

THE COMPANIES ACT 1985
PUBLIC LIMITED COMPANY
RESOLUTION



of

ROCKHOPPER EXPLORATION PLC (the "Company")

Passed on 1 August 2005

AT AN EXTRAORDINARY GENERAL MEETING of the Company duly convened and held at The Swindon Hilton, Lydiard Fields, Great Western Way, Swindon SN5 8UZ on 1 August 2005 the following resolution was duly passed as a special resolution:

SPECIAL RESOLUTION

THAT:

- (a) subject to and conditionally on the admission of ordinary shares in the capital of the Company to trading on the London Stock Exchange's AIM market becoming effective by 31 December 2005 ("**Admission**");
 - (i) the regulations contained in the document produced to the meeting and signed for identification purposes by the chairman of the meeting are adopted as the Company's new articles of association in substitution for and to the exclusion of the Company's existing articles of association; and
 - (ii) all unexercised authorities to allot relevant securities vested in the directors immediately prior to the passing of this resolution are revoked with effect on Admission;
- (b) the directors are:
 - (i) generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities, as defined in that section, up to an aggregate nominal amount of £400,000, and so that (i) this authority is limited to the allotment of relevant securities pursuant to any share placing carried out in anticipation of, and conditional on, Admission or pursuant to any allocation arrangements relating to such placing, (ii) this authority shall expire on 1 January 2006, (iii) before such expiry the Company may make any offer or agreement which would or might require relevant securities to be allotted after such expiry and, notwithstanding such expiry, the directors may allot relevant securities in pursuance of any such offer or agreement; and
 - (ii) empowered pursuant to section 95 of the Companies Act 1985 to allot equity securities, as defined in section 94 of that Act, pursuant to the authority conferred above by this paragraph (b) as if section 89(1) of that Act did not apply to any such allotment, provided that this power shall expire at such time as such authority expires *save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted*

after such expiry and, notwithstanding such expiry, the directors may allot equity securities in pursuance of any such offer or agreement;

(c) the directors are:

(i) generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities, as defined in that section, up to an aggregate nominal amount of £240,403, and so that (i) this authority shall expire on 31 July 2010, (ii) before such expiry the Company may make any offer or agreement which would or might require relevant securities to be allotted after such expiry and, notwithstanding such expiry, the directors may allot relevant securities in pursuance of any such offer or agreement, and (iii) the aggregate nominal amount of all relevant securities allotted pursuant to this authority shall not exceed one-third of the aggregate nominal amount of all relevant securities in issue or unconditionally allotted immediately following Admission and of all other relevant securities (if any) allotted pursuant to the authority at paragraph (b) above;

(ii) empowered pursuant to section 95 of the Companies Act 1985 to allot equity securities, as defined in section 94 of that Act, pursuant to the authority conferred above by this paragraph (c) as if section 89(1) of that Act did not apply to any such allotment, provided that this power is limited to:


(A) the allotment of other equity securities in connection with any rights issue, open offer or other pre-emptive offer, open for acceptance for a period determined by the directors, to the holders of ordinary shares on the register on any fixed record date in proportion to their holdings of ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to (i) fractions of such securities, (ii) the issue, transfer and/or holding of any securities in certificated form or in uncertificated form, (iii) the use of one or more currencies for making payments in respect of such an offer, (iv) any such shares or other securities being represented by depositary receipts, or (v) any legal or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory; and

(B) the allotment of other equity securities up to an aggregate nominal amount of £36,060,

and shall expire at such time as the authority conferred above by this paragraph (c) expires save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry and, notwithstanding such expiry, the directors may allot equity securities in pursuance of any such offer or agreement, and provided that the aggregate nominal amount of equity securities allotted pursuant to paragraph (c)(ii)(B) shall not exceed one-twentieth of the aggregate nominal amount of all equity securities in issue or unconditionally allotted immediately following Admission and of all other equity securities (if any) allotted pursuant to the authority at paragraph (b) above; and

(d) the directors are:

- (i) generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities, as defined in that section, up to an aggregate nominal amount of £64,920, and so that (i) this authority is limited to the allotment of relevant securities pursuant to any options to subscribe shares, or any warrants conferring the right to subscribe shares, granted prior to Admission (whether granted before or after the passing of this resolution), (ii) this authority shall expire on 31 July 2010, (iii) before such expiry the Company may make any offer or agreement which would or might require relevant securities to be allotted after such expiry and, notwithstanding such expiry, the directors may allot relevant securities in pursuance of any such offer or agreement; and
- (ii) empowered pursuant to section 95 of the Companies Act 1985 to allot equity securities, as defined in section 94 of that Act, pursuant to the authority conferred above by this paragraph (d) as if section 89(1) of that Act did not apply to any such allotment, provided that this power shall expire at such time as such authority expires save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry and, notwithstanding such expiry, the directors may allot equity securities in pursuance of any such offer or agreement.



.....
Director/Secretary

Company no: 5250250

The Companies Act 1985

Public Company Limited by Shares

ROCKHOPPER EXPLORATION PLC

Memorandum

and

Articles of Association

ADDLESHAW GODDARD

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

ROCKHOPPER EXPLORATION PLC

1. The name of the Company is Rockhopper Exploration plc.
2. The Company is to be a public company.
3. The Company's registered office is to be situated in England and Wales.
- 4.1 The object of the Company is to carry on business as a general commercial company.
- 4.2 Without prejudice to the generality of the object and the powers of the Company derived from section 3A of the Act the Company has power to do all or any of the following things:-
 - 4.2.1 To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.
 - 4.2.2 To apply for, register, purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere, any trade marks, patents, copyrights, trade secrets, or other intellectual property rights, licences, secret processes, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
 - 4.2.3 To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

- 4.2.4 To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- 4.2.5 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- 4.2.6 To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).
- 4.2.7 To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- 4.2.8 To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- 4.2.9 To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- 4.2.10 To enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges, or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.
- 4.2.11 To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations, or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations, or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

- 4.2.12 To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any businesses or operations of or generally with respect to any such company or companies.
- 4.2.13 To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- 4.2.14 To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- 4.2.15 To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- 4.2.16 To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- 4.2.17 To distribute among the members of the Company in kind any property of the Company of whatever nature.
- 4.2.18 To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- 4.2.19 To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its directors or employees, or may be connected with any town or place where the Company carries on businesses; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependents of such persons; to make payments towards insurance including insurance for any director, officer, or auditor against any liability in respect of any negligence, default, breach of duty or breach of trust (so far as permitted by law); and to set up, establish, support and maintain superannuation and other funds or schemes

(whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such schemes to be established or maintained.

4.2.20 Subject to and in accordance with the provision of the Act (if and so far as such provisions shall be applicable) to give, directly or indirectly, financial assistance for the acquisition of shares or other securities of the Company or of any other such company or for the reduction or discharge of any liability incurred in respect of such acquisition.

4.2.21 To procure the Company to be registered or recognised in any part of the world.

4.2.22 To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

4.2.23 To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

4.2.24 AND so that:-

4.2.24.1 None of the provisions set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such provision, and none of such provisions shall, except *where the context expressly so requires*, be in any way limited or restricted by reference to or inference from any other provision set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of the Company.

4.2.24.2 The word "company" in this clause, except where used in the reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

4.2.24.3 In this clause the expression "the Act" means the Companies Act 1985, but so that any reference in this clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

5. The liability of the members is limited.

6. The Company's share capital is £1,000,000 divided in 100,000,000 shares of £0.01 each.

Company no: 5250250

The Companies Act 1985

Public Company Limited by Shares

ROCKHOPPER EXPLORATION PLC

Articles of Association

ADDLESHAW GODDARD

ROCKHOPPER EXPLORATION PLC

Articles of Association

INDEX

Article	page
PRELIMINARY	
1 No other regulations to apply	1
2 Interpretation	1
3 Form of resolution.....	4
SHARE CAPITAL	
4 Authorised share capital	4
5 Allotment.....	4
6 Redeemable shares	4
7 Power to attach rights.....	4
8 Share warrants to bearer.....	4
9 Commission and brokerage	5
10 Trusts not to be recognised.....	5
ALTERATION OF SHARE CAPITAL	
11 Increase, consolidation, cancellation and sub-division	5
12 Fractions of shares.....	6
13 Reduction of capital	6
14 Purchase of own shares	6
VARIATION OF CLASS RIGHTS	
15 Sanction to variation	7
16 Class meetings.....	7
17 Deemed variation	7
EVIDENCE OF TITLE	
18 Arrangements relating to uncertificated securities	7
19 Right to share certificates	9
20 Replacement certificates	9
LIEN OF SHARES	
21 Lien on shares not fully paid.....	10
22 Enforcement of lien by sale	10
23 Application of proceeds of sale	10
CALLS ON SHARES	
24 Calls.....	11
25 Liability of joint holders	11
26 Interest on calls	11
27 Rights of member when call unpaid	11
28 Sums due on allotment treated as calls	11
29 Power to differentiate	12
30 Payment in advance of calls.....	12
31 Delegation of power to make calls	12

FORFEITURE OF SHARES

32	Notice if call not paid	12
33	Forfeiture for non-compliance	12
34	Notice after forfeiture	12
35	Forfeiture may be annulled	13
36	Surrender	13
37	Disposal of forfeited shares	13
38	Effect of forfeiture	13
39	Extinction of claims	13
40	Evidence of forfeiture	14

TRANSFER OF SHARES

41	Transfer of certificated shares	14
42	Transfer of uncertificated shares	14
43	Right to refuse registration of certificated shares	14
44	Notice of refusal	15
45	Closing of register	15
46	Fees on registration	15
47	Transfers by renunciation	15

TRANSMISSION OF SHARES

48	On death	15
49	Election of person entitled by transmission	16
50	Rights on transmission	16

DESTRUCTION OF DOCUMENTS

51	Destruction of documents	16
----	--------------------------------	----

GENERAL MEETINGS

52	Annual general meetings	17
53	Extraordinary general meetings	17
54	Convening of extraordinary general meeting	17
55	Notice of general meetings	18
56	Omission to send notice	18

PROCEEDINGS AT GENERAL MEETINGS

57	Quorum	18
58	If quorum not present	19
59	Chairman	19
60	Directors may attend and speak	19
61	Power to adjourn	19
62	Notice of adjourned meeting	19
63	Business of adjourned meeting	20
64	Accommodation of members and security arrangements	20

VOTING

65	Method of voting	20
66	Chairman's declaration conclusive on show of hands	21
67	Objection to error in voting	21
68	Amendment to resolutions	21
69	Procedure on a poll	21
70	Votes of members	22
71	Casting vote	22
72	Restriction on voting rights for unpaid calls, etc	23
73	Voting by proxy	23

74	Form of proxy	23
75	Deposit of proxy.....	23
76	More than one proxy may be appointed	25
77	Board may supply proxy cards	25
78	Revocation of proxy.....	25
79	Corporate representative.....	26
80	Failure to disclose interests in shares	26

UNTRACED MEMBERS

81	Power of sale	28
82	Application of proceeds of sale	29

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

83	Number of directors	30
84	Power of company to appoint directors	30
85	Power of board to appoint directors	30
86	Appointment of executive directors	30
87	Eligibility for appointment as a director.....	30
88	Share qualification	30
89	Resolution for appointment	31
90	Retirement at intervals of one year and three years	31
91	Directors to retire by rotation	31
92	Position of retiring director.....	32
93	No retirement on account of age	32
94	Removal by ordinary resolution	32
95	Vacation of office by director	32
96	Resolution as to a vacancy conclusive.....	33

ALTERNATE DIRECTORS

97	Appointment	33
98	Participation in board meetings	33
99	Alternate director responsible for own acts	33
100	Interests of alternate director.....	34
101	Revocation of appointment.....	34

DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS

102	Directors' fees.....	34
103	Expenses	34
104	Remuneration of executive directors.....	35
105	Pensions and other benefits.....	35

POWERS AND DUTIES OF THE BOARD

106	Powers of the board	35
107	Powers of directors being less than minimum number	35
108	Powers of executive directors	36
109	Delegation to committees.....	36
110	Local management	36
111	Power of attorney	37
112	Use of the title "director"	37
113	Exercise of voting power	37
114	Provision for employees	37
115	Overseas registers	37
116	Borrowing powers.....	37

PROCEEDINGS OF DIRECTORS AND COMMITTEES

117	Board meetings	38
118	Notice of board meetings	38
119	Quorum.....	38
120	Chairman of board.....	38
121	Voting	38
122	Participation by telephone or video conference	38
123	Resolution in writing	39
124	Proceedings of committees	39
125	Minutes of proceedings	39
126	Validity of proceedings	40

