

Company Number : 06119036

Company Limited by shares

Special Resolutions of

VocaLink Holdings Limited

Passed on 16 December 2009

At a general meeting of VocaLink Holdings Limited (the "**Company**"), held at the registered office of the Company at 3 30pm on 16 December 2009 the following resolutions were passed in each case as a special resolution **THAT**

- 1 the articles of association of the Company be amended by deleting to the fullest extent permitted by law all of the provisions of the Company's memorandum of association which, by virtue of Section 28, Companies Act 2006, are to be treated as provisions of the Company's articles of association,
- 2 the draft articles of association produced to the meeting be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association

Signed

J. Gin

Chairman
VocaLink Holdings Limited



Company Number 06119036

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

Articles of Association

of

VocaLink Holdings Limited

(Adopted by Special Resolution on 16th December 2009)

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PART 1: GENERAL

1 Definitions and interpretation

1 1 Definitions

In these Articles unless the context otherwise requires

"Acquirer" has the meaning given to it in Article 13 1,

"the Act" means the Companies Act 2006,

"address", when used in relation to Electronic Communications, includes any number or address used for the purposes of such communications,

"Articles" means these Articles of Association in their present form or as from time to time altered, and the expression "this Article" shall be construed accordingly,

"Associated Company" means, in relation to a company, a subsidiary undertaking or parent undertaking of that company or, where that company is a subsidiary undertaking of another undertaking, any other subsidiary undertaking of that other undertaking,

"Auditors" means the auditors of the Company from time to time,

"Bi-annual General Meeting" has the meaning given to it in Article 16 2,

"Board" means the board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present,

"Business Day" means a day (excluding a Saturday or Sunday) on which banks are open in London for the conduct of ordinary business,

"Called Shareholders" has the meaning given to it in Article 13 1,

"Chairman" means the chairman of the Company,

"Chief Executive" means the chief executive officer of the Company from time to time,

"Conflict Situation" has the meaning given to it in Article 27 6(A),

"Controlling Interest" means the legal and beneficial ownership by a person and his connected persons (as defined in Section 839 of the Income and Corporation Taxes Act 1988) of Shares conferring the right to exercise more than 50% (fifty per cent) of the votes at a general meeting of the Company,

"Corporate Group" in relation to a Shareholder, means that Shareholder and all its subsidiary undertakings and parent undertakings and any subsidiary undertakings of its parent undertakings from time to time save that any interest held by the Treasury in a Shareholder or any member of that Shareholder's Corporate Group shall not be taken into account in determining a Corporate Group and so that a Corporate Group shall not be regarded as part of another or the same Corporate Group by virtue of the Treasury being a parent undertaking or common shareholder of both,

"Deferred Shares" means deferred Shares of £1 each in the capital of the Company,

"Director" means a director of the Company,

"Drag Along Notice" has the meaning given to it in Article 13 2,

"Drag Along Offer" has the meaning given to it in Article 13 1,

"Drag Along Option" has the meaning given to it in Article 13 1,

"Electronic Communication" means a communication in electronic form (within the meaning of the Act),

"Executive Director" has the meaning given to it in Article 23 1(A),

"Fair Price" means the price per Share as determined in accordance with Article 14(B),

"Group" means the Company and any Associated Company,

"Indemnified Person" has the meaning given to it in Article 39 2(A),

"Independent Non-executive Director" has the meaning given to it in Article 23 1(D),

"Initial Period" shall have the meaning given to it in Article 15 2(B),

"Memorandum of Association" means the Memorandum of Association of the Company,

"New Member" has the meaning given to it in Article 13 8,

"Nominations Committee" means a Committee of the Board constituted in accordance with Article 30 11 to consider nominations to the Board,

"Nominee" has the meaning given to it in Article 25 1,

"Offer Notice" has the meaning given to it in Article 12 3,

"Offered Shares" has the meaning given to it in Article 12 2,

"Office" means the registered office of the Company,

"Operational Oversight Committee" means the committee of the Board formed pursuant to Article 29A,

"Ordinary Shares" means ordinary Shares of £1 each in the capital of the Company,

"Proposing Transferor" has the meaning given to it in Article 12 1,

"Register" means the register of Shareholders in the Company,

"Relevant Director" has the meaning given to it in Article 27 6(A),

"Remuneration Committee" means a Committee of the Board constituted in accordance with Article 29 11 to consider the remuneration of the Board,

"Required Disposal" has the meaning given to it in Article 12 11(C),

"Reserved Matters" means those matters set out in Article 22, and **"Reserved Matter"** means any of them,

"Sale Notice" has the meaning given to it in Article 12 6,

"Sale Shares" has the meaning given to it in Article 13 1,

"Seal" means the common seal of the Company,

"Secretary" means any person appointed to perform any of the duties of the Secretary of the Company including a joint, assistant or deputy Secretary,

"Securities Seal" means the seal kept by the Company pursuant to Section 50 of the Act,

"Selling Shareholders" has the meaning given to it in Article 13 1,

"Shareholder" means a holder of Shares,

"Shareholder Director" has the meaning given to it in Article 23 1(B),

"Shares" means shares in the capital of the Company from time to time,

"Specified Price" has the meaning given to it in Article 12 2,

"Tag Along Offer" has the meaning given to it in Article 12 9(A),

"Tag Along Shares" has the meaning given to it in Article 12 9(C),

"Transfer Notice" has the meaning given to it in Article 12 1(B),

"Treasury" means the UK's economics and finance ministry (howsoever called), which is responsible for formulating and implementing the UK government's economic and financial policies and any entity that is wholly owned by the UK government to manage the UK government's investments, including without limitation, UK Financial Investments Limited (company number 06720891) and any wholly owned subsidiary undertaking of any such entity, and

"United Kingdom" means Great Britain and Northern Ireland

1 2 Interpretation

In these Articles

- (A) references to writing shall include typewriting, printing, lithography, photography and other modes of representing or reproducing works in a legible and non-transitory form,
- (B) any words or expressions defined in the Act shall bear the same meaning in these Articles save that 'company' shall, where the context permits, include any company or body incorporated in the United Kingdom or elsewhere,
- (C) where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective,

- (D) these Articles are divided into paragraphs numbered consecutively and such paragraphs are, where appropriate, divided into sub-paragraphs numbered consecutively,
- (E) a reference to a numbered Article is a reference to the relevant paragraph of these Articles and a reference to a numbered sub-paragraph of any Article is a reference to the relevant sub-paragraph of such Article, and
- (F) headings to Articles, the division of these Articles into Parts, and headings to Parts in these Articles are for ease of reference only and shall not affect the construction of these Articles

1 3 Communications

Sections 1143 to 1148, Section 1168 and Schedules 4 and 5 of the Act (as amended by these Articles) shall apply to any document or information that is to be sent or supplied by or to the Company under these Articles (regardless of whether authorised to be sent or supplied by the Act)

2 Table A, the Company and Registered Office

- (A) The Model Articles as prescribed by Schedule 1 to The Companies (Model Articles) Regulations 2008 shall not apply to the Company
- (B) The Company is a private company limited by shares
- (C) The liability of the Shareholders is limited
- (D) The Office shall be situated in England or Wales at such place as the Board shall from time to time appoint

PART 2: SHAREHOLDERS

3 Shareholders

The members of the Company shall be the Shareholders at the date of adoption of these Articles and as varied from time to time in accordance with these Articles

PART 3: SHARES AND SHARE RIGHTS

4 Share capital

4 1 Authorised share capital

The authorised share capital of the Company at the date of adoption of these Articles is £200,000,000 divided into 190,698,425 Ordinary Shares and 9,301,575 Deferred Shares

4 2 Share rights

Without prejudice to any rights or privileges previously conferred on the holders of any Shares or class of Shares (and subject, in particular, to Article 5 1) any Share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by special resolution determine

4.3 Redeemable Shares

Subject to the provisions of the Act and to the rights of the holders of the respective classes of Shares of the Company, any Shares may, with the sanction of a special resolution, be issued on terms that they are liable to, or at the option of the Company or of the Shareholder registered in respect of such Shares may be, redeemed on such terms and in such manner as may be provided for by these Articles

4.4 Repurchase of Shares

Subject to the provisions of the Act, the Company may purchase any of its own Shares (including any redeemable Shares). The terms and manner of any such purchase shall (save insofar as the Act or any authority granted by the Company in general meeting under the Act shall otherwise require) be determined by the Board

4.5 Commissions

The Company may exercise the powers of paying commissions conferred by the Act. Subject to the Act such commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in one way and partly in the other. The Company may also on any issue of Shares pay such brokerage as may be lawful

4.6 Interests in Shares

Except as ordered by a Court of competent jurisdiction or as required by law or expressly permitted by these Articles, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or any interest in any fractional part of a Share or any other right in respect of any Share except an absolute right to the entirety thereof in the registered holder

5 Modification of rights

5.1 General

- (A) Subject to the provisions of the Act and as otherwise provided in these Articles all or any of the rights and restrictions for the time being attached to any class of Shares may be modified, varied, altered, abrogated or cancelled with the consent in writing of the holders of not less than three-quarters in nominal value of the issued Shares of that class, or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of such Shares
- (B) To every such separate meeting all the provisions of these Articles relating to general meetings and to the proceedings and voting thereat shall apply mutatis mutandis, but so that
 - (1) the necessary quorum shall be two or more persons present in person or by proxy holding not less than three-quarters in nominal value of the issued Shares of the class,
 - (2) every holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him, and

- (3) any holder of Shares of the class present in person or by proxy may demand a poll

5.2 Issue of Shares

The rights and privileges attached to any class of Shares shall not, unless otherwise provided by the conditions of issue of such Shares, be deemed to be varied or abrogated by the creation or issue of further Shares ranking *par passu* therewith

6 Share certificates

6.1 General

Every person whose name is entered as a Shareholder in the Register shall be entitled, without payment, to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide or the circumstances of the transfer shall admit) one certificate for all his Shares of any one class, or several certificates each for one or more of his Shares of such class upon payment of reasonable out of pocket expenses. In the case of a Share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. Where a Shareholder has transferred part of the Shares comprised in his holding he shall be entitled to a certificate for the balance without charge. Delivery of a certificate to the agent acting in regard to the purchase, sale or transfer of Shares to whom it relates shall be sufficient delivery to the purchaser, transferee, or, as the case may be, the Shareholder.

6.2 Replacement certificate

If a Share certificate be defaced, lost or destroyed it may be replaced on such terms (if any) as to evidence and indemnity and payment of any exceptional out of pocket expenses of the Company of investigating such evidence as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

6.3 Execution of certificate

All forms of certificate for Shares or debentures (except where the instrument constituting any debenture provides to the contrary) shall be issued under the Securities Seal (and in the latter case such certificates need not be signed or countersigned by any person) or executed as a deed in any way permitted by the Act.

