



ARTICLES OF ASSOCIATION
of
ABERDEEN FOOTBALL CLUB LIMITED

Duna Fraser

FRIDAY



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05/07/2019
COMPANIES HOUSE

No 5364

The Companies Act 2006
Private Company Limited by Shares

ARTICLES OF ASSOCIATION

of

ABERDEEN FOOTBALL CLUB LIMITED
(the “Company”)

1 Interpretation

1.1 In these Articles, if not inconsistent with the subject or context, the following words and expressions shall have the meanings stated:

“Act”	the Companies Act 2006;
“Annual General Meeting”	shall have the meaning given in Article 39;
“Articles”	these Articles of Association as from time to time altered;
“Auditors”	the auditors of the Company;
“Board” or “Directors”	the directors of the Company or a quorum of the directors present at a board meeting;
“Company’s Website”	www.afc.co.uk , or any website replacing such site as the principal website of the Company;
“Connected Person”	a “connected person” as defined in Section 839 of the Income and Corporation Taxes Act 1988;
“direction notice”	shall have the meaning given in Article 62;
“default shares”	shall have the meaning given in Article 62;
“In Writing”	written, printed, typewritten, lithographed or expressed in any other mode representing or reproducing words and any

visible substitute for writing, including by way of an electronic communication and/or making information available on the Company's Website, or partly one and partly another;

"Member"	a holder of Ordinary Shares;
"Month"	calendar month;
"Office"	the registered office of the Company;
"ordinary resolution"	has the meaning given in Section 282 of the Act;
"Remuneration Committee"	the committee of the Board established for the purposes set out in Article 104 and comprising not fewer than three non-executive Directors;
"Seal"	the common seal of the Company and, as appropriate, any official seal kept by the Company by virtue of section 50 of the Act;
"Secretary"	any person appointed by the Board to perform the duties of Secretary of the Company,
"SMG Group"	any subsidiary or holding company of Stewart Milne Group Limited (registered number 57709) having its registered office at Peregrine House, Mosscroft Avenue, Westhill Business Park, Westhill, Aberdeen or any subsidiary or holding company of such subsidiary or holding company;
"SMI"	Stewart Milne Investments Limited (registered number 56620) whose registered office is at Peregrine House, Mosscroft Avenue, Westhill Business Park, Westhill, Aberdeen;
"special resolution"	has the meaning given in Section 283 of the Act;
"Statutes"	the Act and every other Act or statutory instrument concerning limited companies and affecting the Company;
"United Kingdom"	Great Britain and Northern Ireland;
"Year"	calendar year.

- 1.2 In these Articles, reference to a statutory provision includes any amendment or re-enactment of such provision.

- 1.3 Except for the above definitions, words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- 1.4 The headings are inserted for convenience only and shall not affect the construction of these Articles.
- 1.5 In these Articles, words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine; and words importing persons shall include corporations and firms.

Table A excluded

- 2 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) (Amendment) Regulations 2007 and The Companies (Tables A to F) (amendment) (No.2) Regulations 2007 shall not apply to the Company.

Business

- 3 Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such times as they think fit, and may be permitted by them to be in abeyance, whether the branch or kind of business actually commenced or not, so long as the Directors deem it expedient not to commence or proceed with it.

Registered office

- 4 The Office shall be at such place in Scotland as the Directors appoint from time to time.

Capital

- 5 At the date of adoption of these Articles the issued share capital of the Company is £3,884,318.50 divided into 16,343,185 ordinary shares of £0.10 each (the “**Ordinary Shares**”) and 2,250,000 Preference Shares of £1.00 each (the “**Preference Shares**”).
- 6 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided in Article 9), a share (whether forming part of the original capital or not) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company by ordinary resolution determines.
- 7 Notwithstanding any other provision of these Articles, the Preference Shares have no rights to dividends and no voting rights and are not redeemable but on a return of capital are entitled to payment of their nominal value in priority to the Ordinary Shares.

- 8 Subject to Article 7, the Ordinary Shares each carry an equal right to participate in the profits, assets and capital of the Company, together with the right to vote at general meetings of the Company.

9 **Modification of rights**

Whenever the capital of the Company is divided into different classes of shares or groups and either whilst the Company is a going concern or during or in contemplation of a winding up, the special rights attached to any class or group may be modified or abrogated, subject to the provisions of the Articles and unless otherwise provided by the terms of issue of the shares of that class or group, either with the consent In Writing of the holders of three-quarters of the issued shares of the class or group, or with the sanction of any special resolution passed at a separate general meeting of the holders (but not otherwise). The consent or resolution shall be binding upon all the holders of shares of the class or group. To every separate general meeting all the provisions of these Articles relating to, or to the proceedings at general meetings shall, mutatis mutandis, apply, except that (a) the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class or group (but, if at any adjourned meeting of the holders a quorum as above defined is not present, those members who are present shall be a quorum); (b) any holder of shares in the class or group present in person or by proxy may demand a poll; and (c) the holders of shares of the class or group shall, on a poll, have one vote in respect of every share of the class or group held by them respectively. The special rights conferred upon the holders of any shares or class or group of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the conditions of issue, be deemed to be modified by the creation or issue of further shares ranking *pari passu* with them.

Shares

- 10 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 11 Subject to the provisions of the Statutes and any restrictions contained in these Articles and to any direction to the contrary given by the Company in general meeting, the Directors may allot, grant options over, or otherwise dispose of shares or rights to subscribe for, or to convert any security into, shares to such persons (including a Director) and on such terms as they think fit, but no share shall be issued at a discount.
- 12 The Company, in connection with the issue of any share, may exercise the powers of paying commissions conferred or permitted by the Statutes provided that the percentage rate or the amount of the commission paid or agreed to be paid is disclosed as required by law and does not exceed the rate of 10 per cent of the issue price of the shares in respect of which it is paid. Where permitted by the Statutes, the commission may be satisfied wholly or partly by the allotment of fully paid shares. The Company may also on an issue of shares pay such brokerage as is lawful.

- 13 The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purpose of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in case of transmission thereof as are mentioned in these Articles.