DIRECTORS' INTERESTS

127	Director may have interests.....	40
128	Disclosure of interests to board.....	40
129	Interested director not to vote or count for quorum	41
130	Director's interest in own appointment	42
131	Chairman's ruling conclusive on director's interest	42
132	Directors' resolution conclusive on chairman's interest	42
133	Connected persons	42

SEALS

134	Safe custody.....	42
135	Application of seals.....	42
136	Official seal for use abroad.....	43

THE SECRETARY

137	The secretary.....	43
-----	--------------------	----

AUTHENTICATION OF DOCUMENTS

138	Power to authenticate.....	43
-----	----------------------------	----

DIVIDENDS AND OTHER PAYMENTS

139	Declaration of dividends	44
140	Interim dividends	44
141	Entitlement to dividends	44
142	Calls or debts may be deducted from dividends	44
143	Distribution in specie	44
144	Dividends not to bear interest.....	45
145	Method of payment.....	45
146	Uncashed dividends	45
147	Unclaimed dividends	46
148	Payment of share dividends	46
149	Reserves	47
150	Capitalisation of reserves	48
151	Record dates	49

ACCOUNTS

152	Accounting records.....	49
153	Inspection of records	49
154	Accounts to be sent to members.....	49
155	Summary financial statements	50

NOTICES

156	Notices to be in writing	50
-----	--------------------------------	----

157	Service of notice on members.....	50
158	Notice in case of death, bankruptcy or mental disorder.....	51
159	Evidence of service	51
160	Notice binding on transferees.....	51
161	Notice by advertisement.....	51
162	Suspension of the postal services.....	51
163	Service of notices on the company	52

WINDING UP

164	Division of assets.....	52
165	Transfer or sale under section 110 of the Insolvency Act 1986	52

INDEMNITY

166	Right to indemnity.....	53
167	Power to insure.....	54

Company number: 5250250

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

ROCKHOPPER EXPLORATION PLC

(adopted by special resolution passed on 1st August 2005)

PRELIMINARY

1 No other regulations to apply

No regulations set out in any statute or in any statutory instrument or other subordinate legislation concerning companies shall apply to the company, but the following shall be the articles of association of the company.

2 Interpretation

2.1 In these articles, unless the context otherwise requires, the following expressions have the following meanings:

articles means these articles of association;

auditors means the auditors of the company or, in the case of joint auditors, any one of them;

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

certificated share means a share, title to which is recorded on the register of members as being held in certificated form;

chairman means the chairman (if any) of the board or, where the context requires, the chairman of a general meeting of the company;

clear days means (in relation to the period of a 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;

Companies Act means the Companies Act 1985;

company means Rockhopper Exploration plc, registered in England and Wales with company number 5250250;

CREST system means the CREST system or any other applicable system which is a "relevant system" for the purpose of the Uncertificated Securities Regulations;

dematerialised instruction has the meaning given to it in the Uncertificated Securities Regulations;

depository means a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the company or other arrangements approved by the board whereby such custodian or other person or nominee holds or is interested in shares of the company or rights or interests in shares of the company and issues securities or other documents of title or otherwise evidencing the entitlement of their holder to, or to receive, such shares, rights or interests, provided and to the extent that such arrangements have been approved by the board for the purpose of these articles, and shall include, where approved by the board, the trustees (acting in their capacity as such) of any employees' share scheme established by the company or any other scheme or arrangement principally for the benefit of employees or those in the service of the company and/or its subsidiaries or their respective businesses and the managers (acting in their capacity as such) of any investment or savings plan, which in each case the board has approved;

director means a director of the company;

electronic mail includes any electronic transmission in any form through any medium;

execution includes any mode of execution (and **executed** shall be construed accordingly);

holder means (in relation to any share) the member whose name is entered in the register of members as the holder or, where the context permits, the members whose names are entered in the register of members as the joint holders, of that share;

London Stock Exchange means London Stock Exchange plc;

member means a member of the company or, where the context requires, a member of the board or of any committee;

ordinary share means an ordinary share in the capital of the company;

paid up means paid up or credited as paid up;

participating security means a share or class of shares or a renounceable right of allotment of a share, title to which is permitted to be transferred by means of the CREST System in accordance with the Uncertificated Securities Regulations;

properly authenticated dematerialised instruction has the meaning given to it in the Uncertificated Securities Regulations;

register of members means the register of members of the company to be kept pursuant to the Companies Act or, as the case may be, any overseas branch register kept pursuant to these articles;

registered office means the registered office of the company;

seal means any common seal of the company or any official or **securities seal** that the company has or may have as permitted by the statutes;

secretary means the secretary of the company or any other person appointed to perform any of the duties of the secretary of the company including a joint, temporary, assistant or deputy secretary;

share means a share of the company;

statutes means the Companies Act, the Uncertificated Securities Regulations and every other statute (and any regulations subordinate to it) and every statutory instrument in force concerning companies and affecting the company or its shares;

Uncertificated Securities Regulations means the Uncertificated Securities Regulations 2001, SI 2001 No. 3755;

uncertificated share means a share, title to which is recorded on the register of members as being held in uncertificated form; and

writing or **written** means and includes printing, typewriting, lithography, photography and any other mode or modes of representing or reproducing words in a legible and non-transitory form, and includes (to the extent permitted by the statutes) electronic mail.

2.2 Unless the context otherwise requires:

- (a) words in the singular include the plural, and vice versa;
- (b) words importing the masculine gender include the feminine gender; and
- (c) a reference to a person includes a body corporate and an unincorporated body of persons.

2.3 A reference to any statute or provision of a statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it in force.

2.4 Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Companies Act and words and expressions used in the Uncertificated Securities Regulations have the same meanings when used in these articles.

2.5 The headings are inserted for convenience only and shall not affect the construction of these articles.

2.6 In these articles the words and phrases "other", "including" and "in particular" do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.

3 Form of resolution

Where for any purpose an ordinary resolution of the company is required, a special resolution or an extraordinary resolution shall also be effective, and, where an extraordinary resolution is required, a special resolution shall also be effective.

SHARE CAPITAL

4 Authorised share capital

The authorised share capital of the company at the date of adoption of these articles is £1,000,000 divided into 100,000,000 ordinary shares of one penny each.

5 Allotment

Subject to the statutes and to any relevant authority of the company in general meeting required by the statutes, unissued shares at the date of adoption of these articles and any shares hereafter created shall be at the disposal of the board, which may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of them or rights to subscribe for or convert any security into shares to such persons (including the directors themselves), at such times and generally on such terms and conditions as the board may decide, *provided that no share shall be issued at a discount.*

6 Redeemable shares

Subject to the statutes and to any special rights attached to any existing shares, any share may be issued which is, or at the option of the company or of the holder of such share is liable, to be redeemed on such terms and in such manner as these articles may provide.

7 Power to attach rights

Subject to the statutes and to any special rights attached to any existing shares, any shares may be allotted or issued with, or have attached to them, such preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the company may by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the board may determine.

8 Share warrants to bearer

8.1 The company may, with respect to any fully paid shares, issue a warrant ("**a share warrant**") stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends on the shares included in a share warrant.

8.2 The powers referred to in article 8.1 may be exercised by the board, which may determine and vary the conditions on which share warrants shall be issued and, in particular, on which:

- (a) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out or lost (provided that no new share warrant shall be issued to replace one that has been lost unless the board is satisfied beyond reasonable doubt that the original has been destroyed);

- (b) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;
- (c) dividends will be paid; and
- (d) a share warrant may be surrendered and the name of the holder entered in the register of members in respect of the shares specified in it.

8.3 Subject to such conditions and to these articles, the bearer of a share warrant shall be deemed to be a member for all purposes. The bearer of a share warrant shall be subject to the conditions in force and applicable to it, whether made before or after the issue of such share warrant.

9 Commission and brokerage

The company may, in connection with the issue of any shares, exercise all powers of paying commission and brokerage conferred or permitted by the statutes. Subject to the statutes, any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares, the grant of an option to call for an allotment of shares or any combination of such methods.

10 Trusts not to be recognised

Except as otherwise expressly provided by these articles, as required by law or as ordered by a court of competent jurisdiction, the company shall not:

- (a) recognise any person as holding any share on any trust: nor
- (b) be bound by or recognise (even if having notice of it) any equitable, contingent, future, partial or other claim to or interest in any share except an absolute right of the holder to the whole of the share.

ALTERATION OF SHARE CAPITAL

11 Increase, consolidation, cancellation and sub-division

The company in general meeting may by ordinary resolution:

- (a) increase its share capital by such sum to be divided into shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of a larger nominal amount than its existing shares;
- (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and reduce the amount of its share capital by the amount of the shares so cancelled; and
- (d) subject to the statutes, sub-divide its shares or any of them into shares of smaller nominal amount, and may by such resolution determine that, as between the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the company has power to attach to unissued or new shares.

12 Fractions of shares

12.1 Whenever, as the result of any consolidation, division or sub-division of shares, any difficulty arises, the board may settle it as it thinks fit, and, in particular (but without prejudice to the generality of the foregoing), where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share and as a result of such consolidation such holder would become entitled to a fraction of a consolidated share:

- (a) the board may determine which of the shares of such holder are to be treated as giving rise to such fractional entitlement and may decide that any of those shares shall be consolidated with any of the shares of any other holder or holders which are similarly determined by it to be treated as giving rise to a fractional entitlement for such other holder or holders, into a single consolidated share and the board may, on behalf of all such holders, sell such consolidated share for the best price reasonably obtained to any person (including the company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3.00 or such other sum as the board may determine, may be retained for the benefit of the company); or
- (b) provided that the necessary unissued shares are available, the board may issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation); and the amount required to pay up such shares shall be appropriated at the board's discretion from any of the sums standing to the credit of any of the company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying such amount in paying up the share. In relation to such a capitalisation, the board may exercise all the powers conferred on it by article 150 (**capitalisation of reserves**) without an ordinary resolution of the company.

12.2 For the purposes of any such sale of consolidated shares the board may authorise some person to execute an instrument of transfer of (or, as the case may be, to give a dematerialised instruction in respect of) the shares to, or in accordance with the directions of, the purchaser, and the transferee shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

13 Reduction of capital

Subject to the statutes, these articles and to any rights attached to any shares, the company may by special resolution reduce its share capital or any capital redemption reserve or share premium account or other undistributable reserve in any way.

14 Purchase of own shares

Subject to the statutes, these articles and any rights attached to any shares, the company may purchase any of its own shares of any class (including any redeemable shares). Any shares to be so purchased may be selected in any manner whatsoever.

VARIATION OF CLASS RIGHTS

15 Sanction to variation

If at any time the share capital of the company is divided into shares of different classes, any of the rights attached to any share or class of shares in the company (and notwithstanding that the company may be or be about to be in liquidation) may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise).

16 Class meetings

All the provisions in these articles as to general meetings shall apply, so far as applicable, to every meeting of the holders of any class of shares. The board may convene a meeting of the holders of any class of shares whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights. The quorum at every such meeting shall be not less than two persons holding or representing by proxy at least one-third of the nominal amount paid up on the issued shares of the class. Every holder of shares of the class, present in person or by proxy, may demand a poll. Each such holder shall on a poll be entitled to one vote for every share of the class held by him. If at any adjourned meeting of such holders such a quorum is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

17 Deemed variation

Subject to the terms of issue of or rights attached to any shares, the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of the capital paid up on such shares or by the purchase or redemption by the company of its own shares in accordance with the statutes and these articles.

EVIDENCE OF TITLE

18 Arrangements relating to uncertificated securities

- 18.1 Notwithstanding any other provision of these articles, title to any securities of the company may be evidenced and may be transferred without a written instrument in accordance with the statutes and subject to such regulations the board shall have power to implement any arrangements it may think fit for such evidencing and transfer which accord with those regulations.
- 18.2 The board may resolve that a class of shares is to become, or is to cease to be, a participating security.
- 18.3 Shares of a class shall not be treated as forming a separate class from other shares of the same class as a consequence of such shares being held in certificated or uncertificated form or of any provision in these articles or the Uncertificated Securities Regulations applying only to certificated shares or to uncertificated shares.