7 Lien

7.1 General

The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all monies, whether presently payable or not, called or payable at a fixed time in respect of such Share. The Company shall also have a first and paramount lien on all Shares (including fully paid Shares) standing registered in the name of a single Shareholder for all the debts and liabilities of such Shareholder or his estate to the Company, and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Shareholder, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person whether a Shareholder of the Company or not. The Company's lien on a Share shall extend to all dividends and other monies payable thereon.

or in respect thereof, but the Board may at any time declare any Share to be wholly or in part exempt from the provisions of this Article

7 2 Sale of Shares subject to lien

The Company may sell, in such manner as the Board may think fit, any Share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the Share or to the person entitled by reason of his death, bankruptcy, winding up or insolvency to the Share

7 3 Application of proceeds

The net proceeds of sale, after payment of the costs, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for debts or liabilities not presently payable as existed upon the Shares prior to the sale) be paid to the person entitled to the Shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares and he 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 or invalidity in the proceedings in reference to the sale

8 Calls on Shares

8 1 General

The Board may from time to time make calls upon the Shareholders in respect of any monies unpaid on their Shares (whether on account of the nominal amount of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times and each Shareholder shall (subject to the Company giving to him at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his Shares

8 2 Revocation of call

A call may be revoked or postponed as the Board may determine

8 3 Timing and payment

A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed

8 4 Joint holders

The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof

8 5 Interest

If a sum called in respect of a Share be not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate as the Board may determine but the Board shall be at liberty to waive payment of such interest wholly or in part

8 6 Amounts payable in respect of Shares

Any sum which, by the terms of issue of a Share, becomes payable on allotment or at any fixed date (whether on account of the nominal amount of the Share or by way of premium) shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

8 7 Issues of Shares

The Board may on the issue of Shares differentiate between the holders as to the amount of calls to be paid and the times of payment

8 8 Advance payment of amounts due in respect of call

The Board may, if it thinks fit, receive from any Shareholder willing to advance the same all or any part of the monies uncalled and unpaid upon any Shares held by him and upon all or any of the monies so advanced and may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the Shareholder paying such sum in advance. The Board may at any time on giving not less than three months' notice in writing to such Shareholder repay to him the amount by which any such advance exceeds the amount actually called up on the Shares

9 Forfeiture of Shares

9 1 General

If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalments remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued. The notice shall name a further day (not being less than 14 days from the date of the notice) on or before which, and the place or places when, the payment required by the notice is to be made and shall state that in the event of non-payment at or before the time and at the place appointed the Shares in respect of which such call was made or instalment is payable will be liable to be forfeited

9 2 Surrender

The Board may accept the surrender of any Share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender

9 3 Non-compliance with notice

If the requirements of any such notice as referred to in Article 9.1 be not complied with, any Share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof have been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Share and not actually paid before the forfeiture.

9.4 Effect of forfeiture

Subject to the provisions of the Act, a forfeited Share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board may determine either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before such a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the Share to that person. For the avoidance of doubt, a forfeited Share may be sold, re-allotted or otherwise disposed of free from the restrictions set out in Article 12.

9.5 Liabilities in respect of Shares

A person whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares and shall surrender to the Company for cancellation the certificate for the Shares forfeited, but shall, notwithstanding forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the Shares with interest thereon at such rate as the Board may determine from the date of forfeiture until payment, but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

9.6 Statutory declaration

A statutory declaration in writing that the declarant is a Director or the Secretary and that a Share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. The Company may receive the consideration (if any) given for the forfeited Share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the Share to the person to whom the same is sold or disposed of, and he shall thereupon be registered as the holder of the Share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

9.7 Notice

When any Share has been forfeited, notice of the forfeiture shall forthwith be given to the person who was before forfeiture the holder of the Share or to the person who was before forfeiture entitled to the Share by reason of the death or bankruptcy of the holder (as the case may be), but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

10 Deferred Shares rights

10 1 Income / voting / capital

The holders of the Deferred Shares shall not be entitled to receive any distributions, nor to receive notice of, attend, speak or vote at a general meeting. On return of assets, whether on liquidation or otherwise, the Deferred Shares shall entitle the holders thereof only to the repayment of amounts paid up on such Deferred Shares, including any premium, after repayment of all capital paid up on the Ordinary Shares plus payment of £100,000,000 on each Ordinary Share, and the holders of the Deferred Shares shall not be entitled to participate further in any assets or profits of the Company.

10 2 Purchase

Adoption of these Articles shall be deemed to confer irrevocable authority on the Company at any time after the adoption of these Articles to

- (A) appoint any person to execute, on behalf of the holders of the Deferred Shares, a transfer of such Shares and / or agreement to transfer the same for not more than an aggregate consideration for all the Deferred Shares then in issue of £1 to such person(s) as the Company may determine as custodian of such Deferred Shares without any requirement to obtain the consent or sanction of the holders of Deferred Shares, and / or
- (B) purchase and /or cancel all the Deferred Shares then in issue, in accordance with the Act, for not more than an aggregate sum for all the Deferred Shares then in issue of £1, without any requirement to obtain the consent or sanction of the holders of Deferred Shares and, for the purposes of such purchase and cancellation, to appoint any person to execute, on behalf of the holders of the Deferred Shares, a contract for sale to the Company of any Deferred Shares held by holders thereof, and / or
- (C) redeem all the Deferred Shares then in issue, in accordance with the Act for not more than an aggregate sum for all the Deferred Shares then in issue of £1, upon the Company giving the registered holder of such Deferred Shares not less than 28 days' written notice of its intention to do so, fixing a place, date and time for the redemption,

and pending such transfer and / or purchase and / or redemption, retain the certificates for such Deferred Shares

10 3 Re-classification

Upon a purchase and / or cancellation and/or redemption by the Company of all, or any, of the Deferred Shares, the directors may convert, and sub-divide, the authorised share capital created as a result of such purchase and / or cancellation and / or redemption into shares of any class into which the authorised share capital is, or may at that time be, divided into

PART 4· TRANSFER OF SHARES

11 Transfer of Shares

11 1 Instrument of transfer

The instrument of transfer of any Share shall be executed by or on behalf of the transferor. In the case of a partly-paid Share, the instrument of transfer must also be executed by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the Register in respect of it.

11.2 Discretion to refuse to register transfer

The Directors may only refuse to register the transfer of a Share in accordance with these Articles

- (A) to a person which the Board reasonably considers to be a direct competitor of the Company or in circumstances where the Board reasonably considers that such transfer is likely to materially and adversely affect the competitive position of the Company, the Company's ability to ensure the continued confidentiality of any commercially sensitive information, or the continued provision by the Company of its core business of providing switching, processing and settlement services, or
- (B) that is not fully paid up and which is subject to an outstanding call and on which the Company has a lien

11.3 Refusal to register

If the Board refuses to register a transfer of a Share they shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company send to the transferor notice of refusal, such notice to include reasons for the refusal.

11.4 No fee

No fee shall be charged for the registration of an instrument of transfer or other document relating to or affecting the title to any Share.

11.5 Return of instrument of transfer

The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of refusal is given.

12 Pre-emption on transfer of Shares

12.1 Permitted Transfers

- (A) Notwithstanding any other provision of these Articles, a Shareholder (the "Proposing Transferor") may transfer some or all of his Shares to
 - (1) an Associated Company at any time, provided that if such Associated Company ceases to be a member of the Corporate Group of the ultimate parent company (as at the date of these Articles) of the Proposing Transferor, then the Shareholder then holding the Shares originally held by the Proposing Transferor shall, within five Business Days, transfer those Shares to a member of the then Group of the person that was that ultimate parent company,
 - (2) a third party with the prior unanimous written consent of the Shareholders, or

- (3) any person in the circumstances set out in Articles 12 12 ("Tag Along") or Article 13 ("Drag-Along"), and

any such transfer may be made without first offering his Shares or any such interest in his Shares to other holders of Shares

- (B) Save as provided in Article 10 2 and this Article 12 1, a Shareholder shall not be entitled to dispose of any interest in any of his Shares without first offering them to the other Shareholders. Such offer shall be in respect of all or part only of the Shares held by the Proposing Transferor and shall be made by a Proposing Transferor giving notice (hereinafter called a "Transfer Notice") to the Company in accordance with Article 12 3

12 2 Pre-emption procedure

- (A) The Transfer Notice shall specify the Shares offered (the "Offered Shares") and the minimum price at which they are offered (the "Specified Price"). The Transfer Notice shall constitute the Company as the agent of the Proposing Transferor for the sale of the Offered Shares to other holders of Shares at the Specified Price. The Transfer Notice may contain a provision that, unless all Offered Shares are sold under this Article, none shall be sold

12 3 Offer Notice

On receipt by the Company of the Transfer Notice the Company shall, as agent for the Proposing Transferor, offer the Offered Shares to the other Shareholders. Such offer shall be made by notice in writing (hereinafter called the "Offer Notice") within seven calendar days after the receipt by the Company of the Transfer Notice. The Offer Notice shall

- (A) state the identity of the Proposing Transferor, the number of Offered Shares and the Specified Price,
- (B) contain a statement to the effect that any Shareholder can indicate how many Shares and (provided it is equal to or in excess of any minimum price) at what price(s) such Shareholder will be prepared to purchase some or all of the Offered Shares,
- (C) state the period in which the offer may be accepted (not being less than twenty-two calendar days or more than forty-two calendar days after the date of the Offer Notice),
- (D) state that the Proposing Transferor shall have an absolute discretion as to whether to proceed with the transfer of the Offered Shares, and
- (E) state that no Shareholder can bid to acquire Shares if such Shares would together with the Shares already held by such Shareholder result in such Shareholder holding in excess of the limit set out in Article 19 1, and

the Company shall notify each of the Shareholders of the value of any bids accepted and the highest bid received if different but not of the identity of the bidders

12 4 Competing offers

If, following compliance with the procedure set out in Article 12.3, the Proposing Transferor has received more than one bid for some or all of the Offered Shares and the Proposing Transferor decides to proceed with the transfer of those Shares

- (A) the Proposing Transferor shall be required to satisfy such bids in accordance with the price per Share offered (provided that the price per Share shall be equal to (or higher than) the Specified Price) so that the highest bid is satisfied first and the lowest bid is satisfied last (to the extent that bids are capable of being satisfied out of the Offered Shares), and/or
- (B) where two or more bids are received from Shareholders at the same price per Share (and such price is equal to (or higher than) the Specified Price) and both bids are not capable of being satisfied out of the Offered Shares (or such of the Offered Shares as remain following satisfaction of any higher bids), the relevant Shares shall be transferred to the respective Shareholders pro rata to the number of Shares of the relevant class for which those Shareholders bid (at the matched price)

12.5 Acceptance

For the purpose of this Article an offer shall be deemed to be accepted on the day on which the acceptance by the Proposing Transferor is received by the Company