Certificates

- 14 Every person whose name is entered as a member in the register of members 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 provide) one certificate for all his shares of each class of shares held by him or, upon payment of such sum not exceeding £1 for every certificate after the first as the Directors determine, several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate. Where a member who is entitled to a certificate has transferred part of the shares comprised in his holding he shall be entitled to a certificate for the balance of his holding free of charge. Every certificate for shares shall be issued under the Seal or in such other manner as the Directors, having regard to the terms of issue, and the Statutes may authorise. The certificate shall specify the shares or securities to which it relates and (subject as provided below) shall bear the autographic signatures of at least one Director and the Secretary provided that the Directors may by resolution determine that such signatures, or either of them, shall be dispensed with or shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
- 15 If a share certificate is defaced, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and any exceptional out-of-pocket expenses of the Company in investigating the evidence and preparing the indemnity as the Board thinks fit and, in case of defacement on delivery of the old certificate to the Company.

Transfer of shares

- 16 All transfers of shares may be effected by transfer In Writing in any usual or common form, or in any other form approved by the Directors.
- 17 The instrument of transfer of a share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it. Subject to the provisions of these Articles, transfers of shares and other documents relating to or affecting the title to any shares shall be

registered without payment of any fee. All instruments of transfer which are registered shall be retained by the Company.

- 18 The Directors shall refuse to register any transfer of shares in contravention of the provisions of these Articles but shall not otherwise be entitled to refuse to register any transfer of shares, unless they have substantial reasons for believing that a transfer purportedly made in accordance with any such provision is not in fact in a material respect in accordance therewith, in which event they shall decline to register such transfer.
- 19 The Directors may also decline to register any instrument of transfer, unless:
 - (a) the instrument of transfer, duly stamped, is deposited at the Office or such other place as the Directors may appoint accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - (b) the instrument of transfer is in respect of only one class of share; and
 - (c) in the case of a transfer to joint holders, they do not exceed four in number.
- 20 If the Directors refuse to register a transfer they shall, within 2 months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal and any instrument of transfer which the Directors decline to register shall (except in the case of fraud) be returned to the person depositing it.
- 21 The register of transfers may be closed at such times and for such periods (not exceeding 30 days in any year) as the Directors determine.
- 22 Subject to section 551 of the Act, nothing in these Articles shall preclude the Directors from allowing the allotment of any share to be renounced by the allottee in favour of some other person. For all purposes of these Articles relating to the registration of transfers of shares, this renunciation shall be deemed to be a transfer and the Directors shall have the same power of refusing to give effect to it as if the renunciation were a transfer.
- 23 The Company shall be entitled to destroy (a) all instruments of transfer of shares and all other documents on the faith of which entries are made in the register of members at any time after the expiration of 6 years from the date of registration, (b) all dividend mandates and notifications of change of name or address at any time after the expiration of 2 years from the date of recording, and (c) all share certificates which have been cancelled at any time after the expiration of 1 year from the date of cancellation. If the Company destroys a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant, it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document mentioned above so destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the

Company. Nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any document at an earlier date than that provided above or if the condition as to good faith and absence of notice is not met. References in this Article to the destruction of any document include references to its disposal in any manner.

Transmission of shares

- 24 In the case of the death of a member the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares. Nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
- 25 Subject to any other provisions of these Articles, any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of the law may, upon such evidence as to his title being produced as may be required by the Directors and subject as provided below, either be registered himself as holder of the share or elect to have some person nominated by him registered as the holder thereof
- 26 Subject to any other provisions of these Articles, if the person becoming entitled as above elects to be registered himself, he shall give to the Company notice In Writing to that effect. If he elects to have his nominee registered, he must execute in favour of his nominee a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to the notice or transfer as if the event giving rise to the transmission had not occurred and the notice or transfer were a transfer executed by the member.
- 27 Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, at the discretion of the Directors, receive and give a discharge for any dividends or other moneys becoming payable in respect of the share but shall not otherwise be entitled to receive notices of or to attend or vote at meetings of the Company or to any of the rights or privileges of a member until he has become a member in respect of the share. If he fails either to transfer the share or to elect to be registered as a member in respect of it within 60 days of being required by the Directors to do so, he shall in the case of shares which are fully paid up be deemed to have elected to be registered as a member in respect of them and may be registered accordingly.

Untraced shareholders

- 28 The Company may sell (in such manner and for such price as the Directors think fit) the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if:
 - (i) during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the first date), being a period during which at least three

dividends have been payable, all warrants and cheques in respect of the shares in question sent in the manner authorised by these Articles have remained uncashed; and

- (ii) the Company on expiry of the period of 12 years has given notice, by advertisement in both a national newspaper and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised by these Articles is located, of its intention to sell the shares; and
- (iii) during the period of 12 years and the period of 3 months following the publication of the advertisements, or following the later publication if the two advertisements are published on different dates, the Company has received no indication either of the whereabouts or of the existence of the member or person.
- (iv) notice has been given to in the Edinburgh Gazette of its intention to make the sale.

- 29 To give effect to a sale the Company may appoint any person to execute as transferor an instrument of transfer of the shares. The instrument of transfer shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, the shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for an amount equal to the proceeds and shall enter the name of the former member or other person in the books of the Company as a creditor for that amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of it and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors think fit.

Increase of capital

- 30 The Company may by ordinary resolution increase its capital by such sum, to be divided into shares of such amounts, as the resolution prescribes.
- 31 Unless the Company by ordinary resolution in which the capital is increased otherwise directs, any new shares proposed to be issued shall be offered in the first instance in accordance with Section 561 of the Act to all the shareholders for the time being, on the same or on more favourable terms than those offered or to be offered to persons other than shareholders, in proportion to the number of shares of the same class held by them.

Purchase of own shares

- 32 Subject to, and in accordance with, the provisions of the Statutes and subject to Article 33, the Company may purchase its own shares (including any redeemable shares).
- 33 The Company may not purchase its own shares if at the time of purchase there are outstanding any convertible securities of the Company, unless either there are provisions in the relevant trust deed or terms of issue permitting the purchase or the purchase has been sanctioned by a special resolution passed at a separate class meeting of the holders of the convertible securities.