- 18.4 Any share of a class which is a participating security may be changed from an uncertificated share to a *certificated share* and from a *certificated share* to an *uncertificated share* in accordance with the Uncertificated Securities Regulations.
- 18.5 These articles apply to uncertificated shares of a class which is a participating security only to the extent that these articles are consistent with the holding of such shares in uncertificated form, with the transfer of title to such shares by means of the CREST System and with the Uncertificated Securities Regulations.
- 18.6 The board may lay down regulations not included in these articles which (in addition to or in substitution for any provisions in these articles):
- (a) apply to the issue, holding or transfer of uncertificated shares;
 - (b) set out (where appropriate) the procedures for conversion and/or redemption of uncertificated shares; and/or
 - (c) the board considers necessary or appropriate to ensure that these articles are consistent with the *Uncertificated Securities Regulations* and/or the rules and practices of the operator of the CREST system.
- 18.7 Such regulations will apply instead of any relevant provisions in these articles which relate to certificates and the transfer, conversion and redemption of shares or which are not consistent with the *Uncertificated Securities Regulations*, in all cases to the extent (if any) stated in such regulations. If the board makes any such regulations, paragraph 18.4 of this article will (for the avoidance of doubt) continue to apply to these articles, when read in conjunction with those regulations.
- 18.8 Any instruction given by means of the CREST System as referred to in these articles shall be a *dematerialised instruction given in accordance with the Uncertificated Securities Regulations*, the facilities and requirements of the CREST System and the rules and practices of its operator.
- 18.9 For any purpose under these articles, the company may treat a member's holding of uncertificated shares and of certificated shares of the same class as if they were separate holdings, unless the board otherwise decides.
- 18.10 Where the company is entitled under the statutes, the rules and practices of the operator of the CREST system, these articles or otherwise to dispose of, forfeit, enforce a lien over or sell or otherwise procure the sale of any shares of a class which is a participating security which *are held in uncertificated form*, the board may take such steps (subject to the *Uncertificated Securities Regulations* and to such rules and practices) as may be required or appropriate, by instruction by means of the CREST System or otherwise, to effect such disposal, forfeiture, enforcement or sale including by (without limitation):
- (a) requesting or requiring the deletion of any computer-based entries in the CREST System relating to the holding of such shares in uncertificated form;
 - (b) altering such computer-based entries so as to divest the holder of such shares of the power to transfer such shares other than to a person selected or approved by the company for the purpose of such transfer;

- (c) requiring any holder of such shares, by notice in writing to him, to change his holding of such uncertificated shares into certificated form within any specified period;
- (d) requiring any holder of such shares to take such steps as may be necessary to sell or transfer such shares as directed by the company;
- (e) *otherwise rectify or change the register of members in respect of any such shares in such manner as the board considers appropriate (including, without limitation, by entering the name of a transferee into the register of members as the next holder of such shares); and/or*
- (f) appointing any person to take any steps in the name of any holder of such shares as *may be required to change such shares from uncertificated form to certificated form and/or to effect the transfer of such shares (and such steps shall be effective as if they had been taken by such holder).*

19 Right to share certificates

- 19.1 On becoming the holder of any certificated share, every person (except any person in respect of whom the company is not by law required to complete and have ready for delivery a certificate) shall be entitled, without charge, to have issued within two months after allotment or lodgement of a transfer (unless the terms of issue of the shares provide otherwise) one certificate for all the certificated shares of each class registered in his name. Such certificate shall specify the number, class and distinguishing numbers (if any) of the shares in respect of which it is issued and the amount or respective amounts paid up on such shares and shall be issued as provided in article 135 (**application of seals**).
- 19.2 The issued shares of a particular class which are fully paid up and rank *pari passu* for all purposes shall not bear a distinguishing number. All other shares shall bear a distinguishing number.
- 19.3 The company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named on the register of members as the holder of such shares shall be sufficient delivery to all joint holders.
- 19.4 Where a member (other than a person in respect of whom the company is not by law required to complete and have ready for delivery a certificate) has transferred part only of the shares comprised in a certificate, he shall be entitled to a certificate for the balance of such shares without charge.
- 19.5 No certificate shall be issued representing shares of more than one class or in respect of shares held by any person in respect of whom the company is not by law required to complete and have ready for delivery a certificate, or in respect of any uncertificated shares.

20 Replacement certificates

- 20.1 Any two or more certificates representing certificated shares of any one class held by any member may, at his request, be cancelled and a single new certificate for such shares issued in lieu without charge on surrender of the original certificates for cancellation.
- 20.2 If any member shall surrender for cancellation a share certificate representing certificated shares held by him and request the company to issue in lieu two or more share certificates representing

such shares in such proportions as he may specify, the board may, if it thinks fit, comply with such request.

- 20.3 *Share certificates may be renewed or replaced on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out of pocket expenses, including those incurred by the company in investigating such evidence and preparing such indemnity and security, as the board may decide, and on surrender of the original certificate (where it is defaced, damaged or worn out), but without any further charge.*
- 20.4 In the case of shares held jointly by several persons, any such request as is mentioned in this article 20 may be made by any one of the joint holders.

LIEN OF SHARES

21 Lien on shares not fully paid

The company shall have a first and paramount lien on each of its shares which is not fully paid, for all amounts payable to the company (whether presently or not) in respect of that share and to the extent and in the circumstances permitted by the statutes. The board may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from this article.

22 Enforcement of lien by sale

The board may sell all or any of the shares subject to any lien at such time or times and in such manner as it may determine. However, no sale shall be made until such time as any moneys in respect of which such lien exists become payable or the liability or engagement in respect of which such lien exists becomes liable to be fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding its payment or fulfilment or discharge and giving notice of intention to sell in default shall have been served on the holder or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for fourteen clear days after service of such notice. For giving effect to any such sale, the board may authorise some person to execute an instrument of transfer of, or to give a dematerialised instruction in respect of, the shares sold in the name and on behalf of the holder or the persons entitled by transmission in favour of the purchaser or as the purchaser may direct. The purchaser shall not be bound to see to the application of the purchase money, and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

23 Application of proceeds of sale

The net proceeds of any sale of shares subject to any lien, after payment of the costs, shall be applied in or towards satisfaction of so much of the amount due to the company or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged. The balance (if any) shall (in the case of a sale of certificated shares, on surrender to the company for cancellation of the certificate for the shares sold) be paid to the holder or the person (if any) entitled by transmission to the shares so sold, without interest, subject to the company having a lien on such balance on the same basis as applied to such shares for any amount not presently payable as existed on such shares before the sale.

CALLS ON SHARES**24 Calls**

Subject to the terms of allotment of shares, the board may make calls on the members in respect of any moneys unpaid on the shares, of any class, held by them respectively (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the terms of issue. Each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made and whether or not by instalments) be liable to pay the amount of every call so made on him as required by the notice. A call shall be deemed to have been made at the time when the resolution of the board authorising such call was passed or (as the case may require) any person to whom power has been delegated pursuant to these articles serves notice of exercise of such power. A call may be required to be paid by instalments and may, before receipt by the company of any sum due thereunder, be either revoked or postponed in whole or part as regards all or any such members as the board may determine. A person on whom a call is made shall remain liable notwithstanding the subsequent transfer of the shares in respect of which the call was made.

25 Liability of joint holders

The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of such share.

26 Interest on calls

If the whole of the sum payable in respect of any call is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay all costs, charges and expenses that the company may have incurred by reason of such non-payment, together with interest on the unpaid amount from the day appointed for its payment to the time of actual payment at the rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is so fixed, at such rate, not exceeding ten per cent per annum (compounded on a six monthly basis), as the board shall determine. The board may waive payment of such costs, charges, expenses or interest in whole or in part.

27 Rights of member when call unpaid

Unless the board otherwise determines, no member shall be entitled to receive any dividend or to be present and vote at a general meeting or at any separate general meeting of the holders of any class of shares either in person or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other right or privilege as a member in respect of a share held by him unless and until he shall have paid all calls due and payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) to the company.

28 Sums due on allotment treated as calls

Any sum payable in respect of a share on allotment or at any fixed date, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall, for all purposes of these articles be deemed to be a call duly made. If it is not paid, these articles shall apply as if such amount had become due and payable by virtue of a call.

29 Power to differentiate

The board may make arrangements on the allotment or issue of shares for a difference as between the allottees or holders of such shares in the amount and time of payment of calls.

30 Payment in advance of calls

The board may, if it thinks fit, receive from any member all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall reduce the liability on the shares on which it is made by a corresponding amount. The company may pay interest on the money paid in advance, or so much of it as exceeds the amount called up on the shares in respect of which such advance has been made, at such rate as the board may decide. The board may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

31 Delegation of power to make calls

If any uncalled capital of the company is included in or charged by any mortgage or other security, the board may delegate on such terms as it thinks fit to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, to sue in the name of the company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys. The power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of directors, and shall be assignable if expressed so to be.

FORFEITURE OF SHARES

32 Notice if call not paid

If any member fails to pay the whole of any call or any instalment of any call on or before the day appointed for payment, the board may at any time serve a notice in writing on such member or on any person entitled to the shares by transmission, requiring payment, on a date not less than fourteen clear days from the date of the notice, of the amount unpaid and any interest which may have accrued on such amount and any costs, charges and expenses incurred by the company by reason of such non-payment. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

33 Forfeiture for non-compliance

If the notice referred to in article 32 (**notice if call not paid**) is not complied with, any share in respect of which it was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board to that effect. Such forfeiture shall include all dividends declared or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

34 Notice after forfeiture

When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to such share by

transmission (as the case may be). An entry that such notice has been given and of fact and date of forfeiture shall be made in the register of members in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry.

35 Forfeiture may be annulled

The board may, at any time before any share so forfeited has been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture, on terms that payment shall be made of all calls and interest due in respect of it and all expenses incurred in respect of the share and on such further terms (if any) as the board shall see fit.

36 Surrender

The board may accept a surrender of any share liable to be forfeited. In such case, references in these articles to forfeiture shall include surrender.

37 Disposal of forfeited shares

Every share which shall be forfeited shall become the property of the company. Subject to the statutes, any such share may be sold, re-allotted or otherwise disposed of, either to the *person who was before forfeiture its holder or entitled to it or to any other person, on such terms and in such manner as the board shall determine.* The board may, for the purposes of the disposal, authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the register of members notwithstanding (in the case of a certificated share) the absence of any share certificate being lodged in respect of it. An instrument of transfer executed by that person, or a dematerialised instruction given at the request of that person, shall be as effective as if it had been executed or effected by the holder of, or the person entitled by transmission to, the share. The company may receive the consideration (if any) given for the share on its disposal.

38 Effect of forfeiture

A shareholder whose shares have been forfeited shall cease to be a member in respect of the shares forfeited and shall surrender to the company for cancellation the certificate (if any) for such shares. He shall nevertheless be liable to pay to the company all calls made and not paid on such shares at the time of forfeiture, and interest on them from the date of the forfeiture to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) claims, demands and liabilities which the company might have enforced in respect of the shares at the time of forfeiture, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

39 Extinction of claims

The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the company in respect of the share and all other rights and liabilities incidental to the share as between the holder whose share is forfeited and the company, *except only such of those rights and liabilities as are by these articles expressly saved, or as are by the statutes given or imposed in the case of past members.*

40 Evidence of forfeiture

A statutory declaration by a director or the secretary that a share has been forfeited in pursuance of these articles, and stating the date on which it was forfeited, shall, as against all persons claiming to be entitled to such share, be conclusive evidence of the facts stated in it. The declaration, together with the receipt of the company for the consideration (if any) given for the share on its sale or disposition shall (subject, if necessary, to the execution of an instrument of transfer or the giving of a dematerialised instruction) constitute a good title to the share. Subject to the completion of any necessary transfer, such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share. Such person shall not (except by express agreement with the company) become entitled to any dividend which might have accrued on the share before the completion of its sale or disposition.

TRANSFER OF SHARES**41 Transfer of certificated shares**

Subject to such of the restrictions of these articles as may be applicable, each member may transfer all or any of his certificated shares by instrument of transfer in writing in any usual form or in any form approved by the board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a certificated share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register of members in respect of it. All instruments of transfer which are registered may be retained by the company.

42 Transfer of uncertificated shares

The board shall register a transfer of title to any uncertificated share or the renunciation or transfer of any renounceable right of allotment of a share which is a participating security held in uncertificated form in accordance with the Uncertificated Securities Regulations, except that the board may refuse (subject to any relevant requirements of the London Stock Exchange) to register any such transfer or renunciation which is in favour of more than four persons jointly or in any other circumstance permitted by the Uncertificated Securities Regulations.

