of Ordinary Shares on capitalisation of profits or reserves (an "**Adjustment Event**"), the directors shall make such adjustments (if any) to the Adjusted Issue Price and the calculation of the A Shares Hurdle Amount, the B Shares Hurdle Amount, the C Shares Hurdle Amount, the Change of Control Hurdle Amount and the Liquidation Hurdle Amount as they determine to be necessary to negate the effect of the Adjustment Event on the economic rights attaching to the Management Value Participation Shares. Holders of not less than two-thirds of the Management Value Participation Shares (the "**Adjustment Disputing Shareholders**") may dispute the adjustments by giving notice in writing to the Company within 10 Business Days of being informed of the adjustments, setting out the disputed items and the reasons therefor (an "**Adjustment Dispute Notice**"). As soon as reasonably practicable following receipt of an Adjustment Dispute Notice, the Company and the Adjustment Disputing Shareholders shall negotiate in good faith with a view to resolving the dispute. If no agreement is reached within 10 Business Days of the date of the Dispute Notice, the directors shall instruct the auditors (or, if the auditors are unable or unwilling to act for any reason or the directors determine that it is inappropriate for them to act, an Independent Expert) to determine the appropriate adjustments to be made to negate the effect of the Adjustment Event as soon as possible and their decision shall (in the absence of fraud or manifest error) be final and binding on the parties. The directors are authorised to engage the auditors/the Independent Expert jointly on behalf of themselves and the Adjustment Disputing Shareholders and to agree the auditors'/Independent Expert's engagement letter (on customary terms for those purposes) on behalf of themselves and

the Adjustment Disputing Shareholders, and thereafter any director is authorised to execute and deliver the auditors'/Independent Expert's engagement letter for and on behalf of the directors and the Adjustment Disputing Shareholders. The costs of the auditors (or the Independent Expert, as relevant) shall be paid by the Company unless (and to the extent that) such arrangement would not be permitted by the Act, in which case the costs of the auditors (or the Independent Expert) shall be borne by the Adjustment Disputing Shareholders pro rata to the number of the Relevant Shares which they each hold.

113.14 Following determination of the matters in the Management Value Participation Share Notice in respect of the fifth anniversary of the Admission Date (and, if a Dispute Notice is duly served in respect of such Management Value Participation Share Notice, following agreement by the Disputing Shareholders or determination by the auditors/Independent Expert of the matters in dispute):

113.14.1 if the A Shares Performance Condition has not at any time been met, the A Shares shall be converted on a one-for-one basis into Deferred Shares (which rank pari passu with any existing Deferred Shares);

113.14.2 if the B Shares Performance Condition has not at any time been met, the B Shares shall be converted on a one-for-one basis into Deferred Shares (which rank pari passu with any existing Deferred Shares); and

113.14.3 if the C Shares Performance Condition has not at any time been met, the C Shares shall be converted on a one-for-one basis into Deferred Shares (which rank pari passu with any existing Deferred Shares).

113.15 If, following determination of the matters in the Management Value Participation Share Notice in respect of a Change of Control, the Change of Control Performance Condition has not been met, all of the Management Value Participation Shares shall (on, and conditional upon, the Change of Control occurring) be converted on a one-for-one basis into Deferred Shares (which rank pari passu with any existing Deferred Shares).

113.16 The conversions of Management Value Participation Shares made pursuant to this Article 113 shall be effected by the directors without the requirement for any shareholder authority, consent or resolution and such conversions shall not constitute a variation of any shareholder's class rights.

113.17 Notwithstanding any other provision of the Articles to the contrary, no Management Value Participation Shares shall be converted into Ordinary Shares or redeemed or repurchased, and no payment shall be made to any holder of Management Value Participation Shares under Article 103, unless the shareholders of the Company in general meeting have approved the provisions of Article 103 and this Article 113 as part of the Company's remuneration policy for directors, to the extent that such an approved policy is required by any relevant law or regulation.

113.18 For the avoidance of doubt, the holders of the Ordinary Shares which result from the conversion of Management Value Participation Shares following a Change of Control shall, in respect of any offer which gives (or gave) rise to or which arises (or arose) as a result of the Change of Control or on any scheme of arrangement which gives (or

gave) rise to (or which arises (or arose) as a result of) such Change of Control (as the case may be), be entitled to receive the same amount of consideration per Ordinary Share, and in the same form, as the holders of the existing Ordinary Shares.

114. REPURCHASE OF DEFERRED SHARES

Subject to the Act, the Company shall be entitled from time to time and at any time to purchase any Deferred Shares for the time being outstanding for the sum of £0.01 in aggregate paid to each holder of Deferred Shares whose Deferred Shares are purchased.