Alteration of capital

- 34 The Company may by ordinary resolution:
- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; and
 - (iii) sub-divide all or any of its shares into shares of smaller amount and the resolution may determine that, as between the holders of the shares resulting from the sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.
- 35 Upon a consolidation of fully paid shares into shares of larger amount the Directors may settle any difficulty which arises and in particular may, as between the holders of shares consolidated, determine which shares are consolidated into each consolidated share. In the case of any shares registered in the name or names of one or more members being consolidated with shares registered in the name or names of another member or members, the Directors may make such arrangements for the sale of the consolidated share or for the issue, acceptance or sale of fractional certificates and may sell the consolidated share or the fractions represented by fractional certificates, either upon the market or otherwise, to such person or persons at such times and at such prices as they think fit. The Directors shall distribute the net proceeds of sale among the members rateably in accordance with their interests in the consolidated share or the fractions represented by the fractional certificates. For the purpose of giving effect to a sale the Directors may appoint some person to transfer the shares or fractions sold to the purchasers.
- 36 The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner, subject to and in accordance with the provisions of the Statutes.

Redeemable shares

- 37 The Company may by special resolution create and sanction the issue of shares which are, or at the option of the Company or the holder are to be liable, to be redeemed, subject to and in accordance with the provisions of the Statutes. The special resolution sanctioning the issue shall also make such alterations to these Articles as are necessary to specify the terms on which and the manner in which the shares are to be redeemed.

General meetings

- 38 The Directors may convene a general meeting whenever they think fit. On the requisition of Members in accordance with the Statutes, the Directors shall convene a general meeting. Whenever the Directors convene a general meeting on the requisition of Members, they shall convene it for a date not more than 6 weeks after the date when the requisition is deposited at the Office (unless the requisitionists consent In Writing to a later date being fixed). If there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, *any Director or any two Members of the Company may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.*
- 39 A general meeting shall be held in each year at such time (within a period of not more than 15 months after the holding of the last preceding general meeting) and place as may be determined by the Directors. The general meetings referred to in this Article shall be called **"Annual General Meetings"**.

Notice of general meetings

- 40 In the case of the Annual General Meeting or of a meeting convened to pass a special resolution at least 21 clear days' notice and in other cases at least 14 days' notice must be given (exclusive in each case of the day on which the notice is served or deemed to be served and of the day for which the notice is given). The notice shall specify the place, the day and the hour of meeting (and in the case of an Annual General Meeting shall specify the meeting as such) and state with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy, who need not also be a member, to attend and vote instead of him. In the case of special business, the notice must specify the general nature of the business (and, in the case of a meeting convened for passing a special resolution, the intention to propose the resolution as a special resolution). The notice shall be given to the Auditors and the Directors and to such members as are, under these Articles, entitled to receive notices from the Company. With the consent In Writing of all, or such less number as is required by the Statutes, of the members entitled to attend and vote, a meeting may be convened by a shorter notice and in such manner as those members think fit. The Company shall comply with the provisions of the Statutes as to giving notice of resolutions and circulating statements on the requisition of Members.

- 41 The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, or the non-receipt of a notice or form of proxy, shall not invalidate the proceedings at any general meeting.

Proceedings at general meetings

- 42 All business shall be deemed special that is transacted at a general meeting, and also all business that is transacted at an Annual General Meeting, with the exception of declaring dividends, the reading and consideration and adoption of the accounts and balance sheet and the ordinary reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the re-election of Directors retiring and the election of Directors in the place of those retiring and the grant, renewal, limitation, extension or variation of any authority of or to the Board, under section 551 of the Act, to allot securities.
- 43 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Except as otherwise provided in these Articles, ten Members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A corporation which is a member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 58.
- 44 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors determine.
- 45 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 chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within 5 minutes after the time appointed for holding it, 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 on a poll may elect one of their number to be chairman.
- 46 The chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at an 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 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. It shall not otherwise be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 47 At a general meeting a resolution put to the vote shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by the chairman or by at least five Members present in person or by proxy and entitled to vote or by a Member or Members entitled to vote and holding or representing by proxy at least one-tenth

part of the total voting rights of all the Members having the right to vote at the meeting. Unless a poll is demanded as above, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- 48 If any votes are counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it is pointed out at the same meeting, or at an adjournment, and it is, in the opinion of the chairman of the meeting, of sufficient magnitude to vitiate the resolution.
- 49 If a poll is duly demanded, it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days of the meeting) and place and in such manner as the chairman directs (including the use of ballot or voting papers or tickets). The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. No notice need be given of a poll not taken immediately. The chairman may appoint scrutineers and may adjourn the meeting to some place and time fixed by him for declaring the result of the poll. The demand for a poll may be withdrawn before the close of the meeting or the taking of the poll, whichever is the earlier, but, if a demand is withdrawn, the chairman of the meeting or other members entitled to require a poll may himself or themselves demand a poll.
- 50 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to any votes to which he may be entitled as a member.
- 51 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.

Votes of members

- 52 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who is entitled to vote, who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a member, shall have one vote and on a poll every member who is entitled to vote who is present in person or by proxy shall have one vote for every share entitled to vote of which he is the holder.
- 53 Where there are joint holders of a share conferring the right to vote, any one of them may vote at any meeting either personally or by proxy in respect of the share as if he were solely entitled to it, but if more than one joint holder is present at a meeting either personally or by proxy, that one of them whose name stands first in the register of members in respect of the share shall alone be entitled to vote in respect of it.