43 Right to refuse registration of certificated shares

43.1 The board may, in its absolute discretion and without giving any reason, refuse to register any transfer of a certificated share (or renunciation of a renounceable letter of allotment) unless:

- (a) it is in respect of a share which is fully paid up;
- (b) it is in respect of only one class of shares;
- (c) it is in favour of a single transferee or not more than four joint transferees;
- (d) it is duly stamped (if required); and

- (e) it is delivered for registration to the registered office or such other place as the board may determine, accompanied (except in the case of a transfer of a share, for which a certificate has not been issued, by a person in respect of whom the company is not by law required to complete and have ready for delivery a certificate, and except in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so,

provided that the board shall not refuse to register any transfer or renunciation of partly paid shares which are traded, with the company's consent, on the London Stock Exchange on the grounds that they are partly paid shares in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis.

- 43.2 Transfers of shares will not be registered in the circumstances referred to in article 80 (**failure to disclose interests in shares**).

44 Notice of refusal

If the board refuses to register a transfer of a share, it shall, within two months after the date on which, in the case of a certificated share, the transfer was lodged with the company or, in the case of an uncertificated share, the dematerialised instruction was received by the company, send notice of the refusal to the transferee. Any instrument of transfer which the board refuses to register shall (except in the case of suspected or actual fraud) be returned to the person depositing it.

45 Closing of register

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the board may determine, subject to the board having first obtained any consent or authorisation to such closure which may be required and (where applicable) subject to the Uncertificated Securities Regulations.

46 Fees on registration

No fee shall be charged for registration of a transfer or on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, notice or other instrument relating to or affecting the title to any shares.

47 Transfers by renunciation

Nothing in these articles shall preclude the board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

48 On death

If a member dies, the survivors or survivor, where he was a joint holder, and his executors or administrators, where he was a sole or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his shares. Nothing in these

articles shall release the estate of a deceased member from any liability in respect of any share which has been solely or jointly held by him.

49 Election of person entitled by transmission

Any person becoming entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, on such evidence as to his title being produced as the board may require, elect either to become registered as a member or to have some person nominated by him registered as a member. If he elects to become registered himself, he shall give notice to the company to that effect. If he elects to have some other person registered, he shall execute an instrument of transfer of such share to that person or, as the case may be, procure the transfer of such share to that person pursuant to the rules of the CREST system. All articles relating to the transfer of shares shall apply to the notice or transfer (as the case may be) as if it were effected by the member and his death, bankruptcy or other such event had not occurred. Where the entitlement of a person to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the board, the board shall within two months after proof cause the entitlement of that person to be noted in the register of members.

50 Rights on transmission

Where a person becomes entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, the rights of the holder in relation to such share shall cease. However, the person so entitled may give a good discharge for any dividends and other moneys payable in respect of it and shall have the same rights to which he would be entitled if he were the holder of the share, except that he shall not, before he is registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the company or at any separate meeting of the holders of any class of shares of the company. The board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within sixty days, the board may thereafter withhold payment of all dividends and other moneys payable in respect of such share until the requirements of the notice have been complied with.

DESTRUCTION OF DOCUMENTS

51 Destruction of documents

51.1 The company may destroy:

- (a) any instrument of transfer, after six years from the date on which it is registered;
- (b) any dividend mandate or any variation or cancellation of such mandate or any notification of change of name or address, after two years from the date on which it is recorded;
- (c) any share certificate, after one year from the date on which it is cancelled;
- (d) any proxy form which has been used for a poll, after one year from the date of use;
- (e) any proxy form which has not been used for a poll, after one month from the general meeting to which it relates and at which the poll was demanded; and

- (f) any other document on the basis of which any entry in the register of members is made, after six years from the date on which an entry was first made in the register of members in respect of it,

provided that the company may destroy any such type of document at a date earlier than that authorised by this article if a copy of such document is retained on microfilm or by other similar means on which such copy is retained until the expiration of the period applicable to the destruction of the original of such document.

51.2 *It shall be conclusively presumed in favour of the company that every entry in the register of members purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was duly cancelled, that every other document so destroyed had been properly dealt with in accordance with its terms and was valid and effective in accordance with the particulars in the records of the company, provided that:*

- (a) this article 51 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant;
- (b) nothing in this article 51 shall be construed as imposing on the company any liability in respect of the destruction of any such document otherwise than as provided for in this article 51 which would not attach to the company in the absence of this article 51; and
- (c) references in this article 51 to the destruction of any document include references to the disposal of it in any manner.

GENERAL MEETINGS

52 Annual general meetings

Subject to the statutes, annual general meetings shall be held at such time and place as the board may determine.

53 Extraordinary general meetings

All general meetings, other than annual general meetings, shall be called extraordinary general meetings.

54 Convening of extraordinary general meeting

The board may convene an extraordinary general meeting whenever it thinks fit. An extraordinary general meeting shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the statutes. At any meeting convened on such requisition or by such requisitionists no business shall be transacted except that stated by the requisition or proposed by the board. If there are not within the United Kingdom sufficient members of the board to convene a general meeting, any director may call a general meeting.

55 Notice of general meetings

- 55.1 An annual general meeting and an extraordinary general meeting convened for the passing of a special resolution or an extraordinary resolution shall be convened by not less than twenty one clear days' notice in writing. All other extraordinary general meetings shall be convened by not less than fourteen clear days' notice in writing.
- 55.2 The notice shall specify:
- (a) whether the meeting is an annual general meeting or an extraordinary general meeting;
 - (b) the place, the day and the time of the meeting;
 - (c) the general nature of the business to be transacted;
 - (d) if the meeting is convened to consider a special or extraordinary resolution, the intention to propose the resolution as such; and
 - (e) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.
- 55.3 The notice shall be given to the members (other than any who, under these articles or of any restrictions imposed on any shares, are not entitled to receive notice from the company), to the directors and to the auditors.
- 55.4 If, after a notice convening a general meeting of the company has been despatched to members, the board becomes aware of any fact, event or circumstances which, in the board's opinion, would make it impractical or inappropriate to hold the general meeting on the date or time or at the place for which notice has been given, the board may give notice pursuant to article 161 (**notice by advertisement**) to those entitled to receive the notice pursuant to article 55.3 either cancelling such meeting or postponing such meeting to a time and date which is not less than twenty one clear days from the date of such notice, which shall also specify the place at which such postponed meeting shall be held.

56 Omission to send notice

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

PROCEEDINGS AT GENERAL MEETINGS

57 Quorum

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two persons entitled to attend and to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a member which is a body corporate, shall be a quorum.

58 If quorum not present

If within thirty minutes (or such longer interval as the chairman in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, the meeting shall stand adjourned to such time (not being less than seven nor more than sixty days later) and place as the chairman (or, in default, the board) may determine. If at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

59 Chairman

59.1 The chairman of the board shall preside at every general meeting of the company. If there be no such chairman, or if at any meeting he shall not be present within five minutes after the time appointed for holding the meeting, or shall be unwilling to act as chairman, the deputy chairman (if any), if present and willing to do so shall preside at such meeting, but if neither the chairman or deputy chairman is present and willing to act, the directors present shall choose one of their number to act as chairman or, if there be only one director present, he shall be chairman if willing to act. If there be no director present and willing to act, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.

59.2 The chairman of the meeting may, at any time during a general meeting of the company, nominate any director of the company to replace him as the chairman of the meeting for the remainder of or for any part of the meeting.

60 Directors may attend and speak

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

61 Power to adjourn

The chairman may, with the consent of a meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place as the meeting shall determine. However, without prejudice to any other power which he may have under these articles or at common law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the comfort, safety and security of those attending and the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.

62 Notice of adjourned meeting

Where a meeting is adjourned indefinitely, the board shall fix the time and place for the adjourned meeting. Whenever a meeting is adjourned for fourteen days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, shall be given in the same manner as in the case of an original meeting. Except in these circumstances, no

member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting.

63 Business of adjourned meeting

No business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

64 Accommodation of members and security arrangements

64.1 The board may, for the purpose of ensuring the comfort, safety and security of those attending at any place specified for the holding of a general meeting, make such arrangements as the board shall consider to be appropriate in the circumstances and may vary any such arrangements or make new arrangements instead. In the case of any meeting to which such arrangements apply the board may:

- (a) direct that the meeting shall be held at a place specified in the notice at which the chairman of the meeting shall preside ("**the principal place**"); and
- (b) make arrangements for simultaneous attendance and participation at other places by members and proxies otherwise entitled to attend the general meeting but who *cannot be accommodated in the principal place and who are excluded from the general meeting under this article or who wish to attend at any of such other places, provided that persons attending at the principal place and at any of such other places shall be able to see, and hear and be seen and heard by, persons attending at the principal place and at such other places, by any means.*

Such arrangements for simultaneous attendance may include arrangements for regulating the level of attendance in any such manner as between the principal place and any of such other places, provided that they shall operate so that any member or proxy who cannot be accommodated in the principal place is able to attend at one of such other places. For the purposes of all other provisions of these articles any such meeting shall be treated as being held and taking place at the principal place.

64.2 For the purpose of ensuring the safety and security of those attending any meeting the board may require that any person wishing to attend any meeting should submit to such searches or other security arrangements as the board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to any meeting to any person who refuses to cooperate with or to submit to such searches or to otherwise comply with such security arrangements.

VOTING

65 Method of voting

65.1 At any general meeting, a resolution put to a vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is duly demanded. Subject to the statutes, a poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) by at least five members present in person or by proxy and entitled to vote at the meeting; or

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

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

66 Chairman's declaration conclusive on show of hands

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

67 Objection to error in voting

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting (whose decision shall be final and conclusive), who shall not be obliged to take it into account unless he considers it to be of sufficient magnitude to affect the decision of the meeting. The decision of the chairman on such matters shall be final and binding on all concerned.

68 Amendment to resolutions

68.1 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, any error in such ruling shall not invalidate the proceedings on the substantive resolution.

68.2 In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment to it (other than an amendment to correct a patent error) may in any event be considered or voted on and, in the case of a resolution duly proposed as an ordinary resolution, no amendment to it (other than an amendment to correct a patent error) may be considered or voted on unless either, at least forty-eight hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed, notice in writing of the terms of the amendment and intention to move it has been lodged at the registered office or the chairman of the meeting in his absolute discretion decides that it may be considered or voted on.

69 Procedure on a poll

69.1 Any poll duly demanded on the election of a chairman of a meeting or on any question of adjournment shall be taken forthwith. A poll duly demanded on any other matter shall be taken at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman shall direct. The

chairman shall determine the manner (including the use of ballot or voting papers or tickets or electronic mail) in which a poll shall be taken and may appoint scrutineers who need not be members. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 69.2 The demand for a poll (other than on the election of a chairman or any question of adjournment) shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded. If a poll is demanded before the declaration of the result on a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 69.3 The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the chairman. A demand for a poll so withdrawn shall validate the result of a show of hands declared before the demand was made.
- 69.4 On a poll, votes may be given in person or by proxy. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

70 Votes of members

- 70.1 Subject to the statutes, to any special terms as to voting on which any shares may have been issued or may be held and to any suspension or abrogation of voting rights pursuant to these articles, at any general meeting every member who is present in person shall, on a show of hands, have one vote and every member present in person or by proxy or, to the extent permitted by the statutes and approved by the board, casting votes by means of electronic mail shall, on a poll, have one vote for each share of which he is the holder.
- 70.2 If two or more persons are joint holders of a share, then in voting on any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names of the holders stand in the register of members.
- 70.3 Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the board may in its absolute discretion, on or subject to production of such evidence of the appointment as the board may require, permit such receiver or other person to vote in person or, on a poll, by proxy on behalf of such member at any general meeting. Evidence to the satisfaction of the board of the authority of the person claiming to exercise the right to vote shall be deposited at the registered office, or at such other place as is specified in accordance with these articles for the deposit of instruments of proxy, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.

71 Casting vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll was demanded shall be entitled to a second or casting vote in addition to any other vote that he may have.

72 Restriction on voting rights for unpaid calls, etc

No member shall, unless the board otherwise determines, be entitled to vote at a general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a member in respect of a share held by him unless and until all calls or other sums presently due and payable by him in respect of that share whether alone or jointly with any other person together with interest and expenses (if any) have been paid to the company.

73 Voting by proxy

Any person (whether a member of the company or not) may be appointed to act as a proxy. Deposit of an instrument of proxy or, where the appointment of the proxy was contained in an electronic mail, receipt of such appointment shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment of such meeting.