12.6 Sale Notice

If acceptance by the Proposing Transferor shall be received of a Shareholder's bid for all or some of the Shares comprised in the Transfer Notice within the appropriate period specified in Article 12.3, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing (hereinafter called the "Sale Notice") to the proposing transferee specifying the price(s) and the number of Shares to be purchased and the Proposing Transferor shall be bound upon payment to the Company of the price due in respect of all or some of the Shares comprised in the transfer notice to transfer the Shares to the purchasing Shareholder or Shareholders

12.7 Default in transfer

If in any case the Proposing Transferor after having become bound as aforesaid defaults in transferring any Shares the Company may authorise any person (who is (as security for the performance of the Proposing Transferor's obligations) hereby irrevocably appointed as the attorney of the Proposing Transferor for the purpose) to execute a transfer of such Shares on behalf of and as attorney for the Proposing Transferor in favour of the purchasing Shareholder or Shareholders and, after this name has been entered in the Register under this provision, the validity of the proceedings shall not be questioned by any person. The receipt of the Company of any purchase money in respect of such Shares shall be a good discharge to the purchasing Shareholders. The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the Proposing Transferor

12.8 Sale to third party

If, at the expiry of the period for acceptance of the offer referred to in Article 12.3(C), the Proposing Transferor has not accepted any offer for all or part of the Offered Shares, the Proposing Transferor may (subject to Article 11) at any time within the period of 60 days after the expiry of the period for acceptance referred to in Article 12.3(C), transfer the

unallocated Offered Shares to any person and at any price (being not less than the Specified Price), provided that

- (A) if the Transfer Notice contains a provision that, unless all the Offered Shares are sold under this Article, none shall be sold, no transfer of any Offered Shares shall be made under this Article unless all the Offered Shares are transferred, and
- (B) such a transfer shall not be permitted where the Proposing Transferor has declined to transfer Shares to a Shareholder for a cash value that is for the Proposing Transferor the same as or better than that offered by the transferee ("cash value" for this purpose meaning anything, including consideration, the assumption of debt or otherwise, that could fairly be regarded as having immediate cash value for the Proposing Transferor)

12.9 Tag Along

- (A) No sale or transfer of the legal or beneficial interest in any Shares may be made or validly registered if, as a result of such sale or transfer and registration thereof, a Controlling Interest would be obtained in the Company by any person or group of persons acting in concert unless the proposed transferee or transferees or his or their nominees
 - (1) has or have first offered to purchase all the Ordinary Shares held by all Shareholders other than the Proposing Transferors, and
 - (2) has or have offered to allocate the consideration for all the Shares in the Company it is purchasing and offering to purchase on the same terms as were offered to the Proposing Transferors for each class of Share held by them (the "Tag Along Offer")
- (B) A Tag Along Offer shall be communicated in writing to the Directors of the Company, together with copies of all documents required to be executed by acceptors of the Tag Along Offer. The Directors shall, as soon as practicable after communication to them of such Tag Along Offer, send to every Shareholder a statement to be prepared by the third party transferee at its own expense setting out the terms of the Tag Along Offer together with copies of the aforesaid documents, and specifying a time, not being less than 10 Business Days after the despatch of the statement, by which the Tag Along Offer is to be accepted or refused. Such acceptance or refusal shall be communicated by the Shareholders by notice to the Company within the time so specified. A Shareholder not accepting the Tag Along Offer within such time shall be deemed to have refused it.
- (C) The third party transferee shall be bound to purchase any Shares in respect of which the Tag Along Offer has been properly accepted (the "Tag Along Shares") at the same time and on the same terms as the Proposing Transferor.

12.10 Information

The Board may, by notice in writing, require, in relation to any past transfer (being, for these purposes, any transfer at any time within the period of three months immediately preceding such notice), or proposed transfer, of Shares, the relevant transferor or transferee to disclose to the Company in writing and as soon as practicable (and, in any event, within 10 days of receipt by such person of such notice) all such information as the

Board may reasonably require in order to determine whether the provisions of this Article 12 have been, or are being, complied with

12 11 Other transfers

- (A) Any transfer or purported transfer of a Share made otherwise than in accordance with the foregoing provisions of this Article 12 inclusive shall be null and void and of no effect
- (B) If the Board forms the view that a transfer has been made otherwise than in accordance with this Article 12 it may, by notice in writing, require the holder of any Shares so transferred (the "Restricted Holder") to seek to dispose of some or all of such Shares in accordance with the transfer mechanism set out in this Article 12 at the price which it paid for the relevant Shares. Pending such transfer, the Restricted Holder shall not be entitled to attend or vote at any general meeting of the Company or any meeting of any class of Shares in the Company, or to exercise any other right conferred by membership of the Company and any dividend payable in respect of such Shares shall be withheld by the Company
- (C) If a Restricted Holder does not dispose of the relevant Shares within 60 days of the notice referred to in Article 12 11(B), the Board may dispose of the Restricted Holder's Shares (a "Required Disposal") The Restricted Holder shall be deemed irrevocably and unconditionally to have authorised the Board to make the Required Disposal as either its attorney or agent. The Required Disposal shall be made in accordance with this Article 12 and shall be at the price paid by the Restricted Holder for the relevant Shares, unless the Board cannot reasonably obtain such price, in which case it shall be at the best price reasonably obtainable
- (D) An instrument of transfer executed by any Director shall be as effective as if it had been executed by the Restricted Holder and the title of any transferee shall not be affected by any irregularity or invalidity in the proceedings relating to such transfer

12 12 Acquisition by existing Shareholder

Should a Shareholder be interested in acquiring any Shares such Shareholder shall be entitled to notify the Chief Executive Officer of such interest and the Chief Executive Officer shall instruct the Secretary to notify all the Shareholders (including providing additional information regarding price and number of Shares at the discretion of the Shareholder)

13 Compulsory transfer of Shares

13 1 General

If a third party (the "Acquirer") makes a bona fide offer on arm's length terms to acquire the entire issued share capital of the Company (the "Drag Along Offer"), then if not less than 75% (seventy-five per cent) by value of the holders of the issued Ordinary Shares (the "Selling Shareholders") accept the offer to transfer all of their Shares (the "Sale Shares") then the parties hereto agree that the Selling Shareholders shall have the right (the "Drag Along Option") to require all the other Shareholders (the "Called Shareholders") to sell and transfer the Shares held by such Called Shareholders (the "Drag Along Shares") to the Acquirer or as the Acquirer may direct at the price and otherwise on the terms and conditions contained in the Drag Along Offer

13.2 Drag Along Notice

The Selling Shareholders may exercise the Drag Along Option by giving written notice to the Board of its exercise (a "Drag Along Notice") at any time before the transfer of the Sale Shares to the Acquirer and the parties shall procure that, following receipt of a Drag Along Notice, the Board shall give notice to each Called Shareholder specifying

- (A) the fact that the Called Shareholder is required to transfer all his Shares to the Acquirer (in accordance with this Article 13),
- (B) the consideration to be paid to the Called Shareholder in respect of its Drag Along Shares, and
- (C) the proposed date of completion of the transfer

13.3 Lapse

A Drag Along Notice shall be irrevocable without the prior written consent of the Board but will lapse if for any reason there is not a sale of the Sale Shares by the Selling Shareholders to the Acquirer on or before the date falling sixty days after the date of the Drag Along Notice

13.4 Compulsory transfer

Upon receipt of a Drag Along Notice, the Called Shareholders shall be obliged to sell the Drag Along Shares upon the terms set out in the Drag Along Notice

13.5 Attorney

If a Called Shareholder fails to transfer his Drag Along Shares any Director shall thereupon be the duly appointed attorney or agent of such Called Shareholder and shall have the power to execute and deliver, on the Called Shareholder's behalf, the necessary transfer forms and Article 13.6 shall apply

13.6 Consideration

The parties shall procure that the Acquirer shall pay the purchase money for such Drag Along Shares into a separate bank account in the Company's name and the Company shall hold such money on trust (but without interest) for such Called Shareholder until it delivers to the Company the certificate or certificates for the relevant Drag Along Shares or, if such Share certificates are lost, an indemnity (in a form satisfactory to the Board) in respect of the same. The receipt by the Company of such monies shall constitute a good discharge and the Acquirer (who shall not be bound to see to the application thereof) shall, subject to due stamping, be registered as the new owner and be issued a Share certificate. Once an Acquirer has been registered as a Shareholder pursuant to the exercise of the powers of this clause, the validity of the transfer shall not be open to challenge by the Company or any Shareholder, including the Called Shareholder

13.7 Pre-emption

For the avoidance of doubt, the rights of pre-emption set out in these Articles shall not apply to any transfer of Drag Along Shares to an Acquirer

13.8 New Shareholders

Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire Shares (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag-Along Notice who shall thereupon be bound to sell and transfer all such Shares acquired by them to the Acquirer or as the Acquirer may direct and the provisions of this Article shall apply mutatis mutandis to the New Member save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member

13 9 Total consideration

Notwithstanding any other provision of the Articles, the consideration payable to any Shareholder in respect of any Drag Along Shares pursuant to this Article 13 shall not exceed £2,000,000,000

14 Transmission of Shares

(A) Shares may not be transmitted If a Shareholder, being an individual, dies or becomes bankrupt or, being a corporation, appoints a liquidator or administrator or administrative receiver in respect of any or all of its assets, then

- (1) in the case of a Shareholder being an individual, the personal representatives or trustees in bankruptcy of that Shareholder, or
- (2) in the case of a Shareholder being a corporation, the liquidator or administrator or administrative receiver of that Shareholder,

shall immediately transfer all of the Shares held by such Shareholder pursuant to the provisions of Articles 12 1 to 12 14 (inclusive) and the Specified Price of such Shares shall be the Fair Price

(B) The "Fair Price" per Share shall be the price that the Company's auditor determines (acting as an expert, not as an arbitrator) as being in its opinion the fair price of a Share

- (1) on the basis of a willing buyer and a willing seller,
- (2) without applying a discount or premium for a particular size of holding or for any of the restrictions on transfer applying to a Share, and
- (3) subject to paragraphs (B)(1) and (B)(2) above, applying such criteria as the Company's auditor regards as appropriate

The Company's auditor shall certify the Fair Price as soon as possible after being instructed by the Company and the certificate of the Company's auditor shall, in the absence of manifest error, be final and binding

PART 5. SHARE CAPITAL

15 Alteration of share capital

15 1 Increase of share capital

- (A) Subject to the provisions of these Articles, the Company may from time to time by ordinary resolution increase its share capital by such sum to be divided into Shares of such amounts as the resolution shall prescribe
- (B) The Company may, by the resolution increasing its capital, direct that the new Shares or any of them shall be offered in the first instance at par or at a premium or (subject to the provisions of the Act) at a discount to all the holders for the time being of Shares or any class or classes in proportion to the number of such Shares held by them respectively or may (subject to the provisions of the Act) make any other provisions as to the issue of the new Shares
- (C) The new Shares shall be subject to all the provisions of these Articles with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise

15 2 Unissued share capital

- (A) Subject to the provisions of the Act and of these Articles and to any direction to the contrary which may be given by special resolution of the Company, any unissued Shares (whether forming part of the original or any increased capital) shall be at the disposal of the Directors who may offer, allot, grant options over or grant any right or rights to subscribe for such Shares or any right or rights to convert any security into such Shares or otherwise dispose of them to such persons, at such times, for such consideration and upon such terms and conditions as the Directors may determine
- (B) For the purposes of Section 551 of the Act, the Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities as defined in the said section up to an aggregate nominal amount of £6 5 million (representing 5% (five per cent) of the Company's issued share capital at the date of the adoption of these Articles) during the Initial Period (as defined below) This authority shall expire on the date of the next following annual general meeting of the Company (the "Initial Period") but may be previously revoked or varied by special resolution of the Company and may from time to time be renewed by the Company in general meeting for a further period or periods not exceeding one year in each case The Company may make an offer or agreement before the expiry of this authority that would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement as if this authority had not expired
- (C) Any and all allotments made pursuant to Article 15 2 shall be aggregated during the Initial Period so that, in total, the nominal amount of all such allotments does not exceed £6 5 million

15 3 Pre-emption rights

- (A) The provisions of Section 561 of the Act shall not apply to the allotment of equity securities in the Company
- (B) Save for allotments made pursuant to the authority contained in Article 15 2(B), any unissued Share shall (subject to any direction to the contrary which the Company may by special resolution determine) first be offered to all the holders of Ordinary Shares in proportion as nearly as possible to the number of Ordinary Shares held by them Any such offer shall be open for acceptance for not less than 21 days from the date of despatch and shall be made by a notice from the Company specifying the number, price and terms of payment of the Shares on offer The notice shall invite

each recipient to state in writing whether it is willing to take any, and if so what maximum number, of the Shares on offer

- (C) At the end of the period referred to in Article 15 3(B), the Board shall allot and issue the Shares offered to or amongst those Shareholders which have notified the Company of their willingness to take any of the Shares offered at the price and on the terms offered. If such Shareholders have, in aggregate, expressed a willingness to take more than the total number of Shares offered, such allotment shall be made in proportion (as nearly as may be without involving fractions) to the number of Ordinary Shares held by each such Ordinary Shareholder respectively at the date of such offer, but so that no person shall be allotted more than the maximum number of Shares which it has stated it is willing to take
- (D) Any offered Shares not accepted by those Shareholders, or not capable of being allocated among them except by way of fractions, shall (subject to the other provisions of this Agreement and to the provisions of Section 551 of the Act) be at the disposal of the Directors provided that no such Share shall be allotted
 - (1) after the expiry of the period of four months from the date on which it was offered to existing holders of Shares, and
 - (2) on terms which are more favourable to the allottee than the terms on which they were offered to existing holders of Shares

15 4 Consolidation, division and cancellation of share capital

Subject to the provisions of these Articles, the Company may from time to time by ordinary resolution

- (A) consolidate and divide all or any of its share capital into Shares of larger amounts than its existing Shares,
- (B) sub-divide its Shares or any of them into Shares of smaller amounts than its existing Shares (subject, nevertheless, to the provisions of the Act) and so that the resolution whereby any Share is sub-divided may determine that as between the holders of the Shares resulting from such sub-division one or more of the Shares may have any such preferred or other special rights over, or may have such qualified or deferred rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new Shares, and
- (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 diminish the amount of its share capital by the amount of the Shares so cancelled

15 5 Reduction of share capital

The Company may from time to time by special resolution reduce its share capital or any capital redemption reserve or any Share premium account in any manner and with and subject to any consent required by law

PART 6 GENERAL MEETINGS

16 General meetings

16 1 General

The Board shall convene and the Company shall hold general meetings and annual general meetings in accordance with the requirements of the Act at such times and places as the Board shall appoint. Any general meeting of the Company other than an annual general meeting shall be called a general meeting.

16 2 Bi-annual general meetings

The Board shall in each year convene and the Company shall hold a general meeting no earlier than the date falling five months after, nor later than the date falling seven months after, each annual general meeting of the Company (a "Bi-annual General Meeting") at such time and place as the Board shall appoint. The ordinary business of a Bi-annual General Meeting shall be the consideration of interim unaudited financial statements, a report from the Chief Executive to provide the Shareholders with a commercial update on the business and affairs of the Company and a report from the Nominations Committee on the performance and attendance of the Directors.

16 3 Requisition of general meeting

The Board may, whenever it thinks fit, or shall, whenever a single Shareholder (having the right to attend and vote at such meeting) requisitions a general meeting, convene a general meeting and general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by Sections 303 to 305 (inclusive) of the Act. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Shareholders of the Company may convene a general meeting in the same matter, as nearly as possible, as that in which meetings may be convened by the Board.

16 4 Time and place

The time and place of any meeting shall be determined by the convenors of the meeting.

17 Notice of general meetings

17 1 General

A general meeting (including an annual general meeting, a Bi-annual General Meeting and a meeting called for the passing of a special resolution) shall be called by not less than 14 days' notice in writing.

17 2 Period of notice

The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, day and time of meeting, and, in the case of special business, the general nature of that business.

17 3 Form of notice

The notice convening an annual general meeting or Bi-annual General Meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution as the case may be.

17.4 Attendance

Except as otherwise provided in these Articles, every Shareholder shall have the right to attend and vote at general meetings of the Company and notice of every general meeting shall be given in the manner hereinafter mentioned to all Shareholders and also to the Auditors

17.5 Consent to short notice

A general meeting shall, notwithstanding that it is called by shorter notice than that specified in Article 17.1, be deemed to have been duly called if it is so agreed by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 90% (ninety per cent) in nominal value of the issued Shares giving that right

17.6 Right to appoint a proxy

In every notice convening a meeting, there shall appear with reasonable prominence a statement that a Shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and to speak and to vote instead of him and that a proxy need not be a Shareholder

17.7 Failure to give notice

The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by any person entitled to receive such notice shall not invalidate the proceedings at that meeting

18 Proceedings at general meetings

18.1 Quorum

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, a quorum at any meeting or any adjourned meeting of the Company shall be three or more Shareholders present in person or by proxy and entitled to attend and to vote provided that (save as aforesaid) during any time when the Company shall have less than three Shareholders the quorum shall be one such Shareholder. A corporation being a Shareholder shall be deemed for the purpose of these Articles to be present in person if represented in accordance with the provisions of the Act

18.2 Absence of quorum

If within fifteen minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Shareholders, shall be dissolved and in any other case it shall stand adjourned to such other day (not being less than 14 nor more than 28 days thereafter) and at such other time or place as the chairman of the meeting may determine. The Company shall give not less than seven days' notice in writing of any meeting adjourned through want of a quorum

18 3 Right to speak

Each Director shall be entitled to attend and speak at any general meeting of the Company. The chairman of the meeting may invite any person (whether a Shareholder or not) to attend the whole or any part of such general meeting and to speak at the same if he considers such person able to assist in discussions at the meeting by reason of such person's knowledge or experience of the Company's business.

18 4 Chairman

The chairman (if any) of the Board, or in his absence, a deputy chairman (if any) shall preside as chairman at every general meeting. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within fifteen minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote shall elect one of their number to be chairman of the meeting.

18 5 Adjournment of meeting

The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for three months or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as expressly provided by these Articles it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

18 6 Participation in meeting

A Shareholder may participate in any general meeting of the Company through a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting under this provision constitutes presence in person (including in relation to a Shareholder for the purposes of establishing a quorum) at that meeting.

19 Votes of Shareholders

19 1 Right to vote

Subject to any special terms as to voting upon which any Shares may be issued, or may for the time being be held, on a show of hands every Ordinary Shareholder who is present in person (including any corporation represented by proxy or in accordance with the Act) at a general meeting of the Company shall have one vote, and on a poll every Ordinary Shareholder who is present in person or by proxy shall have one vote, for every Share of which he is the holder provided that, notwithstanding the foregoing, no Shareholder nor Shareholders within the same Corporate Group may vote more than 24.99% of the total votes cast. Following a poll, the Secretary or a Director will determine if any one Shareholder has, or Shareholders within the same Corporate Group have, voted more than 24.99% of the total votes cast. In those circumstances, the votes of such

Shareholders cast in excess of 24 99% of the total votes cast shall be disregarded. The Company shall not be entitled to vote in respect of any Shares which it holds in treasury.

19.2 Joint holders

In the case of joint holders of a Share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the others, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.

19.3 Procedure

At any general meeting a resolution put to the 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 or on the withdrawal of any other demand for a poll) a poll is demanded either by,

- (A) the chairman of the meeting, or
- (B) any Shareholder or Shareholders (being entitled to attend and vote thereat) present in person or by proxy.

19.4 Record of proceedings

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

19.5 Polls

- (A) If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded, even if the poll shall be carried out after the meeting.
- (B) A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time (being not later than three months after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.
- (C) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
- (D) On a poll votes may be given either personally or by proxy or, in the case of a corporate Shareholder, a duly authorised representative.

19.6 Casting vote

The chairman of the meeting shall not have a second or casting vote.

19 7 Effect of illness

A Shareholder who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such Court and such receiver, committee, curator bonis or other persons may vote on a poll by proxy and may otherwise act and be treated as such Shareholder for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment, or in either case any document sent therewith) or shall be sent by Electronic Communication to an address specified in the notice of meeting or any document sent therewith not less than forty-eight hours before the time appointed for holding the meeting or the taking of the poll at which it is desired to vote

19 8 Written resolution

Subject to the provisions of the Act, a resolution in writing expressed to be an ordinary or special resolution signed by or on behalf of, in the case of an ordinary resolution, a simple majority and, in the case of a special resolution, not less than 75% of the Shareholders who would be entitled to vote on such resolution if it were to be proposed at a general meeting of the Company shall be as valid and effectual as if the same had been passed at a general meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by or on behalf of one or more of such Shareholders and/or Electronic Communications from one or more of them. Each signature may be given personally or by a duly appointed attorney or in the case of a corporation by an officer or by its duly authorised attorney or representative

19 9 Failure to disclose interests in Shares

No Shareholder shall, unless the Board otherwise determines, be entitled to be present or to vote at any general meeting or to exercise any privilege as a Shareholder in relation to meetings of the Company unless all costs or other sums presently payable by him in respect of Shares in the Company have been paid or if he or any person appearing to be interested in such Shares has been duly served with a notice under the Act and is in default in supplying to the Company the information thereby required within the period of 28 days from the date of such notice. For the purpose of this Article, a person shall be treated as appearing to be interested in any Shares if the Shareholder holding such Shares has given to the Company a notification under the Act which fails to establish the identities of those interested in the Shares and if (after taking into account the said notification and any other relevant notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the Shares

19 10 Objections in relation to conduct of proceedings

If at any general meeting (a) any objection shall be raised to the qualification of any voter or (b) any votes have been counted which ought not to have been counted or which might have been rejected or (c) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting or any resolution unless the objection is raised or the error pointed out at the meeting or, as the case may be, the 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 and shall only vitiate the decision of the meeting on any resolution if, in the opinion of the chairman, the objection or error is of sufficient magnitude to affect the result of the voting. The decision of the chairman on such matters shall be final and conclusive.