- 54 A member, in respect of whom an order has been made by a competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs, may vote, whether on a show of hands or on a poll, by any person authorised to do so on his behalf and that person may on a poll vote by proxy, provided that such evidence as the Directors require of his authority has been deposited at the Office not less than 48 hours before the time for holding the meeting.
- 55 No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered. Every vote not disallowed at the meeting shall be valid for all purposes. An objection made in due time shall be conclusive.
- 56 On a poll, votes may be given either personally or by proxy.
- 57 The instrument appointing a proxy must be In Writing under the hand of the appointor or of his attorney duly authorised In Writing, or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney so authorised. The Directors may, but shall not be bound to, require evidence of the authority of the officer or attorney. A proxy need not be a member of the Company.
- 58 A corporation holding shares conferring the right to vote may, by resolution of its directors or other governing body, authorise any of its officials or any other person to act as its representative at any meeting of the Company or at any meeting of holders of any class of shares of the Company. The authorised person shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual member of the Company.
- 59 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of the power or authority, must be deposited, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, at the Office or at such other place as is nominated by the Board. In default the instrument of proxy shall not be treated as valid.
- 60 An instrument of proxy must be in such form as the Directors from time to time approve. Proxies need not be witnessed. The proxy shall be deemed to include the right to demand or join in demanding a poll and generally to act at the meeting for the member giving the proxy. The proxy shall, unless it states the contrary, be valid for an adjournment of the meeting as well as for the meeting to which it relates.
- 61 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation In Writing of the death, incapacity, revocation or transfer has been received at the Office at least 48 hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

- 62 If a member, or a person appearing to be registrable person or a registrable relevant legal entity in respect of any shares held in the Company, is in default of its obligations under Section 790G of the Act in supplying to the Company the required information within the prescribed period, the Directors may at any time by notice (a “**direction notice**”) to the member, direct that in respect of the shares in relation to which the default occurred (the “**default shares**”) the member is not entitled to vote, either personally or by proxy, at a general meeting or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to general meetings of the holders of any class of shares of the Company.
- 63 Where the default shares represent at least 0.25 per cent of the issued shares of a class, the direction notice may additionally direct:
- 63.1 that any dividend or other money which would otherwise be payable in respect of each of the default shares shall (in whole or part) be retained by the Company without any liability to pay interest when the dividend or money is paid to the member;
- 63.2 that no transfer of the default shares which is not an approved transfer shall be registered unless:
- 63.2.1 the member is not himself in default as regards supplying the information required; and
- 63.2.2 the transfer is of part only of the member’s holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares the subject of the transfer is a default share.
- 64 The Company shall send a copy of the notice to each other person appearing to be interested in the shares the subject of a direction notice but the failure or omission by the Company to do so shall not invalidate the notice.
- 65 A direction notice shall have effect in accordance with its terms for so long as the default in respect of which it was issued continues and (unless the direction notice otherwise determine) for a further period of one week but shall cease to have effect in relation to any default shares which are transferred by the member by means of an approved transfer.
- 66 For the purpose of Articles 62 to 65:
- 66.1 a person shall be treated as registrable person or a registrable relevant legal entity if the member holding the shares has given to the Company a notification under Section 790G of the Act which either (a) names that person as being a registrable person or a registrable relevant legal entity; or (b) fails to establish the identities of those being registrable person or a registrable relevant legal entity in respect of the shares and (after taking into account the notification under Section 790G) the Company knows or has reasonable cause to believe that

the person in question is or may be a registrable person or a registrable relevant legal entity in respect of the shares; and

- 66.2 a transfer of shares is an approved transfer if the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the member.
- 67 Nothing contained in Articles 62 to 66 shall limit the powers of enforcement under Section 790I of the Act.

Directors

- 68 Unless and until otherwise determined by the Company in general meeting, the Directors (disregarding alternate directors) must not be less than three or more than twelve in number.
- 69 The fees payable to any Director (other than a Director holding executive office) for his services in the office of director (excluding amounts payable under any other provisions of these Articles) shall not exceed £7,000 per annum (which figure shall be subject to upward only adjustment in line with the Retail Prices Index (as defined in Section 989 of the Income Tax Act 2007) after the date of adoption of these Articles) or such greater amount as is decided by an ordinary resolution of the Company. The remuneration shall be deemed to accrue from day to day, provided that a Director holding office for less than a year or other period for which the remuneration is paid shall only be entitled to the proportionate part of the remuneration payable for the period during which he has held office. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company or in attending and returning from meetings of the Directors or of committees of the Directors or general meetings of the Company or separate meetings of the holders of any class of shares of the Company or otherwise in connection with the discharge and performance of their duties.
- 70 Subject to the provisions of these Articles and without prejudice to the powers of the Directors under these Articles to appoint any person to be a Director, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but the total number of Directors must not at any time exceed any maximum number fixed by or in accordance with these Articles. A Director so appointed shall hold office only until the Annual General Meeting following next after his appointment, when he shall retire, but shall then be eligible for re-election; a Director so retiring shall not be taken into account in determining the number of Directors to retire by rotation at such meeting.
- 71 Any Director who at the request of the Board performs special services or goes or resides abroad for any purposes of the Company may (unless otherwise expressly resolved by the Company in general meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board determines.
- 72 No shareholding qualification for Directors is required.

- 73 Each Director may attend and speak at any general meeting of the Company.
- 74 The office of a Director shall be vacated in any of the following events, namely:
- 74.1 if (not being an executive Director whose contract precludes resignation) he resigns his office by notice In Writing to the Company;
 - 74.2 if he becomes bankrupt or makes any arrangement or composition with his creditors;
 - 74.3 if he becomes of unsound mind or a patient for any purpose of any statute relating to mental health and the Directors resolve that his office should be vacated;
 - 74.4 if he is absent from meetings of the Directors during a continuous period of 3 months without leave, and his alternate Director (if any) does not during that period attend in his stead, and the Directors resolve that his office should be vacated;
 - 74.5 if he is removed or becomes prohibited from being a Director under any provision of the Statutes; or
 - 74.6 if he is removed from office pursuant to Article 111 or section 168 of the Act.
- 75 No person shall be disqualified from being a Director in accordance with the provisions of these Articles by reason of having attained the age of seventy years or any other age, nor shall special notice or other special formality be required on that account. No Director shall vacate his office by reason only of age.
- 76 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 determines, and may be paid such extra remuneration for it (whether by way of salary, commission, participation in profits or otherwise) as the Board determines. The extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- 77 A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 78 A Director may be or become a director or other officer of, or otherwise interested in, a company promoted by the Company or in which the Company is interested, and shall not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in that company. The Board may cause the voting power conferred by the shares in another company held or owned by the Company to be exercised in such manner as it thinks fit, including the exercise in favour of a resolution appointing any of the Directors to be directors or officers of that company, or voting or providing for the payment of remuneration to the directors or officers of that company.