74 Form of proxy

74.1 The appointment of a proxy shall:

- (a) be in writing in any common form or in such other form as the board may approve, under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, under its common seal or under the hand of some officer or attorney or other person duly authorised in that behalf;
- (b) be deemed (subject to any contrary direction contained in it) to confer authority to demand or join in demanding a poll and to vote on any resolution or amendment of a resolution put to the meeting for which it is given (including, for the avoidance of doubt, any resolution which properly comes before the meeting of which notice was not included in the notice of the meeting or any resolution not referred to in the appointment of the proxy) as the proxy thinks fit, but shall not confer any further right to speak at the meeting, except with the permission of the chairman (or as otherwise determined by the board where the relevant shares are held by a depositary);
- (c) unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
- (d) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings.

74.2 In addition, the board may determine that, if and to the extent permitted by the statutes, and subject to such terms and conditions as the board may specify, a proxy may be appointed by electronic mail.

75 Deposit of proxy

75.1 The appointment of a proxy shall:

- (a) in the case of an instrument in writing be deposited at the registered office, or at such other place or places within the United Kingdom as is specified in the notice convening the meeting or in any notice of any adjourned meeting or in any instrument of proxy sent out by the company in relation to the meeting, not less than forty eight

hours before the time of the holding of the meeting or adjourned meeting at which the person named in the instrument proposes to vote (and there shall also be deposited at the same place or places, not less than forty eight hours before the time of the holding of the meeting or adjourned meeting at which the person named in the instrument proposes to vote, the power of attorney or other authority (if any) under which such instrument is signed, or a copy of such authority certified notarially or in some other way approved by the board);

- (b) in the case of an appointment contained in an electronic mail where an address has been specified for the purpose of receiving electronic mail:
 - (i) in the notice convening the meeting; or
 - (ii) in any instrument of proxy sent out by the company in relation to the meeting; or
 - (iii) in any invitation to appoint a proxy contained in an electronic mail issued by the company in relation to the meeting,

be received at such address not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

- (c) in the case of a poll taken more than forty eight hours after it is demanded, be deposited or received at the relevant place referred to at paragraph (a) or paragraph (b) above after the poll has been demanded and not less than twenty four hours before the time appointed for the taking of the poll;
- (d) where the poll is not taken forthwith but is taken not more than forty eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to any director;

and subject to article 75.3, an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

In this article and article 78 (**revocation of proxy**), "address", in relation to electronic mail, includes any number or address (including, in the case of any Uncertificated Proxy Instruction permitted pursuant to article 75.2, an identification number of a participant in the CREST system concerned) used for the purposes of such electronic mail.

- 75.2 In relation to any uncertificated shares the directors may permit appointments of a proxy to be made by means of electronic mail in the form of an Uncertificated Proxy Instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the CREST system and received by such 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 be prescribed by the directors (subject always to the facilities and requirements of the CREST system)); and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by the same or similar means. The directors may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the company or such participant. 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.

75.3 A director, the secretary or some person authorised for the purpose by the secretary may:

- (a) accept a photocopy, or a copy delivered by facsimile transmission, of the instrument appointing the proxy (and of the power of attorney (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the board); and/or
- (b) accept an appointment of a proxy which has not been properly executed or is not supported by the relevant documents as required by article 75.1,

as a valid appointment of proxy where such person determines, in good faith, that the documents deposited or received indicate in sufficient detail the member's intention to appoint a proxy.

75.4 No appointment of a proxy shall be valid after the expiry of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.

75.5 If and to the extent that the board determines that proxies may be appointed by means of electronic mail, any provisions of article 74 (**form of proxy**) or this article 75 (**deposit of proxy**) may be disapplied or varied, insofar as they relate to any appointment made in this way, in such manner as the board may specify.

76 **More than one proxy may be appointed**

A member may appoint more than one proxy to attend on the same occasion. When two or more valid but differing appointments of proxy are delivered or received in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered or received (regardless of its date or of 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.

77 **Board may supply proxy cards**

The board may at the expense of the company send, by post or otherwise, instruments of proxy (reply-paid or otherwise) to members for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the expense of the company, such invitations shall, subject to article 56 (**omission to send notice**), be issued to all (and not some only) of the members entitled to be sent a notice of the meeting and to vote at it by proxy.

78 **Revocation of proxy**

A vote given or poll demanded in accordance with the terms of the appointment of a proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the appointment, or of the authority under which the appointment was executed, or the

transfer of the share in respect of which the appointment is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been received by the company at the registered office, or at such other place as has been appointed for the deposit of instruments of proxy or, where the appointment of the proxy was contained in an electronic mail, at the address at which such appointment was duly received, at least forty eight hours before the commencement of the meeting or adjourned meeting or the taking of the poll at which the instrument of proxy is used.

79 Corporate representative

A corporation which is a member may, by resolution of its directors or other governing body, authorise such person (or if, but only if, such corporation is a depositary voting in its capacity as such, persons) as it thinks fit to act as its representative (or, as the case may be, representatives) at any meeting of the company or at any separate meeting of the holders of any class of shares. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. The corporation shall for the purposes of these articles be deemed to be present in person at any such meeting if a person so authorised is present at it; and all references to attendance and voting in person shall be construed accordingly. A director, the secretary or some person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to them before permitting him to exercise his powers.

80 Failure to disclose interests in shares

80.1 If a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice pursuant to section 212 of the Companies Act ("**a section 212 notice**") and has failed in relation to any shares ("**default shares**", which expression includes any shares issued after the date of such notice in respect of those shares) to give the company the information thereby required within the prescribed period from the service of the notice, the following sanctions shall apply unless the board otherwise determines:

- (a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and
- (b) where the default shares represent at least 0.25 per cent in nominal value of the issued shares of their class (excluding any shares held by the company as treasury shares):
 - (i) any dividend or other money payable in respect of the shares shall be withheld by the company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to article 148 (**payment of share dividends**), to receive shares instead of that dividend; and
 - (ii) no transfer, other than an excepted transfer, of any shares held by the member shall be registered (subject, in the case of any uncertificated shares, to the Uncertificated Securities regulations) unless:

- (A) the member is not himself in default as regards supplying the information required; and
 - (B) the member proves to the satisfaction of the board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.
- 80.2 Where the sanctions under article 80.1 apply in relation to any shares, they shall cease to have effect (and any dividends withheld under article 80.1(b) shall become payable):
 - (a) if the shares are transferred by means of an excepted transfer, but only in respect of the shares transferred; or
 - (b) at the end of the period of seven days (or such shorter period as the board may determine) following receipt by the company of the information required by the notice mentioned in that paragraph and the board being fully satisfied that such information is full and complete.
- 80.3 Where, on the basis of information obtained from a member in respect of any share held by him, the company issues a section 212 notice to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of article 80.1.
- 80.4 Where default shares in which a person appears to be interested are held by a depositary, this article 80 shall be treated as applying only to those shares held by the depositary in which such person appears to be interested and not (insofar as such person's apparent interest is concerned) to any other shares held by the depositary.
- 80.5 Where the member on which a section 212 notice is served is a depositary acting in its capacity as such, the obligations of the depositary as a member of the company shall be limited to disclosing to the company such information relating to any person appearing to be interested in the shares held by it as has been recorded by it pursuant to the arrangements entered into by the company or approved by the board pursuant to which it was appointed as a depositary.
- 80.6 For the purposes of this article 80:
 - (a) 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, so interested or if the company (after taking account of any information obtained from the member or, pursuant to a section 212 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
 - (b) "interested" shall be construed as it is for the purpose of section 212 of the Companies Act;
 - (c) reference to a person having failed to give the company the information required by a notice, or being in default as regards supplying such information, includes reference:
 - (i) to his having failed or refused to give all or any part of it; and

- (ii) 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;
- (d) **"prescribed period"** means fourteen days;
- (e) **"excepted transfer"** means, in relation to any shares held by a member:
 - (i) a transfer by way of, or pursuant to, acceptance of a takeover offer (as defined in section 428 of the Companies Act) for the company or in relation to any of its shares; or
 - (ii) a transfer in consequence of a sale made through the London Stock Exchange or any other stock exchange selected by the company outside the United Kingdom on which the company's shares are normally traded; or
 - (iii) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

80.7 The board may:

- (a) give notice in writing to any member holding default shares in uncertificated form requiring the member:
 - (i) to change his holding of such shares from uncertificated form into certificated form within a specified period; and
 - (ii) then to hold such default shares in certificated form for so long as the default subsists; and
- (b) appoint any person to take any steps, by instruction by means of the CREST System or otherwise, in the name of any holder of default shares as may be required to change such shares from uncertificated form into certificated form (and such steps shall be effective as if they had been taken by such holder).

80.8 The provisions of this Article are in addition to, and without prejudice, to the provisions of the Companies Act and shall not be taken to limit in any way any powers of the company under that Act.

UNTRACED MEMBERS

81 Power of sale

81.1 The company shall be entitled to sell at the best price reasonably obtainable any share of a member, or any share to which a person is entitled by transmission, if and provided that:

- (a) during the period of twelve years prior to the date of the publication of the advertisements referred to in sub-paragraph (b) below (or, if published on different dates, the earlier or earliest of such dates) no cheque, order or warrant in respect of such share sent by the company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share, at his address

on the register of members or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent *has been cashed and the company has received no communications in respect of such share from such member or person*, provided that during such period of twelve years the company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the person entitled to it;

- (b) on or after expiry of such twelve year period the company has given notice of its intention to sell such share by advertisements in two newspapers of which one shall be a national newspaper published in the United Kingdom and the other shall be a newspaper circulating in the area of the address on the register of members or other last known address of the member or the person entitled by transmission to the share or the address for the service of notices notified under article 157.3;
- (c) such advertisements, if not published on the same day, shall have been published within thirty days of each other; and
- (d) during the further period of three months following the date of publication of such advertisements (or, if published on different dates, the later or latest of such dates) *and prior to the exercise of the power of sale the company has not received any communication in respect of such share from the member or person entitled by transmission.*

81.2 To give effect to any sale of shares pursuant to this article, the board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the register of members notwithstanding the absence of any share certificate being lodged in respect of them and may issue a new certificate to the transferee. An instrument of transfer executed by (or a dematerialised instruction given by) that person shall be as effective as if it had been executed or effected by the holder of, or the person entitled by transmission to, the shares. *The purchaser shall not be bound to see to the application of the purchase moneys, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.*

81.3 If during the period of twelve years referred to in article 81.1, or during any period ending on the date when all the requirements of paragraphs (a) to (d) of article 81.1 have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements of paragraphs (b) to (d) of article 81.1 have been satisfied in regard to such additional shares, the company shall also be entitled to sell the additional shares.

82 Application of proceeds of sale

The company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all moneys in respect of the sale to a separate account. The company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect of such moneys. Moneys carried to such separate account may either be employed in the business of the company or invested in such investments as the board may think fit. No interest shall be payable to such member or other person in respect of such moneys and the company shall not be required to account for any money earned on them.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

83 Number of directors

Unless and until otherwise determined by the company by ordinary resolution, the number of directors (other than any alternate directors) shall not be less than 2 nor more than 15.

84 Power of company to appoint directors

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

85 Power of board to appoint directors

Without prejudice to the power of the company to appoint any person to be a director pursuant to these articles, the board shall have power at any time to appoint any person who is willing to act as a director, either to fill a vacancy or as an addition to the existing board, but the total number of directors shall not exceed the maximum number fixed in accordance with these articles. Any director so appointed shall retire at the annual general meeting of the company next following such appointment and shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

86 Appointment of executive directors

Subject to the statutes, the board may appoint one or more of its body to hold any employment or executive office (including that of executive chairman, chief executive or managing director) for such term and subject to such other conditions as the board thinks fit in accordance with article 108 (**powers of executive directors**). The board may revoke or terminate any such appointment without prejudice to any claim for damages for breach of contract between the director and the company.

87 Eligibility for appointment as a director

No person, other than a director retiring (by rotation or otherwise), shall be appointed or re-appointed a director at any general meeting unless:

- (a) he is recommended by the board; or
- (b) not less than seven nor more than forty-two clear days before the date appointed for the meeting, notice duly executed by a member (other than the person to be proposed) qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or re-appointment, stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the company's register of directors, together with notice executed by that person of his willingness to be appointed or re-appointed, is lodged at the registered office.

88 Share qualification

A director shall not be required to hold any shares in the company.

89 Resolution for appointment

A resolution for the appointment of two or more persons as directors by a single resolution shall be void unless an ordinary resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.