PART 5 - MISCELLANEOUS PROVISIONS

COMMUNICATIONS

115. MEANS OF COMMUNICATION TO BE USED

115.1 Save where these Articles expressly require otherwise, any notice, document or information to be sent or supplied by, on behalf of or to the Company may be sent or supplied in accordance with the Act (whether authorised or required to be sent or supplied by the Act or otherwise):

115.1.1 in hard copy form,

115.1.2 in electronic form; or

115.1.3 by means of a website.

115.2 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

115.3 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

115.4 If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to call a general meeting by notices sent by post, then subject to the Act, the directors may, in their absolute discretion and as an alternative to any other method of service permitted by the Articles, resolve to call a general meeting by a notice advertised in at least one United Kingdom national newspaper. In this case, the Company must send confirmatory copies of the notice to those members by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

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

- 115.6 A notice, document or information sent or supplied by electronic means to an address specified for the purpose by the member is deemed to have been given to or received by the intended recipient 24 hours after it was sent, and in proving service it is sufficient to prove that the communication was properly addressed and sent.
- 115.7 A notice, document or information sent or supplied by means of a website is deemed to have been given to or received by the intended recipient when:
- 115.7.1 the material was first made available on the website; or
- 115.7.2 if later, when the recipient received (or, in accordance with this Article 115, is deemed to have received) notification of the fact that the material was available on the website.
- 115.8 A notice, document or information not sent by post but delivered by hand (which include delivery by courier) to a registered address or address for service in the United Kingdom is deemed to be given on the day it is left.
- 115.9 Where notice is 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.
- 115.10 A notice, document or information served or delivered by or on behalf of the Company by any other means authorised in writing by the member concerned is deemed to be served when the Company has taken the action it has been authorised to take for that purpose.
- 115.11 A qualifying person present at a meeting of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.
- 115.12 A person who becomes entitled to a share by transmission, transfer or otherwise is bound by a notice in respect of that share (other than a notice served by the Company under section 793 of the Act) which, before his name is entered in the register, has been properly served on a person from whom he derives his title.
- 115.13 In the case of joint holders of a share, a notice, document or information shall be validly sent or supplied to all joint holders if sent or supplied to whichever of them is named first in the register in respect of the joint holding. Anything to be agreed or specified in relation to a notice, document or information to be sent or supplied to joint holders, may be agreed or specified by the joint holder who is named first in the register in respect of the joint holding.
- 115.14 The Company may give a notice, document or information to a transmittee 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 a transmittee. Until an address has been supplied, a notice, document or information may

be given in any manner in which it might have been given if the death or bankruptcy had not occurred. The giving of notice in accordance with this Article is sufficient notice to any other person interested in the share.

116. LOSS OF ENTITLEMENT TO NOTICES

116.1 Subject to the Act, a member (or in the case of joint holders, the person who is named first in the register) who has no registered address within the United Kingdom, and has not supplied to the Company an address within the United Kingdom at which notice or other documents or information can be given to him, shall not be entitled to receive any notice or other documents or information from the Company. Such a member (or in the case of joint holders, the person who is named first in the register) shall not be entitled to receive any notice or other documents or information from the Company even if he has supplied an address for the purposes of receiving notices or other documents or information in electronic form.

116.2 If:

116.2.1 the Company sends two consecutive documents to a member over a period of at least 12 months; and

116.2.2 each of those documents is returned undelivered, or the Company receives notification that it has not been delivered,

that member ceases to be entitled to receive notices from the Company.

116.3 A member who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company:

116.3.1 a new address to be recorded in the register; or

116.3.2 if the member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

ADMINISTRATIVE ARRANGEMENTS

117. SECRETARY

117.1 Subject to the Act, the directors shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including remuneration) as they think fit.

117.2 The directors may remove a person appointed under this Article 117 from office and appoint another or others in his place.

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

118. AUTHENTICATION OF DOCUMENTS

118.1 A director or the secretary or another person appointed by the directors for the purpose may authenticate:

118.1.1 documents affecting the constitution of the Company (including the Articles);

118.1.2 resolutions passed by the Company or holders of a class of shares or the directors or a committee of the directors; and

118.1.3 books, records, documents and accounts relating to the business of the Company, and may certify copies or extracts as true copies or extracts.

119. COMPANY SEALS

119.1 The directors must provide for the safe custody of every seal.

119.2 A seal may be used only by the authority of a resolution of the directors or of a committee of the directors.

119.3 The directors may decide who will sign an instrument to which a seal is affixed (or, in the case of a share certificate, on which the seal may be printed) either generally or in relation to a particular instrument or type of instrument. The directors may also decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means.