- 79 A Director shall not vote or be counted in the quorum on a resolution of the Board concerning his own appointment as the holder of an office or place of profit with the Company or another company in which the Company is interested (including the arrangement or variation of its terms or its termination).
- 80 Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms or the termination of the appointment) of two or more Directors to offices or places of profit with the Company or another company in which the Company is interested, a separate resolution may be put in relation to each Director. In such case, each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of its terms or its termination) and except (in the case of an office or place of profit with another company) where the other company is a company in which the Director owns 1 per cent or more.
- 81 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 82 But if Article 83 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 83 This Article 83 applies when—
- 83.1 the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;
 - 83.2 the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - 83.3 the Director's conflict of interest arises from a permitted cause.
- 84 For the purposes of this Article 84, the following are permitted causes—
- 84.1 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
 - 84.2 subscription, or an agreement to subscribe, for shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and

- 84.3 arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
- 85 For the purposes of Articles 81 to 87, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting
- 86 Subject to Article 87, if a question arises at a meeting of Directors or of a committee of directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any director other than the Chairman is to be final and conclusive.
- 87 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 88 If a matter, or office, employment or position, has been authorised in accordance with Article 83 then:
- 88.1 the Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;
- 88.2 the Director may absent himself from Directors' meetings at which anything relating to that matter, or that office, employment or position, will or may be discussed; and
- 88.3 the Director may make such arrangement as such Director thinks fit for Directors' meeting and committee papers to be received and read by a professional adviser on behalf of that Director.
- 89 A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved pursuant to Article 83 (subject always in any such case to any limits or conditions to which such approval was subject).
- 90 A company shall be deemed to be a company in which a Director owns 1 per cent or more if and so long as he is (either directly or indirectly) the holder of or beneficially interested in 1 per cent or more of any class of its equity share capital or of the voting rights available to its members. For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the trust income, and any shares comprised in an

authorised unit trust, investment trust or similar collective investment scheme in which the Director is interested only as a unit holder.

- 91 Where a company in which a Director owns 1 per cent or more is materially interested in a transaction, he shall also be deemed materially interested in the transaction.
- 92 Notwithstanding any other provisions of these Articles, SMI shall for so long as it alone or together with other members of the SMG Group and any of their Connected Persons holds at least 15% in aggregate of the issued ordinary share capital (and therefore at least 15% of the voting rights) of the Company for the time being be entitled from time to time to appoint as a Director of the Company any person approved by the Board (whose approval shall not be unreasonably withheld or delayed) and to remove from office any person so appointed and (subject to such approval) to appoint another person in his place.
- 93 Notwithstanding any other provisions of these Articles, The Deeside 2008 Family Trust of 282 Montgomery Street, Santa Rosa Beach, Florida 32459, USA and David Alexander Cormack shall for so long as they together with their Connected Persons hold at least 10% in aggregate of the issued Ordinary Shares (and therefore at least 10% of the voting rights) in the capital of the Company for the time being be entitled from time to time to appoint as a Director of the Company any person approved by the Board (whose approval shall not be unreasonably withheld or delayed) and to remove from office any person so appointed and (subject to such approval) to appoint another person in his place.

Powers of directors

- 94 The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, but subject to any regulations of these Articles, to the provisions of the Statutes, and to such regulations, which are not inconsistent with those regulations or provisions, as may be prescribed by special resolution of the Company. No regulation made by the Company by special resolution shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made. The general powers given by this Article are not limited or restricted by any special authority or power given to the Directors by any other Article.
- 95 The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company is interested shall be carried on by or through one or more subsidiaries. They may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business or for financing, assisting or subsidising any subsidiary or guaranteeing its contracts, obligations or liabilities. They may appoint, remove and reappoint any person (whether a member of their own body or not) to act as a director, managing director or manager of a subsidiary or any other company in which the Company is interested, and may determine his remuneration (whether by way of salary, commission on profits or otherwise). A Director may retain any remuneration payable to him in respect of the appointment.

- 96 The Directors may by power of attorney appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they think fit. The power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may authorise the attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 97 The Directors may procure the establishment and maintenance of or participation in or contribution to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, bonuses, benefits or emoluments to, any person (including directors and other officers whether of the Company or of any other company referred to in this paragraph) who is or has been in the employment of the Company, or of any company which is a subsidiary of the Company or a predecessor in business of the Company or a subsidiary, or of any allied or associated companies of the Company or any such companies and the spouses, widows, widowers, families, dependants or connections of any such persons. No pension, annuity or other allowance or benefit (except as provided for by or in accordance with any other Article) shall be granted to a Director or former Director who has not been an executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of a Director or former Director, without the approval of an ordinary resolution of the Company.
- 98 The Directors may establish, maintain and give effect to any scheme approved by an ordinary resolution of the Company for the allotment of or the grant of options to subscribe for shares of the Company to persons (including Directors) in the employment of the Company or any subsidiary of the Company and may exercise all the powers conferred on them by the scheme (including any power to alter or add to its provisions). These Articles shall be deemed to be modified so far as may be necessary to give effect to the scheme in respect of any shares in issue or under option.
- 99 The Directors may procure any of the matters referred to in this Article are done by the Company either alone or in conjunction with any other company.
- 100 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Directors determine.

Borrowing

- 101 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future) and, subject to the Statutes, to issue any securities, whether outright or as collateral security, for any debt liability or obligation of the Company or of any third party.

- 102 The Board may borrow or raise any such money as aforesaid upon or by the issue or sale of any bonds, debentures or other securities and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as it may think proper including a right for the holders of bonds, debentures or other securities to exchange the same for shares in the Company of any class.