90 Retirement at intervals of one year and three years

90.1 A director (not being a director holding any employment or executive office pursuant to article 86 (**appointment of executive directors**)) shall retire from office, and may offer himself for re-election, at an annual general meeting if, at the start of business on the date of the notice convening that annual general meeting, he has served as a director for a continuous period of nine years or more (or if, notwithstanding that his period of continuous service falls short of nine years, such period of continuous service, as at the start of business on the date of such notice, includes (taking into account the annual general meeting at which such period of continuous service commenced) nine or more annual general meetings). For the purposes of this article the retirement and reappointment of a director at the same general meeting, whether pursuant to these articles or otherwise, shall not constitute an interruption to that director's period of continuous service.

90.2 A director shall retire from office, and may offer himself for re-election, at the third annual general meeting following his appointment or following his last re-appointment by shareholders at an annual general meeting.

91 Directors to retire by rotation

91.1 Any director who is required to retire at an annual general meeting pursuant to article 85 (**power of board to appoint directors**) or article 90.1 shall not be taken into account in determining the number or the identity of the directors to retire by rotation at that meeting pursuant to this article 91.

91.2 The directors to retire by rotation at an annual general meeting pursuant to this article 91 shall be determined, both as to number and identity, by the composition of the board at the start of business on the date of the notice convening that annual general meeting, notwithstanding any change in the number or the identity of the directors after that time but before the conclusion of that annual general meeting.

91.3 At each annual general meeting, one-third of the directors who are subject to retirement by rotation (or, if this number is not three or a multiple of three, the number which is nearest to but does not exceed one-third), shall retire from office and may offer themselves for re-election. Subject to the statutes and of these articles, the directors to retire by rotation pursuant to this article 91 at any annual general meeting shall be, first, any director who wishes to retire and not offer himself for re-election, secondly, any director who is required to retire at such annual general meeting pursuant to article 90.2 and thirdly, that director or those directors who have been longest in office since their appointment or last re-appointment by shareholders at a general meeting (and as between two or more directors who have been in office an equal length of time since their appointment or last re-appointment by shareholders at a general meeting, the director or directors to retire shall, in default or agreement between them, be determined by lot).

92 Position of retiring director

A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

93 No retirement on account of age

No person shall be or become incapable of being appointed a director by reason of his having attained the age of seventy or any other age, nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person. No director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age. Where any general meeting of the company is convened at which, to the knowledge of the board, a director will be proposed for appointment or re-appointment who will at the date of the meeting be seventy or more, the board shall give notice of his age in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings or any appointment or re-appointment of that director at that meeting.

94 Removal by ordinary resolution

In addition to any power of removal conferred by the statutes, the company may by ordinary resolution remove any director before the expiration of his period of office, but without prejudice to any claim for damages which he may have for breach of any contract of service between him and the company, and may (subject to these articles) by ordinary resolution appoint another person who is willing to act to be a director in his place. Any person so appointed shall be treated, for the purposes of determining the time at which he or any other director is to retire, as if he had become a director on the day on which the person in whose place he is appointed was last appointed or re-appointed a director.

95 Vacation of office by director

Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these articles, the office of a director shall be vacated if:

- (a) he resigns by notice in writing delivered to the secretary at the registered office or tendered at a board meeting;
- (b) he ceases to be a director by virtue of any provision of the statutes, is removed from office pursuant to these articles or the statutes or becomes prohibited by law from being a director;
- (c) he becomes bankrupt, has an interim receiving order made against him, makes any arrangement or compounds with his creditors generally or applies to the court for an interim order in connection with a voluntary arrangement under that Act under any legislation relating to insolvency or bankruptcy;
- (d) an order is made by any court of competent jurisdiction on the ground (howsoever formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person to exercise powers with respect to his affairs or he is admitted to hospital in pursuance of an application for admission for treatment under any legislation relating to mental health and the board resolves that his office be vacated;

- (e) both he and his alternate director appointed pursuant to these articles (if any) are absent, without the permission of the board, from board meetings for six consecutive months and the board resolves that his office be vacated;
- (f) he is removed from office by notice in writing signed by not less than three-quarters of all the directors in number and such signing directors being at least four in number (without prejudice to any claim for damages which he may have for breach of any contract between him and the company) and, for this purpose, a set of notices in the same form each signed by one or more of the directors shall be as effective as a single notice signed by the requisite number of directors; or
- (g) in the case of any director who holds any executive office with the company, his appointment as such is terminated or expires and the directors resolve that his office be vacated.

96 Resolution as to a vacancy conclusive

A resolution of the board declaring a director to have vacated office under the terms of article 95 (**vacation of office by director**) shall be conclusive as to the fact and grounds of vacation stated in the resolution.

ALTERNATE DIRECTORS

97 Appointment

- 97.1 Each director (other than an alternate director) may, by notice in writing delivered to the secretary at the registered office, or in any other manner approved by the board, appoint any other director or any person approved for that purpose by the board and willing to act, to be his alternate.
- 97.2 No appointment of an alternate director who is not already a director shall be effective until his consent to act as a director in the form prescribed by the statutes has been received at the registered office.
- 97.3 An alternate director need not hold a share qualification and shall not be counted in reckoning any maximum or minimum number of directors allowed by these articles.

98 Participation in board meetings

Every alternate director shall (subject to his giving to the company an address within the United Kingdom at which notices may be served on him) be entitled to receive notice of all meetings of the board and all committees of the board of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor. A director acting as alternate director shall have a separate vote at board meetings for each director for whom he acts as alternate director, but he shall count as only one for the purpose of determining whether a quorum is present.

99 Alternate director responsible for own acts

Every person acting as an alternate director shall be an officer of the company, shall alone be responsible to the company for his own acts and defaults and shall not be deemed to be the agent of the director appointing him.

100 Interests of alternate director

An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the company and to be repaid expenses and to be indemnified in the same way and to the same extent as a director. However, he shall not be entitled to receive from the company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice in writing to the company direct. Subject to this article, the company shall pay to an alternate director such expenses as might properly have been paid to him if he had been a director.

101 Revocation of appointment

An alternate director shall cease to be an alternate director:

- (a) if his appointor revokes his appointment; or
- (b) if his appointor ceases for any reason to be a director, provided that if any director retires but is re-appointed at the same meeting, any valid appointment of an alternate director which was in force immediately before his retirement shall remain in force; or
- (c) if any event happens in relation to him which, if he were a director otherwise appointed, would cause him to vacate office.

DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS

102 Directors' fees

The maximum aggregate annual fees payable to the directors for their services in holding the office of director of the company shall be the sum of £300,000 or such larger sum as the company in general meeting by ordinary resolution shall determine. The limit imposed by this article shall not apply in respect of:

- (a) the salaries, bonuses or other remuneration payable by the company or any subsidiary of the company pursuant to article 104 (**remuneration of executive directors**) or article 105 (**pensions and other benefits**); or
- (b) amounts payable to any director in respect of special or additional responsibilities assumed by that director in relation to the company or any subsidiary of the company, as referred to in article 103 (**expenses**); or
- (c) expenses reimbursed to any director pursuant to article 103 (**expenses**).

103 Expenses

Each director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as a director, including any expenses incurred in attending meetings of the board or any committee of the board or general meetings or separate meetings of the holders of any class of shares or of debentures of the company. If in the opinion of the directors it is desirable that any of their number should go or reside abroad or make any special journeys or perform any special or additional services on behalf of the company or its business, such director or directors may be paid such reasonable additional remuneration by way of salary, percentage of profits or otherwise and expenses therefor as the directors may determine.

104 Remuneration of executive directors

The salary or remuneration of any director appointed to hold any employment or executive office in accordance with these articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the board, and may be in addition to or in lieu of any fee payable to him for his services as director pursuant to these articles.

105 Pensions and other benefits

The board may exercise all the powers of the company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for, or to institute and maintain any institution, association, society, club, trust, other establishment or profit-sharing, share incentive, share purchase or employees' share scheme calculated to advance the interests of the company or to benefit, any person who is or has at any time been a director or employee of the company or any company which is a holding company or a subsidiary undertaking of or allied to or associated with the company or any such holding company or subsidiary undertaking or any predecessor in business of the company or of any such holding company or subsidiary undertaking, and for any member of his family (including a spouse or former spouse) and any person who is or was dependent on him. For such purpose the board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the statutes, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with any such matters. The board may procure any of such matters to be done by the company either alone or in conjunction with any other person. Any director or former director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this article and shall not be obliged to account for it to the company.

POWERS AND DUTIES OF THE BOARD**106 Powers of the board**

Subject to the statutes, the memorandum of association of the company and these articles and to any directions given by special resolution of the company, the business of the company shall be managed by the board, which may exercise all the powers of the company, whether relating to the management of the business or not. No alteration of the memorandum of association or of these articles and no such direction given by the company shall invalidate any prior act of the board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in these articles as to any specific power of the board shall not be deemed to limit the general powers given by this article.

107 Powers of directors being less than minimum number

If the number of directors is less than the minimum prescribed by these articles, the remaining director or directors shall act only for the purposes of appointing an additional director or directors to make up such minimum or of convening a general meeting of the company for the purpose of making such appointment. If there is no director able or willing to act, any two members may summon a general meeting for the purpose of appointing directors. Subject to these articles, any additional director so appointed shall hold office only until the dissolution of

the annual general meeting of the company next following such appointment unless he is re-elected during such meeting.

108 Powers of executive directors

The board may:

- (a) delegate or entrust to and confer on any director holding executive office (including a chief executive or managing director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit; and
- (b) revoke, withdraw, alter or vary all or any of such powers.

109 Delegation to committees

109.1 The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) *for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more directors and (if thought fit) one or more other persons, provided that:*

- (a) *a majority of the members of a committee shall be directors; and*
- (b) *no resolution of a committee shall be effective unless a majority of those present when it is passed are directors or alternate directors.*

109.2 The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect and may revoke, *withdraw, alter or vary any of such powers and discharge any such committee in whole or in part.* Insofar as any power, authority or discretion is so delegated, any reference in these articles to the exercise by the board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

110 Local management

The board may establish any local or divisional boards or agencies for managing any of the affairs of the company in any specified locality, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local or divisional board, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent so appointed any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members of any such local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies; and any such appointment or delegation may be made for such time, on such terms and subject to such conditions as the board may think fit. The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect and may revoke, withdraw, alter or vary all or any of such powers. Subject to any terms and conditions expressly imposed by the board, the proceedings of any local or divisional board or agency with two or more members shall be governed by such of these articles as regulate the proceedings of the board, so far as they are capable of applying.

111 Power of attorney

The board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and subject to such conditions as it thinks fit. The board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the board in that respect and may revoke, withdraw, alter or vary any of such powers.

112 Use of the title "director"

The board may appoint any person (not being a director) to any office or employment having a designation or title including the word "director" or attach to any existing office or employment with the company such designation or title and may terminate any such appointment or the use of such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that such person is, or is deemed to be, or is empowered in any respect to act as, a director for any of the purposes of the statutes or these articles.

113 Exercise of voting power

The board may exercise or cause to be exercised the voting power conferred by the shares in any other company held or owned by the company, or any power of appointment to be exercised by the company, in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

114 Provision for employees

The board may exercise any power conferred on the company by the statutes to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiary undertakings (or any member of his family or any person who is dependent on him) in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the company or that subsidiary undertaking.

115 Overseas registers

Subject to the statutes, the board may exercise the powers conferred on the company with regard to the keeping of an overseas branch, local or other register and may make and vary such regulations as it thinks fit respecting the keeping of any such register.

116 Borrowing powers

The board may exercise all the powers of the company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company and, subject to the statutes, to create and issue debenture and other loan stock and debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.

PROCEEDINGS OF DIRECTORS AND COMMITTEES

117 Board meetings

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

118 Notice of board meetings

One director may, and the secretary at the request of a director shall, summon a board meeting at any time on reasonable notice. Notice of a board meeting shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address or electronic address given by him to the company for that purpose. A director may waive the requirement that notice be given to him of any board meeting, either prospectively or retrospectively. It shall not be necessary to give notice of a board meeting to a director who is absent from the United Kingdom unless he has requested the board in writing that notices of board meetings shall during his absence be given to him at any address in the United Kingdom notified to the company for this purpose, but he shall not, in such event, be entitled to a longer period of notice than if he had been present in the United Kingdom at that address.

119 Quorum

The quorum necessary for the transaction of business may be determined by the board and until otherwise determined shall be two directors. A duly convened meeting of the board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions vested in or exercisable by the board.