20 Proxies

20.1 Instrument

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.

20.2 Identity of proxy

A proxy need not be a Shareholder and shall have the same powers to vote and speak at a general meeting of the Company as a Shareholder present in person.

20.3 Appointment of proxy

An appointment of a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall

- (A) in the case of an instrument in writing, be deposited at the Office (or at such other place within the United Kingdom that is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting) not less than 48 hours before the time for holding the general meeting or adjourned general meeting at which the person named in the instrument proposes to vote,
- (B) in the case of an appointment contained in an Electronic Communication, where an address has been specified for the purpose of receiving an Electronic Communication
 - (1) in the notice convening the general meeting or in any notice of adjournment thereof,
 - (2) in any instrument of proxy sent out by the Company in relation to the general meeting or adjourned general meeting, or
 - (3) in any invitation contained in an Electronic Communication to appoint a proxy issued by the Company in relation to the general meeting or adjourned general meeting, be received at such address not less than 48 hours before the time for holding the general meeting or adjourned general meeting at which the person named in the instrument proposes to vote,
- (C) in the case of a poll taken more than 48 hours after it is demanded, either be deposited in accordance with the method in Article 20.3(A) or received in accordance with the method in Article 20.3(B) after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or
- (D) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the general meeting or adjourned general meeting at

which the poll was demanded to the person chairing the meeting or to the secretary or to any Director

In calculating the periods referred to in this Article 20 3, no account shall be taken of a day that is not a Business Day

20 4 Form of proxy

Instruments of proxy shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meetings forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates

20 5 Validity of proxy

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or such other place in the United Kingdom as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) one hour at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used

20 6 Multiple forms of proxy

Where two or more but differing appointments of a proxy are delivered in respect of the same Share for use at the same meeting then

- (A) in the case of proxies contained in instruments in writing, the one which is last dated by the appointor (provided that date is or before the date of delivery but otherwise regardless of the actual date of execution or the date of delivery) shall be treated as replacing and revoking the others as regards that Share, and if not all such instruments or proxy are so dated, or if any date is illegible as written or falls after the date of delivery, the one which is last delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the others as regards that Share,
- (B) in the case of proxies delivered by Electronic Communication, the one which is the last actually received shall be treated as replacing and revoking the others as regards that Share, and
- (C) in the case of two or more but differing appointments of a proxy in respect of a Share delivered both by instrument in writing and by Electronic Communication the one which is last delivered or actually received (determined as aforesaid) shall be treated as replacing and revoking the others as regards that Share, except that where a proxy contained in an instrument in writing is dated prior to the day of actual receipt of a proxy delivered by Electronic Communication, but is delivered afterwards, the latter shall be taken to replace and revoke the former

20 7 Right of appointing Shareholder to attend and vote

Delivery of a proxy shall not preclude a Shareholder from attending and voting in person at the meeting or poll concerned

20.8 Lapse of proxy

No proxy shall be valid after the expiration of 12 months from its stated date of execution or delivery by Electronic Communication

21 Representatives of bodies corporate

Any corporation which is a Shareholder may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Shareholders and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholder and such body corporate shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person authorised is present thereat

22 Reserved matters

(A) Notwithstanding any other provision of these Articles, the following matters (in paragraphs (1) to (22)) shall not be undertaken or permitted to be undertaken by the Board without the prior consent of Shareholders who hold Shares which together carry the right to vote of not less than the proportion of the total number of votes, which may be cast at a general meeting, identified in brackets below

- (1) any change to the rights attaching to any class of Shares in the Company (75%),
- (2) any reduction of the share capital of the Company (75%),
- (3) any resolution to wind up the Company (75%),
- (4) the filing of any petition for winding up by the Company or the making of any arrangement with creditors generally or any application for an administration order or for the appointment of a receiver or administrative receiver (unless, in any such case the Company shall have become unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986) (75%),
- (5) any proposal to materially change the business of the Group (75%),
- (6) the approval or adoption of a dividend policy of the Company (75%),
- (7) the sale or disposal, or the acquisition of, any business, undertaking or assets, whether by a single transaction or series of related transactions, where (i) the gross value of the consideration which will or may be received, paid or issued (as the case may be) as a result of the relevant transaction(s) represents more than 25% of the net asset value of the Group, (ii) the gross assets which are the subject of the transaction(s) represent more than 25% of the gross assets of the Group (being its total fixed assets plus its total current assets) at the relevant time, or (iii) the profits attributable to the assets (after deducting all charges except taxation and exceptional items) which are the subject of the relevant transaction(s) represent more than 25% of the total profits of the Group (after deducting all charges except taxation and exceptional items) at

the relevant time (provided that any sale, disposal or acquisition in respect of which the proposed consideration does not exceed £10 million and which, taken together with the consideration in respect of any other such sale(s), disposal(s) or acquisition(s) by any Shareholder of the Group in the same financial year, does not exceed £25 million, shall not be subject to this Article 22(B)(7)) (75%),

- (8) any increase in the authorised or issued share or loan capital of the Company (save where the issued share capital is increased pursuant to the authority contained in Article 15 2(B)) (75%),
- (9) subject to the authority granted pursuant to Article 15 2(B), the grant to the Directors of authority to allot Shares (75%),
- (10) the creation, consolidation, sub-division, conversion or cancellation of any share capital or loan capital of the Company (75%),
- (11) the grant of any option or right to subscribe or acquire, or convert any security into, any share or loan capital of the Company (75%),
- (12) the creation of any new equity interest in the Company including any arrangements for sharing of income or profits or any other interest whether in the form of Shares, convertible securities, or loan stock or loan capital convertible into Shares or the establishment by the Company of any share-based bonus, incentive, profit sharing or share option scheme (75%),
- (13) the purchase or redemption of any share capital or loan capital of the Company (75%),
- (14) any material transaction between any member of the Group and any related party which is, in each case, outside the ordinary course of trading at the relevant date or which is otherwise than on commercial arm's length terms (including, without limitation, any loan, investment in loan capital, guarantee, commitment to invest or similar agreement or arrangement between any Shareholder and the Company) (75%),
- (15) the admission to trading or public dealings of all or any securities of the Company on any recognised investment exchange (75%),
- (16) any material change in, or derogation from, the board authorisation guidelines and escalation procedures applicable to members of the Group (as adopted by the Board from time to time with the consent of the Shareholders), or the adoption, in respect of any new member of the Group, of any such guidelines or procedures materially different from those guidelines and procedures (75%),
- (17) any change to the Auditors (50%),
- (18) the approval of the annual report and accounts (50%),
- (19) any change to the Company's accounting period (50%),
- (20) any matter designated a Reserved Matter by the Operational Oversight Committee pursuant to Article 29A (50%),

- (21) any amendment or alteration to, or derogation from, the terms of reference in force from time to time, or the adoption of any new terms of reference, of the Operational Oversight Committee (50%), and
- (22) any change to or deletion or replacement of Article 29A or any part of it (75%)
- (B) In addition to the consent required pursuant to Article 22(A) above, the matters set out in Article 22(A), save in relation to Articles 22(A)(6), 22(A)(17), 22(A)(18) and 22(A)(19), shall not be undertaken or permitted to be undertaken by the Board without the prior consent of five (or more) Ordinary Shareholders (taking Shareholders who are members of the same Corporate Group as a single Shareholder for this purpose)

PART 7 DIRECTORS

23 Appointment and removal of Directors

23 1 Minimum number of Directors

The Board shall comprise

- (A) three executive directors, namely the Chief Executive, the Chief Financial Officer and one other executive director as the Chief Executive Officer shall determine in consultation with the Nominations Committee (if any) (collectively, the "Executive Directors"),
- (B) subject to Article 23 2(B), six non-executive directors appointed by the Shareholders (collectively, the "Shareholder Directors"),
- (C) an independent Chairman, and
- (D) an independent non-executive Director appointed by the Chief Executive in consultation with the Chairman and with the Nominations Committee (if any) (the "Independent Non-executive Director")

Each of the Directors shall be appointed in the manner described in Article 23 2, save that all the Directors of the Company at the date of the adoption of these Articles shall be deemed to have been appointed in accordance with the provisions of Article 23 2

23 2 Appointment of Directors

- (A) In relation to the Shareholder Directors, the Secretary shall send a notice to the Ordinary Shareholders requesting nominations to be received by the Secretary within 21 days of deemed receipt by the Ordinary Shareholders of such notice. A list of candidates (who shall each have been proposed by a different Ordinary Shareholder) shall be sent by the Secretary to all Ordinary Shareholders. Each of the Ordinary Shareholders, for so long as they remain an Ordinary Shareholder, shall have the right to vote for the appointment of one of the candidates as a Shareholder Director, whether their own candidate or a candidate proposed by another Ordinary Shareholder. Having voted the Ordinary Shareholder shall not be entitled to vote again on the appointment of any other Shareholder Director. The Shareholder Directors shall comprise the six candidates who receive the highest numbers of votes. For the avoidance of doubt, on such a resolution each Ordinary Shareholder shall (in accordance with Article 19) have one vote for every Ordinary

Share of which he is the holder and Ordinary Shareholders shall not be permitted to split their shareholdings to vote for two or more candidates (and the holdings of Ordinary Shares of two or more Shareholders in the same Corporate Group shall be treated as one holding of one Shareholder) If six or fewer candidates are proposed for the role of Shareholder Director pursuant to this Article 23 2(A), those Directors that have been proposed shall be appointed as Shareholder Directors without any vote being required Until the first time that there are six Shareholder Directors, the procedure under this Article 23 2(A) must be repeated with the intent that the Company will have six Shareholder Directors