Executive directors

- 103 The Directors may appoint one or more of their number to an executive office including the office of chairman, vice-chairman, managing Director, joint managing Director, assistant managing Director or manager or any other salaried office for such period and on such terms as they think fit. Without prejudice to any claim a Director may have for damages for breach of any contract of service between him and the Company, his appointment shall automatically determine if he ceases from any cause to be a Director, or (subject to the terms of any contract between him and the Company) if the Directors resolve that his term of office as an executive Director should be determined.
- 104 A Director holding office pursuant to the last preceding Article shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Remuneration Committee shall determine. The Director shall be a director for the purposes of and subject to the provisions of section 188 of the Act.
- 105 The Directors may entrust to and confer upon a Director holding executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may revoke, withdraw or vary any of the powers.

Rotation of directors

- 106 At every Annual General Meeting, any Directors who are bound to retire under Article 70 and one-third of the other Directors or, if their number is not a multiple of three, then the number nearest to one-third shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting.
- 107 The Directors to retire on each occasion shall be those who have been longest in office since their last election but, as between persons who became or were re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the Annual General Meeting. No Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of the notice but before the close of the meeting.
- 108 A retiring Director shall be eligible for re-election.

- 109 Subject to the provisions of these Articles, the Company at the meeting at which a Director retires may elect a person to fill the vacated office. In default, the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at the meeting it is expressly resolved not to fill the vacated office or unless a resolution for the re-election of the Director has been put to the meeting and lost.
- 110 No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting, unless not less than 7 nor more than 21 days before the date appointed for the meeting there has been left at the Office a notice In Writing, signed by a member (not being the person to be proposed) *duly qualified to attend and vote at the meeting, of his intention to propose the person for election*, and a notice In Writing signed by that person of his willingness to be elected.
- 111 Without prejudice to the power of the Company under section 168 of the Act to remove a Director before the expiration of his period of office by ordinary resolution, the Company may, by ordinary resolution of which special notice has been given in accordance with section 312 of the Act, remove any Director (including a managing Director or other executive Director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office and may by an ordinary resolution appoint another person in his place. The person who is appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
- 112 Every resolution of a general meeting for the appointment or election of a Director shall relate to one named person and a single resolution for the appointment or election of two or more persons as Directors shall be void.

Proceedings of directors

- 113 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote. A Director may at any time, and the Secretary on the requisition of a Director shall, summon a Board meeting.
- 114 Notice of a Board meeting may be given to a Director (i) personally or by word of mouth, or (ii) sent In Writing to him at his last known address or any other address given by him to the Company for this purpose, or (iii) sent In Writing by electronic communication addressed to him using his email address as appearing in the register of directors or an email address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings during his absence are sent to him In Writing (i) at his last known address or any other address given by him to the Company for this purpose, or (ii) by electronic communication addressed to him using an email address given by him to the Company for this purpose. In the absence of a request it shall not be necessary to give notice of a Board meeting to a Director who is absent from the

United Kingdom. A Director may waive notice of a meeting either prospectively or retrospectively.

- 115 The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless fixed at any other number, shall be three.
- 116 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in the Board. 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 may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company, but not for any other purpose. If there are no Directors or no Director able or willing to act any two Members may summon a general meeting of members for the purpose of appointing Directors.
- 117 If the Directors have not appointed a chairman or vice-chairman pursuant to Article 103, or if at any meeting neither the chairman nor the vice-chairman is present within 5 minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairman of the meeting.
- 118 The Board may establish local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local boards, or to be managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than the power to borrow and make calls), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies and to act notwithstanding vacancies. An appointment or delegation may be made upon such terms and subject to such conditions as the Board thinks fit. The Board may remove any person appointed as above and may revoke or vary any delegation, but a person dealing in good faith and without notice of the revocation or variation shall not be affected by it.
- 119 A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Directors.
- 120 The Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit and may revoke a delegation and discharge a committee in whole or in part. A committee shall in the exercise of the powers delegated to it conform to any regulations that are imposed by the Directors.
- 121 The meetings and proceedings of a committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as they are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
- 122 A member of the Board, or of a committee of the Board, may participate in a meeting of the Board or the committee by means of a conference telephone or any communication

equipment which allows all persons participating in the meeting to hear each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

123 A resolution In Writing, signed by all or a majority of the Directors entitled to notice of a meeting of the Directors or by all of the members of a committee, shall be as valid as if it had been passed at a Board meeting or a meeting of the committee duly called and constituted. The resolution may consist of several documents in the like form each signed by one or more of the Directors or members of the committee. For the purpose of this Article, the signature of an alternate Director entitled to notice of a meeting of Directors shall suffice in lieu of the signature of the Director appointing him.

124 The Directors shall cause minutes to be made in books provided for the purpose:

- (a) of all appointments of officers made by the Directors;
- (b) of the names of all the Directors present at each Board meeting and meeting of a committee of Directors;
- (c) of all resolutions and proceedings at meetings of the Company and of any class of members of the Company and of the Directors and of any committee of Directors.

The minutes, if purporting to be signed by the chairman of the meeting at which the appointments were made, or the Directors were present, or the resolutions were passed or proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company, or class of members of the Company, or Directors or committee (as the case may be), shall be sufficient evidence without any further proof of the facts stated in it.

125 All actions done by any Board meeting, or meeting of a committee of Directors, or by a person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any Director, or of the person acting as a Director, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if each of them had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.

126 The Directors may appoint any person to an office or employment having a title including the word "director" or attach such a title to any existing employment with the Company and may terminate the appointment or the use of the title. The inclusion of the word 'director' in the title of any office or employment (other than the office of managing or joint managing or deputy or assistant managing director) does not imply that the employee is a Director and the employee shall not as a result be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles.

Secretary

- 127 The Secretary shall be appointed by the Directors at such remuneration and upon such terms as they think fit. The Secretary may be removed by the Directors. The Directors may appoint an assistant Secretary or assistant Secretaries and temporary substitutes for the Secretary. An assistant Secretary or temporary substitute shall for the purpose of these Articles be deemed to be and may fulfil the duty of the Secretary subject to any limitation prescribed by the directors.
- 128 A provision of the Statutes 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 the place of, the Secretary.