120 Chairman of board

The board may appoint one or more of its body chairman or joint chairman and one or more of its body deputy chairman of its meetings and may determine the period for which he is or they are to hold office and may at any time remove him or them from office. If no such chairman or deputy chairman is elected, or if at any meeting neither a chairman nor a deputy chairman is present within five minutes of the time appointed for holding the meeting, the directors present shall choose one of their number to be chairman of such meeting. Any chairman or deputy chairman may also hold executive office under the company.

121 Voting

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of that meeting shall have a second or casting vote.

122 Participation by telephone or video conference

122.1 Any director or his alternate may validly participate in a meeting of the board or a committee of the board through the medium of conference telephone, video conferencing link or any other form of communications equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting, or by a series of telephone calls from the chairman of the meeting.

122.2 A person so participating by being present or being in telephone or video conference or any other form of communication with those in the meeting or with the chairman of the meeting

shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting then is.

- 122.3 A resolution passed at any meeting held in the above manner, and signed by the chairman of the meeting, shall be as valid and effectual as if it had been passed at a meeting of the board (or committee, as the case may be) duly convened and held.

123 Resolution in writing

A resolution in writing signed by all the directors entitled to receive notice of a board meeting and not being less than a quorum, or by all the members of a committee of the board entitled to receive notice of such committee meeting and not being less than a quorum of that committee, shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the board (or committee, as the case may be). Such a resolution:

- (a) may consist of several copies of a document (each signed by one or more of the directors or members of the relevant committee, including signatures evidenced by means of facsimile transmission), which copies may be transmitted by electronic mail, in which event, subject to any terms and conditions determined by the board, no signature shall be required;
- (b) need not be signed by an alternate director if it is signed by the director who appointed him;
- (c) if signed by an alternate director, need not also be signed by his appointor;
- (d) to be effective, need not be signed by a director who is prohibited by these articles from voting on it, or by his alternate.

124 Proceedings of committees

All committees of the board shall, in the exercise of the powers delegated to them and in the transaction of business, conform with any mode of proceedings and regulations which the board may prescribe and shall be governed by such of these articles as regulate the proceedings of the board as are capable of applying.

125 Minutes of proceedings

- 125.1 The board shall cause minutes to be made in books kept for the purpose of recording:

- (a) all appointments of officers and committees made by the board; and
- (b) the names of directors present at every meeting of the board, of a committee of the board, of the company or of the holders of any class of shares or debentures of the company, and all orders, resolutions and proceedings of such meetings.

- 125.2 Any such minutes, 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 or the secretary, shall be prima facie evidence of the matters stated in such minutes without any further proof.

126 Validity of proceedings

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

DIRECTORS' INTERESTS

127 Director may have interests

127.1 Subject to the statutes and provided that article 128 (**disclosure of interests to board**) is complied with, a director, notwithstanding his office:

- (a) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the company or in which the company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- (b) may hold any other office or place of profit under the company (except that of auditor or of auditor of a subsidiary of the company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity for the company, and in any such case on such terms as to remuneration and otherwise as the board may arrange, either in addition to or in lieu of any remuneration provided for by any other article;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the company or in which the company is otherwise interested or as regards which the company has any powers of appointment; and
- (d) shall not be liable to account to the company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal;

and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

128 Disclosure of interests to board

128.1 A director who, to his knowledge, is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the board after he knows that he is or has become so interested.

128.2 For the purposes of this article:

- (a) a general notice given to the board by a director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in any contract, transaction, arrangement or proposal in which a specified person or class of persons is interested shall be deemed to be a sufficient disclosure under this article in relation to such contract, transaction, arrangement or proposal; and
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

129 Interested director not to vote or count for quorum

Save as provided in this article, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board or of a committee of the board concerning any contract, arrangement, transaction or any other proposal whatsoever to which the company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him within the meaning of section 346 of the Companies Act) is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the company, unless the resolution concerns any of the following matters:

- (a) the giving of any 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;
- (b) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the company or any of its subsidiary undertakings 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;
- (d) any proposal concerning any other body corporate in which he (together with persons connected with him within the meaning of section 346 of the Companies Act) does not to his knowledge have an interest (as the term is used in Part VI of the Companies Act) in one per cent or more of the issued equity share capital of any class of such body corporate or of the voting rights available to members of such body corporate;
- (e) any proposal relating to an arrangement for the benefit of the employees of the company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- (f) any proposal concerning insurance which the company proposes to maintain or purchase for the benefit of directors or for the benefit of persons who include directors.

130 Director's interest in own appointment

A director shall not vote or be counted in the quorum on any resolution of the board or committee of the board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the company or any company in which the company is interested. Where proposals are under consideration concerning the appointment (including 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 any company in which the company is interested, such proposals may be divided and a separate resolution considered in relation to each director. In such case each of the directors concerned (if not otherwise debarred from voting under these articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

131 Chairman's ruling conclusive on director's interest

If any question arises at any meeting as to the materiality of a director's interest (other than the chairman's interest) or as to the entitlement of any director (other than the chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the chairman of the meeting. The chairman's ruling in relation to the director concerned shall be final and conclusive.

132 Directors' resolution conclusive on chairman's interest

If any question arises at any meeting as to the materiality of the chairman's interest or as to the entitlement of the chairman to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman), whose majority vote shall be final and conclusive.

133 Connected persons

For the purposes of article 127 (**director may have interests**) to article 132 (**directors' resolution conclusive on chairman's interest**), which shall apply equally to alternate directors, an interest of a person who is for the purposes of the statutes connected (which word shall have the meaning given to it by section 346 of the Companies Act) with a director shall be treated as an interest of the director.

SEALS**134 Safe custody**

The board shall provide for the safe custody of the seal, the securities seal and of any other seal of the company.

135 Application of seals

- 135.1 The seal shall be used only by the authority of a resolution of the board or of a committee of the board so authorised, which resolution may include a resolution for the giving of a general authority to any director, the secretary, an assistant secretary or other officer of the company to affix the seal. The board may determine whether any instrument to which the seal is affixed shall be signed and, if it is to be signed, who shall sign it and by what means. The

board may also determine, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical, electronic or other means.

135.2 Every certificate or share warrant shall be issued either:

- (a) by affixing the securities seal to it, by mechanical, electronic or other means;
- (b) by printing a representation of the securities seal on it, by mechanical, electronic or other means, including laser printing; or
- (c) in such other manner as the board, having regard to the statutes and to the regulations of any stock exchange on which any shares in the company are listed or dealt in, may authorise.

136 Official seal for use abroad

Subject to the statutes, the company may have an official seal for use in any place abroad.

THE SECRETARY

137 The secretary

137.1 Subject to the statutes, the board shall appoint a secretary or joint secretaries and shall have power to appoint one or more persons to be an assistant or deputy secretary at such remuneration and on such terms and conditions as it thinks fit and any such person so appointed may be removed by the board. Such removal shall be without prejudice to any claim which any such person may have for damages for breach of any contract of service between such person and the company.

137.2 If the office of secretary is vacant, or if for any reason the secretary is incapable of acting, anything required or authorised by the statutes or by these articles to be done by the secretary may be done by or to any assistant or deputy secretary, or if there is no assistant or deputy secretary, by any officer of the company authorised either generally or specifically, by the board in that regard.

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

AUTHENTICATION OF DOCUMENTS

138 Power to authenticate

Any director or the secretary or any person appointed for the purpose shall have power to authenticate any documents affecting the constitution of the company and any resolutions passed by the company or the directors or any committee of the directors, and any books, records, documents and accounts relating to the business of the company, and to certify copies of such items or extracts from them as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the registered office the local manager or other officer of the company having the custody of such items shall be deemed to be a person so appointed by the directors with such power to authenticate documents. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the company or of the directors or any committee of the directors which is so certified shall

be conclusive evidence in favour of all persons dealing with the company that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS AND OTHER PAYMENTS

139 Declaration of dividends

Subject to the statutes and of these articles, the company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the company. However, no dividend shall exceed the amount recommended by the board.

140 Interim dividends

Subject to the statutes, the board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the board to be justified by the profits of the company available for distribution. If at any time the share capital of the company is divided into different classes, the board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrear. Provided that the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

141 Entitlement to dividends

Except as otherwise provided by these Articles or the rights attached to shares:

- (a) all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid; and
- (b) all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

142 Calls or debts may be deducted from dividends

The board may deduct from any dividend or other money payable to any person on or in respect of a share all such sums as may be due from him to the company on account of calls or otherwise in relation to the shares of the company.

143 Distribution in specie

The board may, with the authority of an ordinary resolution of the company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the board may settle it as it thinks fit. In particular, the board may:

- (a) issue fractional certificates (or ignore fractions);

- (b) fix the value for distribution of such assets or any part of them and determine that cash payments may be made to any members on the footing of the value so fixed, in order to adjust the rights of members; and
- (c) vest any such assets in trustees on trust for the persons entitled to the dividend.

144 Dividends not to bear interest

Unless otherwise provided by the rights attached to the share, no dividend or other moneys payable by the company or in respect of a share shall bear interest as against the company.

145 Method of payment

- 145.1 The company may pay any dividend, interest or other sum payable in respect of a share in cash or by direct debit, bank transfer, cheque, dividend warrant or money order, by any method provided by the rules of the CREST system, or by any other method (including by electronic media) as the board may consider appropriate and may send it by post or other delivery service (or by such other means offered by the company as the member or persons entitled to it may agree in writing) to the registered address (or in the case of a depositary, subject to the approval of the board, such persons and addresses as the depositary may require) of the member or person entitled to it (or, if two or more persons are holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the member or otherwise by operation of law, to the registered address of such of those persons as is first named in the register of members) or to such person and such address as such member or person or persons may direct in writing.
- 145.2 Every cheque, warrant, order or other form of payment is sent at the risk of the person entitled to the money represented by it, shall (where relevant) be crossed in accordance with the law and shall be made payable to the person or persons entitled, or to such other person as the person or persons entitled may direct in writing. Payment of the cheque, warrant, order or other form of payment shall be a good discharge to the company. If any such cheque, warrant, order or other form of payment has or shall be alleged to have been lost, stolen or destroyed, the board may, at the request of the person entitled to it, issue a replacement cheque or warrant or order or make payment in some other form, subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the company in connection with the request as the board may think fit.
- 145.3 Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other moneys payable in respect of such share.
- 145.4 The board may, at its discretion, make provisions to enable a depositary and/or any member as the board shall determine to receive duly declared dividends in a currency or currencies other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such rate or rates and the payment of such dividend shall be on such terms and conditions as the board may in its absolute discretion determine.

146 Uncashed dividends

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the company to the person entitled to it are returned to the company or left uncashed on two consecutive occasions or, following one occasion, reasonable enquiries have failed to establish any new address to be used for the purpose, the company shall not be obliged to

send any dividends or other moneys payable in respect of that share due to that person until he notifies the company of an address to be used for the purpose.

147 Unclaimed dividends

All dividends, interest or other sum payable and unclaimed for twelve months after having become payable may be invested or otherwise made use of by the board for the benefit of the company until claimed. The payment of any unclaimed dividend or other amount payable by the company in respect of a share into a separate account shall not constitute the company a trustee in respect of it. All dividends unclaimed for a period of twelve years after having been declared or become due for payment shall (if the board so resolves) be forfeited and shall cease to remain owing by the company.