119.4 Unless otherwise decided by the directors:

119.4.1 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

119.4.2 every other instrument to which a seal is affixed shall be signed by one director and by the secretary or a second director, or by one director in the presence of a witness who attests his signature.

120. RECORDS OF PROCEEDINGS

120.1 The directors must make sure that proper minutes are kept in minute books of:

120.1.1 all appointments of officers and committees made by the directors and of any remuneration fixed by the directors; and

120.1.2 all proceedings (including the names of the directors present at such meeting) of general meetings;

120.1.3 meetings of the holders of any class of shares in the Company;

120.1.4 the directors' meetings; and

120.1.5 meetings of committees of the directors.

120.2 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 conclusive evidence of the proceedings at the meeting.

120.3 The directors must ensure that the Company keeps records, in the books kept for the purpose, of all directors' written resolutions.

120.4 All such minutes and written resolutions must be kept for at least 10 years from the date of the meeting or written resolution as the case may be.

121. **DESTRUCTION OF DOCUMENTS**

121.1 The Company is entitled to destroy:

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

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

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

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

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

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

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

121.2.1 entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;

121.2.2 any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

121.2.3 any share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and

- 121.2.4 any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.
- 121.3 This Article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this Article 121 permits it to do so or in any case where the conditions of this Article are not fulfilled.
- 121.4 In this Article 121, references to the destruction of any document include a reference to its being disposed of in any manner.

122. ACCOUNTS

- 122.1 The directors must ensure that accounting records are kept in accordance with the Act.
- 122.2 The accounting records shall be kept at the registered office of the Company or, subject to the Act, at another place decided by the directors and shall be available during business hours for the inspection of the directors and other officers. No member (other than a director or other officer) has the right to inspect an accounting record or other document except if that right is conferred by the Act or he is authorised by the directors or by an ordinary resolution of the Company.
- 122.3 In respect of each financial year, a copy of the Company's annual accounts, the directors' report, the strategic report, the directors' remuneration report, the auditors' report on those accounts and on the auditable part of the directors' remuneration report shall be sent or supplied to:
- 122.3.1 every member (whether or not entitled to receive notices of general meetings);
 - 122.3.2 every holder of debentures (whether or not entitled to receive notices of general meetings); and
 - 122.3.3 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 Act. This Article 122 does not require copies of the documents to which it applies to be sent or supplied to:
- 122.3.4 a member or holder of debentures of whose address the Company is unaware;
or
 - 122.3.5 more than one of the joint holders of shares or debentures.
- 122.4 The directors may determine that persons entitled to receive a copy of the Company's annual accounts, the directors' report, the strategic report, the directors' remuneration report, the auditors' report on those accounts and on the auditable part of the directors' remuneration report are those persons entered on the register at the close of business on a day determined by the directors, provided that, if the Company is a participating issuer, the day determined by the directors may not be more than 21 days before the day that the relevant copies are being sent.

- 122.5 Where permitted by the Act, the strategic report with supplementary material in the form and containing the information prescribed by the Act may be sent or supplied to a person so electing in place of the documents required to be sent or supplied by Article 122.3.

123. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

124. WINDING UP OF THE COMPANY

- 124.1 On a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law:
- 124.1.1 divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds; and
 - 124.1.2 vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine.
- 124.2 For this purpose the liquidator may:
- 124.2.1 set the value he deems fair on a class or classes of property; and
 - 124.2.2 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.
- 124.3 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.

DIRECTORS' INDEMNITY AND INSURANCE

125. INDEMNITY OF OFFICERS AND FUNDING DIRECTORS' DEFENCE COSTS

- 125.1 To the extent permitted by the Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or other officer of the Company or an associated company (other than any person (whether or not an officer of the Company or an associated company) engaged by the Company or an associated company as auditor) shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise as a director or such other officer of the Company or an associated company)

in relation to the Company or an associated company or its/their affairs provided that such indemnity shall not apply in respect of any liability incurred by him:

125.1.1 to the Company or to any associated company;

125.1.2 to pay a fine imposed in criminal proceedings;

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

125.1.4 in defending any criminal proceedings in which he is convicted;

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

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

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

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

125.2 In Articles 125.1.4, 125.1.5 or 125.1.6 the reference to a conviction, judgment or refusal of relief is a reference to one that has become final. A conviction, judgment or refusal of relief becomes final:

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

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

An appeal is disposed of:

125.2.3 if it is determined and the period for bringing any further appeal has ended; or

125.2.4 if it is abandoned or otherwise ceases to have effect.

125.3 To the extent permitted by the Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director of the Company acting in its capacity as a trustee of an occupational pension scheme shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in connection with the Company's activities as trustee of the scheme provided that such indemnity shall not apply in respect of any liability incurred by him:

125.3.1 to pay a fine imposed in criminal proceedings;

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

125.3.3 in defending criminal proceedings in which he is convicted.