The seal

- 129 The Seal shall be used only by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed. Unless otherwise determined and except as provided in Article 14, it shall be signed by a Director and by the Secretary or by a second Director or some other person approved by the Board.
- 130 The Company may exercise the powers conferred by section 49 of the Act with regard to having an official seal for use abroad, and the powers shall be vested in the Board.
- 131 A document signed by a Director and by the Secretary or another Director and expressed, in whatever form of words, to be executed by the Company shall have the same effect as if it were under seal. A document executed in this way which makes it clear on its face that it is intended to be a deed, in whatever form of words, has effect, upon delivery, as a deed.

Authentication of documents

- 132 Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Articles) and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the Company's head office, the local manager or other officer of the Company having the custody of them shall be deemed to be a person appointed by the Directors under this Article.

Alternate directors

- 133 A Director may appoint any person who is approved by the Board to be an alternate Director, and may remove from office an alternate Director appointed by him.

- 134 An alternate Director shall be entitled (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) to receive notices of all meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a Director at any of the meetings at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in the absence of the appointor. When acting also as a Director or as an alternate Director for more than one Director, an alternate Director shall have one vote for every Director he represents, in addition to his own if he is himself a Director, and, where the quorum exceeds two, he shall be considered as two Directors for the purpose of making a quorum.
- 135 An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director. If a Director retires by rotation but is re-elected by the meeting at which the retirement takes effect an appointment made by him under this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not retired.
- 136 All appointments and removals of alternate Directors shall be effected by notice In Writing by the Director making or revoking the appointment given to the Company at the Office or at a duly convened and held meeting of the Board.
- 137 An alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director. He shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as his appointor by notice In Writing to the Company directs. He shall not otherwise in respect of the appointment be entitled to receive any remuneration from the Company. An alternate Director may be indemnified by the Company to the same extent as a Director.
- 138 An alternate Director shall be an officer of the Company, he shall alone be responsible to the Company for his own acts or defaults and shall not be deemed to be the agent of or for the Director appointing him.

Dividends

- 139 The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly. No dividend or interim dividend may be paid otherwise than in accordance with Part 23 of the Act.
- 140 No dividend shall be payable except out of the profits of the Company (including profits set aside to any reserve fund under Article 153 or in excess of the amount recommended by the Directors).
- 141 Dividends must be declared and paid on fully paid up shares in respect of which the dividends are paid. Dividends shall be apportioned and paid pro rata according to the number of shares

during any portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it ranks for dividend as from a particular date, the share shall rank for dividend accordingly.

- 142 The Directors must transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company are issued.
- 143 The Directors may pay such interim dividends as appear to them to be justified by the profits of the Company. If the capital of the Company is divided into different classes of shares the Directors may pay interim dividends in respect of those shares which confer on the holders deferred or non-preferred rights as well as in respect of those shares which confer on the holders preferential or special rights with regard to dividends. Provided that the Directors act bona fide, they shall not incur any responsibility to the holders of any shares for any damage that they suffer by reason of the payment of an interim dividend on any shares. The Directors may also pay half yearly or at other suitable intervals to be settled by them any dividend which is payable at a fixed rate if they are of the opinion that the profits justify the payment.
- 144 A general meeting declaring a dividend or bonus may direct payment of the dividend or bonus wholly or partly by the distribution of specific assets and, in particular, of paid up shares or debentures or other securities of another company or in any one or more of these ways. The Directors shall give effect to the resolution and, where a difficulty arises in regard to the distribution, the Directors may settle it as they think expedient. In particular they may issue certificates in respect of fractions and fix the value for distribution of specific assets, may determine that cash payments are made to any members upon the footing of that value in order to adjust the rights of all parties and may vest the assets in trustees as may seem expedient to the Directors.
- 145 A resolution of the Company or of the Directors declaring a dividend may specify any date as the record date for the dividend, whether or not prior to the date on which the resolution is passed.
- 146 The Directors may deduct from any dividend or bonus payable to a member any sums presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 147 No unpaid dividend, bonus or interest shall bear interest as against the Company.
- 148 The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 149 The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is, under the provisions of these Articles relating to the transmission of shares, entitled to become a member, or which any person under those provisions is entitled to transfer, until he becomes a member in respect of the shares or duly transfers them.

- 150 A dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it, or by direct bank transfer to such bank account as the member or person entitled to it directs, and in case of joint holders to one of them or to such person and such address or such bank account as the joint holders may direct. The cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the member, person entitled or joint holders direct. Payment of the cheque or warrant shall be a good discharge to the Company. Every cheque or warrant shall be sent at the risk of the person entitled to the money which it represents.
- 151 If several persons are registered as joint holders of a share, any one of them may give an effectual receipt for any dividend or other moneys payable on or in respect of the share.
- 152 All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Dividends unclaimed for 12 years after they became due for payment shall, unless the Directors otherwise resolve, be forfeited and revert to the Company.

Reserves

- 153 The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied. Pending application the sum reserved may either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors think fit. The Directors may, without placing them to reserve, carry forward any profits which they think it prudent not to distribute.

Capitalisation of profits and reserves

- 154 Subject to Chapter 2 of Part 17 and to Part 23 of the Act, the Company in general meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise an amount standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that it is set free for distribution among the members who would have been entitled to it if distributed by way of dividend and in the same proportions on condition that it is not paid in cash but is applied in paying up in full unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and among those Members in those proportions, or partly in the one way and partly in the other. The Directors shall give effect to the resolution.
- 155 Whenever a resolution is passed under the preceding Article, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised. Subject to section 80 of the Act, the Directors shall make all allotments and issues of fully paid shares or securities, if any, and generally shall do all acts and things required to give effect to the resolution. The Directors may make such provision by the issue of certificates in respect of fractions or by payment in cash or otherwise as they think fit for the case of shares or securities becoming distributable in fractions. The Directors may authorise any person to

enter into an agreement with the Company, on behalf of the members interested, providing for the allotment to them, credited as fully paid up, of any shares or securities to which they may be entitled upon the capitalisation. Any agreement made under the authority shall be effective and binding on all the members.

Discovery and secrecy

- 156 No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter in the nature of a trade secret or secret process which relates to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the members of the Company to communicate to the public.