148 Payment of share dividends

The board may, with the prior authority of an ordinary resolution of the company and subject to such terms and conditions as the board may determine, offer to any holders of ordinary shares the right to elect to receive ordinary shares, credited as fully paid, instead of the whole (or some part, to be determined by the board) of any dividend specified by the ordinary resolution. The following provisions shall apply:

- (a) such resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period or periods;
- (b) the entitlement of each holder of ordinary shares to new ordinary 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 tax credit) of the dividend that such holder would have received by way of dividend. For this purpose "**relevant value**" shall be calculated by reference to the average of the middle market quotations for the ordinary shares on the London Stock Exchange, as derived from the London Stock Exchange's Daily Official List, for the day on which the ordinary shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;
- (c) no fractions of a share shall be allotted. The board may make such provisions as it thinks fit for any fractional entitlements, including provisions whereby, in whole or in part, the benefit of which accrues to the company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any member and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such member of fully paid ordinary shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements;
- (d) the board shall, after determining the basis of allotment, notify the holders of ordinary shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective;
- (e) the board may exclude from any offer any holders of ordinary shares or any ordinary shares held by a depositary or any ordinary shares on which dividends are payable in

foreign currency where the board considers that the making of the offer to them or in respect of such shares would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them or in respect of such shares;

- (f) the board may establish or vary a procedure for election mandates in respect of future rights of election and may determine that every duly effected election in respect of any ordinary shares shall be binding on every successor in title to their holder;
- (g) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been duly made ("**elected ordinary shares**") and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined under this article. For such purpose the board may capitalise, out of any amount standing to the credit of any reserve or fund (including any share premium account, capital redemption reserve or other undistributable reserve) or of any of the profits which could otherwise have been applied in paying dividends in cash as the board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected shares on that basis. A board resolution capitalising any part of such reserve or fund or profits shall have the same effect as if such capitalisation had been declared by ordinary resolution of the company in accordance with article 150 (**capitalisation of reserves**) and in relation to any such capitalisation the board may exercise all powers conferred on it by that article without need of such ordinary resolution;
- (h) the additional ordinary shares so allotted shall rank *pari passu* in all respects with each other and with the fully paid ordinary shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date; and
- (i) the board may terminate, suspend or amend any offer of the right to elect to receive ordinary shares in lieu of any cash dividend at any time and generally may implement any share dividend scheme on such terms and conditions as the board may determine and take such other action as the board may deem necessary or desirable in respect of any such scheme.

149 Reserves

The board may, before recommending any dividend (whether preferential or otherwise), carry to reserve out of the profits of the company such sums as it thinks fit. All sums standing to reserve may be applied, at the discretion of the board, for any purpose to which the profits of the company may properly be applied, and pending such application may, at the board's discretion, either be employed in the business of the company or be invested in such investments as the board thinks fit. The board may divide the reserve into such special funds as it thinks fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as it thinks fit. Any sum which the board may carry to reserve out of the unrealised profits of the company shall not be mixed with any reserve to which profits available for distribution have been carried. The board may also,

without placing them to reserve, carry forward any profits which it may think prudent not to distribute.

150 Capitalisation of reserves

The board may, with the authority of an ordinary resolution of the company:

- (a) subject as provided in this article, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the company which is available for distribution or standing to the credit of share premium account or capital redemption reserve or other undistributable reserve;
- (b) appropriate the sum resolved to be capitalised to the holders of ordinary shares in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those holders of ordinary shares or as they may direct, in those proportions, or partly in one way and partly in the other, provided that:
 - (i) the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to holders of ordinary shares credited as fully paid; and
 - (ii) in a case where any sum is applied in paying amounts unpaid on any shares of the company or in paying up in full debentures of the company, the amount of the net assets of the company at that time is not less than the aggregate of the called up share capital of the company and its undistributable reserves as shown in the latest audited accounts of the company or such other accounts as may be relevant and would not be reduced below that aggregate by the payment of such sum;
- (c) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- (d) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit attributable to fractions to the company rather than to the holders of ordinary shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- (e) authorise any person to enter on behalf of all the holders of ordinary shares concerned into an agreement with the company providing for either:
 - (i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or

- (ii) the payment up by the company on behalf of such holders by the application of their respective proportions of the reserves or profits resolved to be capitalised in paying up the amounts or any part of the amounts remaining unpaid on their existing shares,

any agreement made under such authority being effective and binding on all such holders; and

- (f) generally do all acts and things required to give effect to such resolution.

151 Record dates

Notwithstanding any other provision of these articles but without prejudice to the rights attached to any shares and subject always to the statutes, the company or the board may by resolution specify any date ("**the record date**") as the date at the close of business (or such other time as the board may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such record date may be on or at any time before the date on which such item is paid, made, given or served or (in the case of any dividend, distribution, interest, allotment or issue) at any time after it is recommended, resolved, declared or announced.

ACCOUNTS

152 Accounting records

The board shall cause accounting records to be kept in accordance with the statutes.

153 Inspection of records

No member (other than a director) shall have any right to inspect any accounting record or other document of the company unless he is authorised to do so by statute, by order of the court, by the board or by ordinary resolution of the company.

154 Accounts to be sent to members

Except as provided in article 155 (**summary financial statements**), a printed copy of the directors' and auditors' reports accompanied by printed copies of the annual accounts shall, *not less than twenty one clear days before the annual general meeting before which they are* to be laid, be delivered or sent by post to every member and holder of debentures of the company and to the auditors and to every other person who is entitled to receive notice of general meetings. If and to the extent permitted by the statutes, all or any of such documents may be delivered to a member by means of electronic mail. However, this article shall not require a copy of those documents to be sent to any person who, under these articles, is not entitled to receive notices from the company or of whose address the company is unaware or to any holder of debentures of whose address the company is unaware or to more than one of the joint holders of any shares or debentures. If all or any of the shares in or debentures of the company are listed or dealt in on any stock exchange, there shall at the same time be forwarded to the secretary of that stock exchange such number of copies of each of those documents as the regulations of that stock exchange may require.

155 Summary financial statements

The company may, where permitted in accordance with the statutes, send a summary financial statement to any member instead of or in addition to the documents referred to in article 154 (**accounts to be sent to members**). Where it does so, the statement shall be delivered or sent by post to the member not less than twenty one clear days before the annual general meeting before which those documents are to be laid. If and to the extent permitted by the statutes, such summary financial statement may be delivered by means of electronic mail.

NOTICES

156 Notices to be in writing

Any notice to be given to or by any person pursuant to these articles shall be in writing, except that a notice convening a board or board committee meeting need not be in writing.

157 Service of notice on members

157.1 The company may give any notice or document (including a share certificate) to a member either:

- (a) personally; or
- (b) by sending it by post or other delivery service in a prepaid envelope addressed to the member at his registered address; or
- (c) by leaving it at that address; or
- (d) by any other means authorised in writing by the member concerned (including, to the extent permitted by the statutes, and except in relation to a share certificate, by electronic mail). In the case of a member registered on an overseas branch register any such notice or document which is posted may be posted either in the United Kingdom or in the territory in which such branch register is maintained.

157.2 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding. Notice so given shall be sufficient notice to all the joint holders.

157.3 Where a member (or, in the case of joint holders, the person first named in the register of members) has a registered address outside the United Kingdom but has notified the company of an address within the United Kingdom at which notices or other documents may be given to him, he shall be entitled to have notices given to him at that address; but otherwise, no such member shall be entitled to receive any notice or document from the company.

157.4 If, on three consecutive occasions, notices or other documents have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or other documents from the company until he shall have communicated with the company and supplied in writing a new registered address or address within the United Kingdom for the service of notices.

- 157.5 Nothing in this article 157 shall affect any provision of any of the statutes requiring notices or documents to be delivered in a particular way.

158 Notice in case of death, bankruptcy or mental disorder

The company may give notice to the person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by these articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any similar or equivalent description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

159 Evidence of service

- 159.1 Any member present, in person or by proxy, at any meeting of the company or of the holders of any class of shares of the company shall be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was called.
- 159.2 Any notice, certificate or other document addressed to a member at his registered address or address for service in the United Kingdom shall, if sent by post, be deemed to have been served or delivered on the day after the day when it was put in the post (or, where second-class mail is employed, on the second day after the day when it was put in the post). Proof that an envelope containing the notice or document was properly addressed and put into the post as a prepaid letter shall be conclusive evidence that the notice was given. Any notice, certificate or other document not sent by post, but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day on which it was so delivered or left. Any notice, certificate or other document sent by electronic mail shall, subject to the statutes and these articles, be deemed to have been served or delivered at the expiration of twenty-four hours from the time at which it was sent.

160 Notice binding on transferees

Every person who, by operation of law, transfers or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a section 212 notice) which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

161 Notice by advertisement

Any notice to be given by the company to the members or any of them, and not otherwise provided for by these articles, shall be sufficiently given if given by advertisement in at least one national newspaper published in the United Kingdom and, where the company keeps an overseas branch register, in at least one daily newspaper published in the territory in which such register is maintained. Any notice given by advertisement shall be deemed to have been served at noon on the day on which the advertisement first appears.

162 Suspension of the postal services

If, at any time by reason of the general suspension, interruption or curtailment of postal services or electronic mail or any threat in relation to any such events within the United

Kingdom the company is or would be unable effectively to convene a general meeting by notices sent through the post or by electronic mail, a general meeting may be convened by a notice advertised in at least one national newspaper published in the United Kingdom and, where the company keeps an overseas branch register, in at least one daily newspaper published in the territory in which such register is maintained. Such notice shall be deemed to have been duly served on all members entitled to receive notice of such general meeting at noon on the day on which the first of such advertisement appears. In any such case the company shall send confirmatory copies of the notice by post or by electronic mail if, at least seven days prior to the meeting, the posting of notices to addresses throughout the United Kingdom or, as the case may be, the sending of such notices by electronic mail, again becomes practicable.

163 Service of notices on the company

Subject to the statutes, article 157.1 and article 157.2 (**service of notice on members**) shall apply so far as applicable to the service by members of notices and documents on the company, save that any notice, certificate (but not a share certificate) or document sent by electronic mail to the company shall be deemed to have been served or delivered at the time it is received by the company.

WINDING UP

164 Division of assets

164.1 On a winding up of the company, the company's assets available for distribution shall be divided among the members in proportion to the nominal amounts of capital paid up or credited as paid up on the shares held by them, subject to the terms of issue of or rights attached to any shares.

164.2 On a winding up of the company (whether voluntary, under supervision or by the Court) the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the company, whether or not the assets consist of property of one kind or of different kinds. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of such 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. Any such division may be otherwise than in accordance with the existing rights of the members, but, if any division is resolved otherwise than in accordance with such rights, the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to section 110 of the Insolvency Act 1986. The liquidator may, with the sanction of a special resolution of the company and any other sanction required by law, vest the whole or any part of the assets in trustees on such trusts for the benefit of the members as he shall determine. 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.

165 Transfer or sale under section 110 of the Insolvency Act 1986

A special resolution sanctioning a transfer or sale to another company duly passed pursuant to section 110 of the Insolvency Act 1986 may also authorise the distribution of any shares or other consideration receivable by the liquidator among the members otherwise than in accordance with their existing rights, and any such determination shall be binding on all the members, subject to the right of dissent and consequential rights conferred by that section.

INDEMNITY

166 Right to indemnity

166.1 So far as the law allows, but without prejudice to any indemnity to which he may otherwise be entitled, any person who is or was at any time a director, alternate director, officer or employee of the company shall be entitled to be indemnified and, if the board so determines, any other Qualifying Person shall be entitled to be indemnified, out of the assets of the company against any Qualifying Liability.

166.2 For the purposes of these articles:

(a) **"Qualifying Person"** means any person who is or was at any time a director, alternate director, officer or employee of:

- (i) the company, or any body corporate which is or was at any time a holding company of the company;
- (ii) any body corporate in which the company, or any body corporate which is or was at any time a holding company of the company, has any kind of direct or indirect interest;
- (iii) any body corporate in which any of the predecessors of the company, or of any body corporate which is or was at any time a holding company of the company, has any kind of direct or indirect interest;
- (iv) any body corporate with which the company is or was at any time allied, or associated; or
- (v) any body corporate which is or was at any time a subsidiary undertaking of any body corporate referred to in this paragraph (a);

(b) **"Qualifying Liability"** means any cost, charge, loss, damage, expense or liability which any person may suffer or incur:

- (i) as a result of anything he does, or does not do, in carrying out or trying to carry out his duties, or using or trying to use his powers in relation to the company, or in relation to any of the other bodies corporate which are referred to in paragraph (a) above or, in the case of any current or past trustee of any pension fund, in relation to that pension fund; or
- (ii) in any other way in connection with his duties, powers or posts in relation to the company or in relation to any of the other bodies corporate which are referred to in paragraph (a) above or, in the case of any current or past trustee of any pension fund, in relation to that pension fund,

including (without prejudice to the generality of the foregoing) any liability incurred in connection with defending any proceedings (whether civil or criminal) which relate to any of the matters referred to above in this paragraph (b).

167 Power to insure

So far as the law allows, the board may take out, maintain, renew, establish, participate in, and/or contribute to the cost of, insurance for, or for the benefit of any Qualifying Person or any person who is or was at any time a trustee of any pension fund in which any employee or former employee of the company or any of the other bodies corporate which are referred to in paragraph (a) of article 166.2 (**right to indemnity**) are interested, including insurance against any Qualifying Liability and, so far as the law allows, may indemnify or exempt any such person from or against any such Qualifying Liability.

[End]