- (B) Subject to Articles 23 2(D) and 23 2(E), if at any time a person who is a Shareholder Director ceases to be a Director for any reason, the Secretary shall send a notice to the Ordinary Shareholders requesting nominations to be received by the Secretary within 21 days of deemed receipt by the Ordinary Shareholders of such notice A list of candidates (who shall each have been proposed by a different Ordinary Shareholder) to fill the relevant vacancy(ies) shall then be sent by the Secretary to all Ordinary Shareholders Each of the Ordinary Shareholders, for so long as they remain an Ordinary Shareholder, shall (provided that such person has not previously voted for the appointment of any then current Shareholder Director) have the right to vote for the appointment of one of the candidates as a Shareholder Director, even where that Ordinary Shareholder proposed that candidate For the avoidance of doubt, on such a resolution each Ordinary Shareholder shall (in accordance with Article 19) have one vote for every Ordinary Share of which he is the holder Having voted, the Ordinary Shareholder shall not be entitled to vote again on the appointment of any other Shareholder Director to fill any other relevant vacancy(ies) The vacancy(ies) shall be filled by the candidate(s) who receive the highest numbers of votes Ordinary Shareholders shall not be permitted to split their shareholdings to vote for two or more candidates (and the holdings of Ordinary Shares of two or more Shareholders in the same Corporate Group shall be treated as one holding of one Shareholder) If no nominations of candidates to fill the role are received by the Secretary within the 21 day period referred to above, the position shall remain vacant until such time as the Secretary receives any such nomination(s) (and nominations shall close at 5 p.m. London time on the fifth Business Day after receipt of the first such nomination)
- (C) The list of candidates (the "List") sent pursuant to Article 23 2(A) and 23 2(B) shall be sent in accordance with Article 37 Each List shall be accompanied by a voting card setting out the procedure for a Shareholder to register their vote The time limit for registering a vote shall be 21 days from deemed receipt by the Ordinary Shareholder of the List
- (D) Notwithstanding any other provision of these Articles, any person who acts as a Shareholder Director may be replaced with another person from time to time for any reason (including, without limitation, the death, disability, ill health, dismissal, cessation of employment or redeployment of such first person), by notice in writing to the Company, signed by the Ordinary Shareholder who employs (or who, at the time of his appointment as such employed) that Shareholder Director, provided that if more than one Ordinary Shareholder voted for the appointment of such Shareholder Director, such Ordinary Shareholder shall, before serving such notice, consult with the other Ordinary Shareholders who did so in relation to the identity of the new Shareholder Director and shall consider their views in relation thereto

- (E) A Shareholder Director may be removed from time to time by notice in writing to the Company, signed by all of those Ordinary Shareholders who voted for his appointment pursuant to Article 23 2(A) provided that
 - (1) the Ordinary Shareholder who nominated the Shareholder Director shall not be required to sign such notice where the reason for the proposed replacement relates to the failure by the relevant Shareholder Director to represent the interests of all Ordinary Shareholders, and
 - (2) the new Shareholder Director to be appointed as a result of the removal of the Director referred to in this Article 23 2(E) shall be appointed in accordance with Article 23 2(B)
- (F) The Board shall have the power to appoint and remove the Chief Executive
- (G) Subject to Articles 23 2(F) and 23 2(B), the Chief Executive shall have the power to appoint all Directors other than the Chairman and the Shareholder Directors
- (H) Subject to Article 23 1, the Company may by ordinary resolution appoint all Directors (other than the Shareholder Directors) to fill a casual vacancy (and including, for these purposes, the Executive Directors, the Chairman and the Independent Non-executive Director)
- (I) The Board shall have the power to appoint and remove the Chairman who shall be independent of any Shareholder. The Nominations Committee (if any), in consultation with the Chief Executive, shall agree the requirements relating to the selected Chairman and shall be responsible for the selection process, subject to final Board approval

23 3 Retirement of Directors

- (A) All Shareholder Directors shall be required to retire at the annual general meeting of the Company in the third year after the last appointment of Shareholder Directors carried out in accordance with the procedure set out in Article 23 2(A). Each Shareholder Director shall then be eligible for re-appointment. The Company shall fill the vacated offices by the procedure set out in Article 23 2(B)
- (B) The Chief Executive appointed in accordance with Article 23 2(F) and any Director appointed by the Chief Executive in accordance with Article 23 2(H) shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-appointment
- (C) At every annual general meeting of the Company any Executive Directors appointed who did not retire at either of the two previous such meetings, shall retire. If the aggregate number of Executive Directors due to retire at any annual general meeting by virtue of Article 23 3(B) and this Article 23 2(C) exceeds or is less than one-third of the total number of such Directors, the Board shall determine which Directors should retire so as to ensure that (as near as possible) one-third of the relevant Directors retire. Directors retiring pursuant to this Article 23 3(C) shall be eligible for re-appointment
- (D) Any independent non-executive Director (including the Chairman and the Independent Non-executive Director) appointed by the Chief Executive in accordance with Article 23 2(H) (or by the Company in accordance with Article

23 2(I)) shall retire at the annual general meeting of the Company in the third year after their last appointment. Directors retiring pursuant to this Article 23 3(D) shall be eligible for re-appointment.

23 4 Removal of Directors

The Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with the provisions of the Act, remove any Director before the expiration of his period of office (without prejudice to any claim for damages under any contract).

23 5 Qualification of Directors

A Director is not required to hold any qualification Shares in the Company.

24 Disqualification of Directors

The office of a Director shall be vacated if

- (A) he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board,
- (B) he becomes of unsound mind or a patient for any purpose of any statute relating to mental health and the Board resolves that his office is vacated,
- (C) he presents a petition for his own bankruptcy, he is adjudged bankrupt, he issues proposals to creditors for any arrangement or composition (whether as a voluntary arrangement under the Insolvency Act 1986 or otherwise) he makes any other arrangement or composition with creditors or he applies for an order for protection from his creditors,
- (D) he is prohibited by law from being a Director,
- (E) he ceases to be a Director by virtue of the Act or is removed from office pursuant to these Articles,
- (F) he is convicted of an indictable offence and the Directors shall resolve that it is undesirable in the interests of the Company that he remains a Director,
- (G) not being a Director appointed under Article 23 2(A) or 23 2(B), he is unable to act in the best interests of the Company due to a conflict of interest with the Company or a Shareholder,
- (H) being a Director holding an executive office, he is dismissed from such office, or
- (I) being a Director appointed under Article 23 2(A) or 23 2(B), the Shareholder by whom he was nominated (either alone or in conjunction with other Shareholders) ceases to be a Shareholder or becomes a member of or part of another Shareholder's Corporate Group (and for this purpose the reference to the Shareholder is deemed to include a subsequent permitted transferee of that Shareholder under Article 12 1(A)(1)).

25 Alternate Directors

25 1 Right to appoint alternate Director or Nominee

Where a Director cannot attend a meeting of the Board the Director shall have the power to either

- (A) appoint another Director to be his alternate Director and may at his discretion remove such alternate Director, or
- (B) appoint another person (not being a Director) (a "Nominee") to (with the agreement of the Chairman) speak on their behalf at a meeting of the Board

25 2 Appointment of alternate Director or Nominee

Any appointment or removal of an alternate Director or a Nominee shall be effected by notice in writing signed by the appointor and, in the case of a Nominee, approved by the Chairman and delivered to the Secretary at least 48 hours prior to the relevant meeting

25 3 Rights of Nominee

A Nominee shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend any such meeting at which the Director appointing him is not personally present. The Nominee shall not be entitled to exercise any voting rights on behalf of the Director appointing him, nor shall he be counted towards the quorum or be able to exercise or discharge the functions, powers and duties of his appointor as a Director

25 4 Liability of Nominee

Every person acting as a Nominee shall be subject to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him

25 5 Voting rights of alternate Director

Subject to Articles 27 3 and 27 4, which shall apply mutatis mutandis to an alternate Director, every Director acting as an alternate Director shall have one vote and shall have one place in the quorum for each Director for whom he acts as alternate (in addition to his own vote). The signature of an alternate Director to any resolution in writing of the Board or committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor

25 6 Retirement of alternate Director or Nominee

An alternate Director or Nominee shall ipso facto cease to be an alternate Director or Nominee if his appointor ceases for any reason to be a Director provided that if any Director retires but is subsequently re-appointed, an appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired

26 Directors' remuneration and expenses

The remuneration of the Directors shall from time to time be determined by the Company in general meeting (following guidance in relation thereto from the Remuneration

Committee) Such remuneration shall be deemed to accrue from day to day. Each Director shall also be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

27 Directors' interests

27.1 Confirmation

- (A) Any Director shall be required, prior to his appointment, to confirm that on appointment he shall be independent of any Shareholder and that such appointment shall not (excluding the circumstances referred to in Article 27.3(B)) create a conflict of interest with the Company or any of its Shareholders.
- (B) Any Director shall be required, prior to such appointment, to confirm that on appointment he shall be able to act independently of any Shareholder and in the best interests of the Company at all times and that he shall at all times seek to promote the success of the Company.
- (C) All Directors once appointed shall be required at the first meeting of the Board in any calendar year to confirm that they remain independent and that their continuing office as a Director shall not create a conflict of interest with the Company.

27.2 Independence

For the purposes of Article 27.1 "independent" shall ordinarily mean not having been employed by or acted as a consultant for any Shareholder in the last three years or having an interest directly or indirectly in any contract with the Company or any Shareholder (including being employed by or acting as a consultant to any third party who has entered into such a contract with a Shareholder) which would cause such Director to not be able to act independently in the best interests of the Company at all times. Notwithstanding the foregoing, it is recognised that each Shareholder Director is or is likely to be an employee, consultant, director, member, optionholder and/or other officer of a Shareholder or entity within a Shareholder's Corporate Group and, as such, is likely to be party to a contract of employment or consultancy with such Shareholder or entity within a Shareholder's Corporate Group. Such position shall not, of itself, cause any such person to not be independent for the purpose of Article 27.1.

27.3 General duty of Shareholders

- (A) Subject to Articles 27.2 and 27.3(B), each Shareholder shall use all reasonable endeavours as a Shareholder to procure that any Shareholder Director employed by them makes proper and timely disclosure to the Company of any conflict of interest which that person has by reason of their position as a Shareholder Director.
- (B) It is recognised that a Shareholder Director may be an employee, consultant, director, member, optionholder or other officer or representative of a Shareholder or entity within a Shareholder's Corporate Group or a trade or industry body which relates to the business carried on by the Group and in such capacity may
 - (1) be interested in investments carrying on competing and/or similar/related business to that carried on by the Company and the Group,

- (2) advise and/or manage such investments detailed in Article 27 3(B)(1), and
- (3) consider, be aware of and/or take into account the interests of any such Shareholder or entity within a Shareholder's Corporate Group or any investment detailed in Article 27 3(B)(1) when addressing and/or considering the issues regarding the Company and/or any member of the Group

Any Shareholder Director shall not, by reason of employment, consultancy, directorship, membership, being an optionholder or representative or holding office with a Shareholder or entity within a Shareholder's Corporate Group a trade or industry body which relates to the business carried on by the Group, be accountable to the Company or any Group Company for any benefit that he derives from any such employment, consultancy, directorship, membership, options, office, representation or his involvement with a Shareholder or entity within a Shareholder's Corporate Group or a trade or industry body which relates to the business carried on by the Group or any investment or activity detailed in Articles 27 3(B)(1), 27 3(B)(2) and/or 27 3(B)(3). Any information that a Shareholder Director obtains, other than in his capacity as a Director or employee of the Company or any Group Company, in respect of which he owes a duty of confidence to a Shareholder or entity within a Shareholder's Corporate Group or a trade or industry body which relates to the business carried on by the Group or any investment or activity detailed in Article 27 3(B)(1), 27 3(B)(2) and/or 27 3(B)(3), need not be disclosed or used for the benefit of the Company where such disclosure or use would constitute a breach of confidence. A Shareholder Director shall not be in breach of the duties he owes to the Company as a result of any interest that conflicts, or may possibly conflict, with the interests of the Company which arise from the relationships contemplated in this Article 27 3(B). For the purposes of the Act, this Article 27 3(B) shall be deemed to be appropriate disclosure of the relevant conflicts of interest of any Shareholder Director and any such Shareholder Director shall be entitled to vote (and form part of the quorum) at any meeting of the Board without the need for further disclosure of any potential or actual conflict.