Accounts

- 157 The Directors shall cause accounts to be kept:
- (a) of the sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
 - (b) of all sales and purchases of goods by the Company; and
 - (c) of the assets and liabilities of the Company.
- 158 The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than as Director) shall have any right of inspecting any account, book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.
- 159 The Directors shall not be bound, unless expressly instructed so to do by a special resolution of the Company in general meeting, to publish any list or particulars of the securities or investments held by the Company or to give to any shareholder any information relating to them.
- 160 Once at least in every year the Directors shall lay before the Company in general meeting a profit and loss account giving a true and fair view of the profit or loss of the Company for the financial year to which it relates and a balance sheet giving a true and fair view of the state of affairs of the Company as at the date at which it is made out and containing a general summary of the capital, the assets and the liabilities of the Company arranged under suitable heads, both made up to a date not more than 7 months before the meeting. If the Company is a holding company as defined by the Statutes, there shall also (except in so far as the Statutes otherwise permit) be laid before the Company in general meeting a consolidated balance sheet dealing with the state of affairs at the end of the Company's financial year of the Company and its then subsidiary undertakings and a consolidated profit and loss account dealing with the profit or loss for the Company's financial year of the Company and its then subsidiary

undertakings. The Directors shall in preparing every such profit and loss account and balance sheet and consolidated profit and loss account and consolidated balance sheet have regard to the applicable provisions of the Statutes.

- 161 Every balance sheet, profit and loss account, consolidated balance sheet and consolidated profit and loss account shall be signed in such manner as is required by the Statutes. There shall be attached to the balance sheet a report by the Directors as required by the Statutes.
- 162 Except as provided in the next following Article, a copy of the report by the Directors and of the Auditors' report, accompanied by the balance sheet (including every document required by law to be annexed or attached to it), and profit and loss account, consolidated balance sheet and consolidated profit and loss account, shall, at least 21 days before the annual general meeting, be either: (i) delivered or sent by post to the registered address of every Member of the Company; or (ii) sent by electronic communication addressed to every Member of the Company using his email address as appearing in the register of members or an email address given by him to the Company for this purpose; or (iii) made available for inspection by Members of the Company on the Company's Website.
- 163 The Company may, in accordance with section 426 of the Act and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in the preceding Article.

Auditors

- 164 No Director and no person who is a partner of or in the employment of a Director, and no corporation of which a Director is a member may be appointed as Auditor. The duties of the Auditors shall be regulated in accordance with the Statutes.
- 165 Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that at the time of his appointment he was not qualified for appointment.

Notices

- 166 Any notice or document may be served by the Company In Writing on any member either (i) personally, (ii) by sending it through the post in a prepaid letter addressed to him at his registered address as appearing in the register of members, (iii) by electronic communication addressed to him using his email address as appearing in the register of members or an email address given by him to the Company for this purpose, or (iv) by being made available for inspection by Members of the Company on the Company's Website. A member is entitled to receive notices from the Company notwithstanding that his registered address as appearing in the register of members is outside the United Kingdom. In the case of joint holders of a share, notices shall be given to that one of the joint holders whose name stands first in the register of members and notice given to him shall be sufficient notice to all the joint holders.
- 167 Any notice or other document, if served by post, shall be deemed to have been served on the day following that on which the letter containing it is posted. In proving service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.
- 168 Any notice or document delivered or sent by post to or left at the registered address of any member shall, notwithstanding that the member is then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in his name as sole or joint holder, unless at the time of the service of the notice or document his name has been removed from the register as the holder of the share. The service shall for all purposes be deemed a sufficient service of the notice or document on all persons interested in the share (whether jointly with or as claiming through or under him).
- 169 Any notice or other document, if sent or supplied by electronic means, shall be deemed to have been received 24 hours after it was sent.
- 170 Any notice or document made available to Members on the Company's Website, shall be deemed to have been received 24 hours after the relevant notice or document was so made available on the Company's Website.
- 171 A notice required to be given by the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement or by being available on the Company's Website. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, it may be convened by notice advertised in at least two leading daily newspapers with appropriate circulation, of which one is a leading London daily newspaper. The notice shall be deemed to have been duly served on all members entitled to it at noon on the day when the advertisement appears. The Company shall send confirmatory copies of the notice by post if at least 48 hours prior to the meeting the posting of notices to addressees within the United Kingdom again becomes practicable.

- 172 Every person who by operation of law, transfer or other means becomes entitled to any share shall be bound by every notice in respect of the share which, prior to his name and address being entered in the register of members, has been duly given to the person from whom he derives his title other than a notice given under Article 62 or Article 63.

Winding up

- 173 On a winding up of the Company, the balance of the assets available for distribution, after deduction of any provision made under section 247 of the Act and subject to any special rights attaching to any class of shares, will belong to the holders of any ordinary shares then in issue according to the numbers of shares held by them or, if no ordinary shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them.
- 174 If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of properties of different kinds. He may for that purpose set such value as he deems fair upon any one or more class or classes of property and may determine how the division is carried out as between the members or different classes of members. He may, with the same authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the same authority thinks fit, but no contributory shall be compelled to accept any assets in respect of which there is a liability.
- 175 The power of sale of a liquidator includes a power to sell wholly or partially for shares or Debentures, or other obligations of another company either then already constituted or about to be constituted, for the purpose of carrying out the sale.

Indemnity

- 176 Except so far as the provisions of this Article are avoided by any provisions of the Statutes, the Directors, executive Directors, Auditors, Secretary and other officers of the Company, and their respective executors or administrators, shall to the extent permitted by the Statutes be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices, unless incurred through their own wilful neglect or default. None of them shall be answerable for the acts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or assets of the Company are lodged or deposited for safe custody, or for the insufficiency or deficiency or any security upon which any moneys of the Company are placed out or invested, or for any other loss or damage which happens in the execution of their offices, unless resulting from their own wilful neglect or default. Subject to the provisions of the Act, the directors may purchase and maintain insurance at the expense of the Company for the benefit of any director or other officer or auditor of the Company against any liability which

may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done by him as a director, officer or auditor.