For the purposes of this Article, a reference to a conviction is to the final decision in the proceedings. The provisions of Article 125.2 shall apply in determining when a conviction becomes final.

125.4 Without prejudice to Article 125.1 or to any indemnity to which a director may otherwise be entitled, and to the extent permitted by the Act and otherwise upon such terms and subject to such conditions as the directors may in their absolute discretion think fit, the directors shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with an application under section 661(3) or (4) of the Act (acquisition of shares by innocent nominee) or section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct) or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or to enable a director to avoid incurring any such expenditure.

125.5 Where at any meeting of the directors or a committee of the directors any arrangement falling within Article 125.4 is to be considered, a director shall be entitled to vote and be counted in the quorum at such meeting unless the terms of such arrangement confers upon such director a benefit not generally available to any other director; in that event, the interest of such director in such arrangement shall be deemed to be a material interest for the purposes of Article 23 and he shall not be so entitled to vote or be counted in the quorum.

126. **INSURANCE**

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

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

126.1.2 trustee of a retirement benefits scheme or other trust in which a person referred to in Article 126.1.1 is or has been interested,

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

127. **SCHEME OF ARRANGEMENT**

127.1 For the purposes of this Article 127 and Article 128:

127.1.1 "AA Scheme" means the scheme of arrangement dated 17 December 2020 under Part 26 of the 2006 Act between the Company and the Scheme Shareholders (as defined in the AA Scheme), in its original form or with or subject to any modification, addition or condition approved or imposed by the High Court of Justice of England and Wales and agreed by the Company and Bidco; and

127.1.2 "Bidco" means Basing Bidco Limited, a private limited company incorporated in Jersey with registered number 132817.

128. SCHEME OF ARRANGEMENT

- 128.1 Notwithstanding any other provision of these articles, if the Company issues any shares (other than to Bidco, any holding company or subsidiary of Bidco or any nominee(s) of Bidco) after the adoption of this article and at or prior to the Scheme Record Time (as defined in the AA Scheme), such shares shall be issued subject to the terms of the AA Scheme and the holders of such shares shall be bound by the AA Scheme accordingly.
- 128.2 Notwithstanding any other provision of these articles, subject to the AA Scheme becoming effective, any shares issued to any person (other than to Bidco, any holding company or subsidiary of Bidco or any nominee(s) of Bidco) after the Scheme Record Time (a "New Member") (each a "Post-Scheme Share") shall be issued on terms that they shall on the Effective Date (as defined in the AA Scheme) or, if later, on issue (but subject to the terms of article 128.3 below), be immediately transferred to Bidco (or as it may direct) (the "Purchaser"), who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the cash consideration to which a New Member would have been entitled had such Post-Scheme Share been a Scheme Share (as defined in the AA Scheme) and no election for the Alternative Offer (as defined in the AA Scheme) had been made in respect thereof.
- 128.3 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date, the value of the consideration per Post-Scheme Share to be paid under article 128.2 shall be adjusted by the Company in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this article to such shares shall, following such adjustment, be construed accordingly.
- 128.4 To give effect to any transfer of Post-Scheme Shares required pursuant to this article 128, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and/or its nominees and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as

transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to article 128.2 above by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder) for the purchase price of such Post-Scheme Shares as soon as practicable and in any event within 14 days of the date on which the Post-Scheme Shares are issued to the New Member.

- 128.5 If the AA Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) clause 10(b) of the AA Scheme, this article 128 shall cease to be of any effect.
- 128.6 Notwithstanding any other provision of these articles, both the Company and the board shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date.

and conditional upon the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the cash consideration to which a New Member would have been entitled had such Post-Scheme Share been a Scheme Share (as defined in the AA Scheme) and no election for the Alternative Offer (as defined in the AA Scheme) had been made in respect thereof.

- 128.3 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date, the value of the consideration per Post-Scheme Share to be paid under article 128.2 shall be adjusted by the Company in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this article to such shares shall, following such adjustment, be construed accordingly.
- 128.4 To give effect to any transfer of Post-Scheme Shares required pursuant to this article 128, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and/or its nominees and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to article 128.2 above by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder) for the purchase price of such Post-Scheme Shares as soon as practicable and in any event within 14 days of the date on which the Post-Scheme Shares are issued to the New Member.
- 128.5 If the AA Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) clause 10(b) of the AA Scheme, this article 128 shall cease to be of any effect.
- 128.6 Notwithstanding any other provision of these articles, both the Company and the board shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date."



.....
Nadia Hoosen
Chief Legal Officer and Company Secretary