27 4 Disclosure of Directors' Interests

Subject to Article 27 3(B), a Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature and extent of his interest at a meeting of the Board in accordance with Sections 177 and 182 of the Act. For the purposes of this Article 27 4

- (A) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,
- (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, and
- (C) each Director shall be deemed to have given a general notice to all the Directors that he is to be regarded as having an interest in any transaction or arrangement involving his appointor

27 5 Voting rights of Directors

Subject to Articles 27 3(B) and 27 6, a Director shall not be entitled to vote in respect of any matter in respect of which he has a conflict of interest and his vote shall not be counted and he shall not be taken into account in ascertaining whether a quorum is present nor shall he be entitled to participate in any discussion in relation to that matter

27 6 Authorisation of Directors' conflicts

- (A) Without prejudice to Article 27 3(B), the Board may authorise to the fullest extent permitted by law any matter which would otherwise result in any Director (a "Relevant Director") breaching his duty to avoid a situation in which a Director has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which can reasonably be regarded as likely to give rise to a conflict of interest (a "Conflict Situation") Any Director (including a Relevant Director) may propose that a Conflict Situation be authorised by the Board and any such proposal and authorisation shall be effected in the same way that any other matter may be proposed to, and resolved upon by, the Board in accordance with these Articles, save that the Relevant Director in question
- (1) may not be counted as participating at the meeting or part of the meeting at which the authorisation is considered for the purposes of the quorum requirement,
 - (2) may not vote on the matter at such meeting and if the Relevant Director does vote, his vote may not be counted in determining whether the authorisation was agreed to, and
 - (3) may, if the other Directors attending the meeting so decide, be excluded from the meeting while the authorisation is under consideration
- (B) Where the Board authorises a Conflict Situation it may
- (1) make any such authorisation subject to any limits or conditions,
 - (2) impose obligations on the Relevant Director in connection with the authorisation of a Conflict Situation as it thinks fit, and
 - (3) withdraw the authority or vary or impose any limits, conditions or obligations at any time
- (C) The Board may decide, whether as part of authorising a conflict, that if a Relevant Director obtains or has obtained any information otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Relevant Director is under no obligation to
- (1) disclose any such information to the Board or to any Director or other officer or employee of the Company, or
 - (2) use or apply any such information in performing his duties as a Director

This Article 27 6(C) is without prejudice to any equitable principle or rule of law which may excuse the Relevant Director from disclosing information in circumstances where disclosure would otherwise be required hereunder

- (D) The general duties which a Director owes to the Company by virtue of Sections 171 to 177 of the Act will not be infringed by anything done, or omitted to be done, by a Director
- (1) in compliance with any limits, conditions or obligations imposed by the Board pursuant to Article 27 6(B),
 - (2) in accordance with Article 27 6(C), or
 - (3) in compliance with any other requirements, decisions or guidance of the Board made or issued from time to time relating to, or dealing with, actual or potential conflicts of interest or duty
- (E) A Director is not by reason of his office (or the fiduciary relationship established by that office) accountable to the Company for any remuneration, profits or other benefits derived by him from any conflict authorised in accordance with Articles 27 6(A) and (B) (subject in any such case to any limits or conditions imposed by the Board) and the acceptance of such remuneration, profits or other benefits by a Director will not constitute a breach of that Director's duty under Section 176 of the Act

27 7 Powers of Chairman

If a potential conflict is notified to the Chairman, the Chairman shall bring it to the attention of the Board pursuant to Article 27 6

27 8 Role as consultant

Save in relation to any relationship covered by the provisions of Article 27 3(B), any non-executive Director who discloses that he is on the Board of or otherwise is employed by or acts as a consultant to or has an interest directly or indirectly in any competing business which the Board will define from time to time, shall be deemed to be in conflict and the provisions of Article 27 6 shall apply to such non-executive Director (who for the purposes of Article 27 6 shall be the "Relevant Director"), and the Board shall be entitled to remove from office any such Director if any such conflict is not authorised pursuant to Article 27 6

27 9 Right of Directors to hold other offices and to receive remuneration

- (A) A Director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article
- (B) A Director may be or become a Director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested and shall not be liable to account to the Company or the Shareholders for any remuneration, profit or other benefit received by him as a Director or officer of or from his interest to such other company

PART 8 THE BOARD AND SECRETARY

28 Powers and duties of the Board

28 1 General

- (A) Unless otherwise agreed by the Shareholders, the business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Act or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Act and of these Articles and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- (B) Save for any contrary requirement imposed by law, a Director must act in accordance with the Articles, and must act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to
 - (a) the likely consequences of any decision in the long term,
 - (b) the interests of the Company's employees,
 - (c) the need to foster the Company's business relationships with suppliers, customers and others,
 - (d) the impact of the Company's operations on the community and the environment,
 - (e) the desirability of the Company maintaining a reputation for high standards of business conduct, and
 - (f) the need to act fairly as between the members of the Company

28 2 Appointment of attorney

The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

28 3 Appointment of Directors to executive positions

The Board may from time to time appoint one or more of its body to be the holder, of any executive office for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. The appointment of any Director to any executive office as aforesaid shall be subject to termination if he ceases from any cause to be a Director but without

prejudice to any claim which either party may have for damages for breach of any contract of service between the Executive Director and the Company

28 4 Right to remuneration

An Executive Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board (following guidance in relation thereto from the Remuneration Committee) may determine, and either in addition to or in lieu of his remuneration as a Director

28 5 Delegation

The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby

28 6 Seal

The Company may exercise all the powers conferred by the Act with regard to having official seals and such powers shall be vested in the Board

28 7 Execution of instruments

All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine

28 8 Records of proceedings

The Board shall cause minutes or records to be made in books provided for the purpose

- (A) of all appointments of officers made by the Board,
- (B) of the names of the Directors present at each meeting of the Board or committee of the Board, and
- (C) of all resolutions and proceedings at all meetings of the Company and of the Board and of any committee of the Board

Any such minute of any meeting of the Board or of any committee appointed by the Board or of the Company shall be signed by the chairman of such meeting or by the chairman of the next succeeding meeting and, if purporting to be so signed, shall be sufficient evidence without any further proof of the facts therein stated

28 9 Benefits

- (A) The Board on behalf of the Company may exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any Director or former Director or the relations, connections or dependants of any Director or former Director

- (B) A Director or former Director shall not be accountable to the Company or the Shareholders for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director
- (C) The Board may by resolution exercise any power conferred by the Act to make a provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries 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

28 10 Borrowing powers

The Board may exercise all of 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) of the Company and subject to the Act, to issue debentures, debenture stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company, or of any third party

28 11 Overseas register

Subject to the provisions of the Act, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such regulations as it may think fit respecting the keeping of any such register

29 Proceedings of the Board

29 1 General

Subject as hereinafter provided, the Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit The Board shall meet at least six times in each calendar year

29 2 Voting rights

Questions arising at any meeting shall be determined by a majority of votes

29 3 Convening meetings

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting

29 4 Notice of meetings

- (A) Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to him personally or sent in writing to him at his last known address or any other address given by him to the Company for this purpose or by Electronic Communications to an address for the time being notified to the Company by the Director A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom A Director may waive notice of any meeting either prospectively or retrospectively

- (B) Directors shall generally be given seven days notice of a Board meeting but may, where the circumstances so require, be less if the Chairman (or, in his absence, the Chief Executive) so determines

29 5 Quorum

The quorum necessary for the transaction of any business of the Board shall be five or more Directors present in person and entitled to vote, of which three must be Shareholder Directors. Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of the Directors would not be present.

29 6 Absence of quorum

If, within fifteen minutes (or such longer time as the Directors present may agree to wait) from the time appointed for any meeting of the Board, a quorum is not present, the meeting shall be dissolved.

29 7 Effect of vacancy

The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director, may act for the purpose of summoning general meetings of the Company but not for any other purpose.

29 8 Chairman

The Board shall elect a chairman (being the person duly nominated in accordance with these Articles) for such period as it shall decide and may elect one or more deputy chairmen of its meetings and the Board may determine the period for which he is to hold office, the terms and conditions of his appointment and his remuneration. Any chairman so elected may be removed by the Board at any time and from time to time. If no such chairman or deputy chairman is elected, or if at any meeting neither the chairman nor any deputy chairman is present within five minutes after the time appointed for holding the same, the Directors present may by majority vote choose one of their number to be chairman of the meeting.

29 9 Powers of Board

A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

29 10 Form of meeting

A Director may participate in a meeting of the Board or a committee of the Board of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting. A person so participating shall be deemed to be present in person at the meeting and shall

accordingly be counted in a quorum and be entitled to vote. A meeting of the Board or of a committee of the Board to which this Article 29 10 applies shall be deemed to take place where the majority of those participating are assembled or, if there is no majority, at the place where the chairman of the meeting is present.

29 11 Appointment of committees

Without prejudice to the provisions of Article 29A, the Board may delegate such of its powers, authorities or discretions (with power to sub-delegate) as it may think fit to committees consisting of one or more members of the Board and (if thought fit) one or more other persons co-opted as hereinafter provided. The powers, authorities or discretions so delegated shall include, without limitation, all powers, authorities or discretions which relate, or may relate, to the payment of remuneration to or the conferring of any other benefit on, any member of the Board or persons co-opted to any committee of the Board, as hereinafter provided. Any committee so formed shall, in the exercise of the powers, authorities or discretions so delegated, conform to any regulations that may from time to time be imposed by the Board. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members in the committee but so that

- (A) the number of co-opted members shall be less than one-half of the total number of members in the committee,
- (B) no resolution of the committee shall be effective unless a majority of the members in the committee present at the meeting are Directors, and
- (C) the chairman of each committee shall be a Director and in the case of any equality of votes the chairman of the committee shall have a second or casting vote.

Insofar as any power, authority or discretion is delegated to a committee in accordance with this Article, any reference in these Articles to the exercise by the Board of the power, authority or discretion so delegated shall be read and construed as if it were a reference to the exercise by such committee. The provisions of Article 29A shall prevail in the event of any conflict with the powers, authorities, discretions or terms of reference delegated to any Committee established pursuant to this Article 29 11.

29 12 Scope of power to delegate

The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally. It shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

29 13 Meetings of committees of the Board

The meetings and proceedings of any committee consisting of two or more persons shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable.

29 14 Written resolution

A resolution in writing signed or approved by letter, facsimile or other form of Electronic Communication by everyone entitled to receive written notice of a meeting of Directors

and to vote at it shall be as valid and effective as if it had been passed at a meeting of the Board or, as the case may be, of such committee duly convened and held. The resolution may consist of several documents in the like form each signed by one or more such persons and/or Electronic Communications from one or more such persons.

29 15 Effect of defects in appointment

All acts done by the Board or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if such person had been duly appointed and was qualified and has continued to be a Director.

29A Operational Oversight Committee

29A 1 The Board shall form and delegate powers to a standing committee of the Board entitled the Operational Oversight Committee, which shall be regulated by the terms of reference from time to time approved by Shareholders pursuant to Article 22(A). Neither the Operational Oversight Committee nor the Board shall have the power to amend, alter or derogate from the terms of reference as adopted by the Shareholders from time to time, or adopt any new terms of reference, and all business of the Operational Oversight Committee shall be carried out in accordance with the terms of reference in force from time to time.

29A 2 Subject always to the terms of reference in force at the relevant time, the Board shall refer to the Operational Oversight Committee all matters which it reasonably considers to be within the remit of the Operational Oversight Committee, and the Operational Oversight Committee shall have the power to designate any matter considered by it in accordance with such terms of reference as a Reserved Matter by giving notice in writing to the Board of such decision, and once so designated, such matter shall not be undertaken, attempted or permitted to be undertaken by the Board save in accordance with Article 22(A).

29A 3 The Operational Oversight Committee may recommend to the Board such actions or positive steps it determines appropriate for the Board to take in connection with any matter considered by the Operational Oversight Committee, in accordance with the terms of reference then in force, by giving notice in writing to the Board of such recommendation and, save for any restrictions set out in the terms of reference then in force, may report any matter that is the subject of its recommendation to the Shareholders if it considers that the Board has acted unreasonably in not implementing its recommendation, or is unlikely to implement such recommendation within a reasonable timescale. Where any such matter is reported to the Shareholders under this Article 29A 3, the Board shall be obliged to provide the Shareholders with all such information as the Shareholders or the Operational Oversight Committee reasonably request in writing in order to enable the Shareholders to make an informed decision on the matter. The Board and the Operational Oversight Committee shall be bound to implement any decision of Shareholders who hold Shares which together carry the right to vote not less than 50% of the total number of votes which may be cast at a general meeting, on any matter decided by Shareholders the subject of a report under this Article 29A 3.

30 Secretary

30 1 Appointment

The Secretary shall be appointed by the Board at such remuneration and upon such conditions as the Board may think fit

30 2 Absence of Secretary

Anything required or authorised by the Act to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary available to act or capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary capable of acting by or to any officer of the Company authorised generally or specially in that behalf by the Board

30 3 Power of Secretary

A provision of the Act or 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

31 Seals

31 1 Custody of Seal

The Board shall provide for the custody of every Seal

31 2 Use of Seal

- (A) A Seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf
- (B) Subject as otherwise provided in these Articles, any instrument to which the common Seal is affixed shall be signed by a Director and countersigned by the Secretary or by a second Director or some other officer appointed for the purpose

31 3 Execution of deeds and other documents

A document executed in the way set out in this Article 31 which makes it clear on its face that it is intended to be a deed in whatever form of words has the same effect as a deed

PART 9 DIVIDENDS, RESERVES AND CAPITALISATION OF THE COMPANY

32 Dividends

32 1 General

The Company in general meeting may from time to time declare dividends to be paid to the Shareholders according to their rights and interests in the profits, but no dividend shall be declared in excess of the amount recommended by the Board or otherwise than in accordance with the provisions of the Act

32 2 Entitlement to participate in dividend

Subject to the rights of persons (if any) entitled to Shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the

Shares in respect whereof the dividend is paid, but no amount paid up on a Share in advance of calls shall be treated for the purposes of this Article as paid up on the Share. All dividends shall be apportioned and paid pro rata according 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 be issued on terms providing that it shall rank for dividend as from a particular date for all dividends declared after a particular date such Share shall rank for dividend accordingly.

32.3 Interim and fixed dividends

Subject to the provisions of the Act, the Board may from time to time pay to the Shareholders such interim dividends as appear to the Board to be justified by the profits of the Company and may also pay the fixed dividend which is payable on any Shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

32.4 Set-off of sums in respect of calls, etc

The Board may deduct from any dividend payable to any Shareholder all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to Shares of the Company.

32.5 Interest

No dividend or other monies payable on or in respect of any Ordinary Shares shall bear interest against the Company.

32.6 Payment of dividends

Any dividend, interest or other sum payable in cash to the holder of Shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first on the Register in respect of the Shares or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such Shares, and shall be sent at his or their risk.

32.7 Joint holders

Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable in respect of the Shares held by such joint holders.

32.8 Dividend in specie

Any general meeting declaring a dividend in respect of Ordinary Shares may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up Shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the value so fixed in order to secure equality of distribution.

32 9 No trustee

The payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a Share into a separate account shall not constitute the Company a trustee in respect thereof

32 10 Forfeiture of dividends

Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company

33 Reserves

33 1 General

The Board may, before recommending any dividend in respect of Ordinary Shares, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments permitted by law as the Board may from time to time think fit. The Board may also without placing the same to reserve, carry forward any profits which it may think prudent not to pay to Shareholders by way of dividend

33 2 Premiums and reserves

The Board shall transfer to Share premium account as required by the Act sums equal to the amount or value of any premiums at which Shares of the Company may be issued, and such other sums (if any) as the Act requires so to be transferred. Subject to the provisions of the Act the provisions of these Articles relating to reserves shall be applicable to the sum for the time being standing to the credit of Share premium account

34 Capitalisation of profits

34 1 Capitalisation of reserves

- (A) The Company may, upon the recommendation of the Board, by ordinary resolution resolve that it is desirable to capitalise any sum placed or reserve standing to the credit of any specific reserve account of the Company (including, without prejudice to the generality of the foregoing, Share premium account and capital redemption reserve) or any sum standing to the credit of the profit and loss account and whether or not such sum is available for distribution, provided that such sum be not required for paying the dividends on any Shares carrying a fixed cumulative or non-cumulative preferential dividend, and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised to the Shareholders in proportion to the number of Shares held by them and to apply such sum on their behalf in paying up in full unissued Shares of the Company of a nominal amount equal to such sum, such Shares to be allotted and distributed, credited as fully paid up, to and amongst such holders in the proportion aforesaid
- (B) The Company in general meeting may on the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying

up in full unissued Shares to be allotted as fully paid bonus Shares to those Shareholders of the Company who would have been entitled to that sum if it were distributed by way of dividend (and in the same proportions) and the Board shall give effect to such resolution

34 2 Power of Board in relation to distribution

Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any Shareholders in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the Shareholders

PART 10. MISCELLANEOUS

35 Accounting records

35 1 General

The Board shall cause to be kept proper accounting records in accordance with the Act

35 2 Right to inspect records

The accounting records shall be kept at the Office or, subject to the Act, at such other place or places as the Board may think fit and shall always be open to inspection by the officers of the Company. No Shareholder (other than an officer of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board

35 3 Annual accounts

A copy of every balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the Auditors' report, shall be sent to each person entitled thereto in accordance with the requirements of the Act provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any Shares or debentures

36 Audits

Auditors shall be appointed and their duties regulated in accordance with the Act

37 Service of notice and other documents

37 1 Form of notice

Subject to Articles 37 2 and 37 3, any notice or other document may be served on or delivered to any Shareholder by the Company by any means permitted by law. In particular, as contemplated by paragraph 10(2)(b) to Schedule 5 of the Act, the Company

may send or supply documents or information to Shareholders by making them available on a website

37 2 Joint holders

In the case of joint holders of a Share, all notices shall, unless such holders otherwise in writing direct, be given to that one of the joint holders whose name stands first on the Register and notice so given shall be sufficient notice to all the joint holders

37 3 Address for service

Any Shareholder described in the Register by an address for communications in hard copy which is not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which communication in hard copy may be served upon him shall be entitled to have notices served on him at such address, but save as aforesaid no Shareholder other than a Shareholder described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company

37 4 Timing of service or delay

- (A) Any such notice or other document, if sent by first-class pre-paid post, shall be deemed to have been served or delivered two Business Days after the day when it was put in the post, and in proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post
- (B) Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left
- (C) Any notice contained in an Electronic Communication shall be deemed to have been served two Business Days after it was sent, and proof that a notice contained in an Electronic Communication was sent in accordance with guidance from time to time by the Institute of Chartered Secretaries and Administrators is conclusive evidence that the notice was given

37 5 Effect of insolvency and bankruptcy

Any notice or other document delivered or sent by post to or left at the registered address of any Shareholder in pursuance of these Articles shall, notwithstanding that such Shareholder is then insolvent or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any Share registered in the name of such Shareholder as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the Share, and such service or delivery shall for all purposes be deemed a sufficient service of delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the Share

37 6 Form of signatures

The signature to any notice required to be given by the Company may be written or printed

38 **Winding up**

If the Company shall be wound up the liquidator may, with the sanction of a special resolution, divide among the Shareholders according to their rights on a winding-up in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Shareholders as the liquidator, with the like sanction, shall think fit

39 **Insurance and indemnity**

39 1 **Insurance**

Without prejudice to the provisions of Article 39 2, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, or of any other company which is its holding company or in which the Company or such holding company or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties an/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund

39 2 **Indemnity**

(A) Without prejudice to any indemnity to which any person referred to in this Article 39 2 may otherwise be entitled, every present and former Director, Alternate Director, Secretary or other officer of the Company (excluding any present or former Auditors) (an "Indemnified Person") shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the proper execution and discharge of his duties to the Company and any Associated Company, including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that such indemnity shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person (or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled) and no Indemnified Person, Director or Alternate Director shall be entitled to be indemnified for

- (1) any liability incurred by him to the Company or any Associated Company,
- (2) any fine imposed in any criminal proceedings,
- (3) any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising,

- (4) any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final,
 - (5) any amount for which he has become liable in defending any civil proceedings brought by the Company or any Associated Company in which a final judgement has been given against him, and
 - (6) any amount for which he has become liable in connection with any application under Section 1157 of the Act in which the court refuses to grant him relief and such refusal has become final
- (B) The Company may provide funds (either directly or indirectly) to any Indemnified Person to meet expenditure incurred or to be incurred by him in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company or any Associated Company, provided that he will be obliged to repay such amount no later than
- (1) in the event that he is convicted in proceedings, the date when the conviction becomes final,
 - (2) in the event of judgement being given against him in proceedings, the date when the judgement becomes final (except that such amount need not be repaid to the extent that the expenditure is recoverable under a valid indemnity given to him by the Company), or
 - (3) in the event that the court refuses to grant him relief on any application under Section 1157 of the 2006 Act the date when the refusal becomes final