

The Companies Acts, 1862 to 1890

and

The Companies Act 1985

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COMPANY LIMITED BY SHARES

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**CHLORIDE**

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**Articles of Association**

**of**

**CHLORIDE GROUP PUBLIC LIMITED COMPANY**

with effect from 1 October 2009

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Incorporated on 12th December, 1891

**THE COMPANIES ACTS, 1862 to 1890**

**and**

**THE COMPANIES ACTS 1985 AND 2006**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**- of -**

**CHLORIDE GROUP PUBLIC LIMITED COMPANY**

**(Adopted by special resolution passed on 21 July 2009)**

**PRELIMINARY**

1.(A) The regulations in Table A in the Companies (Table A to F) Regulations 1985 (as amended from time to time) and in any Table A applicable to the Company under any former enactment relating to companies shall not apply to the Company..

1.(B) Any model articles promulgated under the Act shall not apply to the Company.

2. In these Articles, if not inconsistent with the context, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column:

<i>the Act</i>	means the CA 2006 including any modification or re-enactment of it for the time being in force;
<i>address,</i>	in relation to electronic communications, includes any number or address used for the purposes of such communications;
<i>these Articles</i>	means these articles of association as from time to time altered by special resolution;
<i>Auditors</i>	means the auditors for the time being of the Company;
<i>the Board</i>	means the directors or any of them acting as the board of directors of the Company;
<i>CA 1985</i>	means the Companies Act 1985;
<i>CA 2006</i>	means the Companies Act 2006;
<i>Companies Acts</i>	has the meaning given by section 2 of the Act and includes any enactment passed after those Acts which

may, by virtue of that or any other such enactment, be cited together with those Acts as the "Companies Acts" (with or without the addition of an indication of the date of any such enactment);

<b><i>Director</i></b>	means any person for the time being a director of the Company;
<b><i>dividend</i></b>	means dividend or bonus;
<b><i>electronic communication</i></b>	means, unless the contrary is stated, an electronic communication (as defined in the CA 1985) comprised in writing;
<b><i>electronic signature</i></b>	has the meaning given by section 7(2) of the Electronic Communications Act 2000;
<b><i>month</i></b>	means calendar month;
<b><i>the Office</i></b>	means the registered office of the Company;
<b><i>paid</i></b>	means paid or credited as paid;
<b><i>the Register</i></b>	means the register of members of the Company;
<b><i>the Seal</i></b>	means the common seal of the Company;
<b><i>the United Kingdom</i></b>	means Great Britain and Northern Ireland; and
<b><i>year</i></b>	means year from 1st January to 31st December inclusive.

References to a ***document*** include, unless the context otherwise requires, references to an electronic communication.

References to a document being ***executed*** include references to its being executed under hand or under seal or, in the case of an electronic communication, by electronic signature.

References to an ***instrument*** mean, unless the contrary is stated, a written document having tangible form and not comprised in an electronic communication.

References to a notice or other document being ***sent or given*** to or by a person mean such notice or other document, or a copy of such notice or other document, being sent, given, delivered, issued or made available to or by, or served on or by or deposited with or by, that person by any method authorised by these Articles and ***sending*** and ***giving*** shall be construed accordingly.

The expression ***Secretary*** shall include a temporary or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary.

References to *writing* means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether comprised in an electronic communication or otherwise and *written* shall be construed accordingly.

Words denoting the singular number shall include the plural number and vice versa; words denoting the masculine gender shall include the feminine gender; words denoting persons shall include corporations.

Save as aforesaid any words or expressions defined in the Companies Acts shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## **SHARE CAPITAL**

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

## **VARIATION OF RIGHTS**

4. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either:

- (a) with the consent of the holders of three-fourths of the issued shares of the class, which consent shall be by means of one or more instruments or contained in one or more electronic communications sent to such address (if any) as may for the time being be notified by or on behalf of the Company for that purpose or a combination of both; or
- (b) with the sanction of a special resolution passed at a separate general meeting of such holders,

but not otherwise.

All the provisions of these Articles relating to general meetings shall, *mutatis mutandis*, apply to every such separate general meeting, except that 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 (excluding any shares of that class held as treasury shares) or, at any adjourned meeting of such holders, those members who are present in person or by proxy, whatever their holdings, and except that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

5. The special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not, unless otherwise expressly provided by these Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

## SHARES

6. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

7.(1) The Board has general and unconditional authority to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount equal to the Section 551 Amount for each Prescribed s551 Period.

7.(2) Before the expiry of a Prescribed Period the Company may make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert any security into shares to be granted after such expiry. The Board may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if the Prescribed Period during which that offer or agreement was made had not expired.

7.(3) Subject to the provisions of the Companies Acts relating to authority, pre-emption rights or otherwise and of any resolution of the Company in general meetings passed pursuant to those provisions and, in the case of redeemable shares, the provisions of Article 46:

- (a) all unissued shares for the time being in the capital of the Company shall be at the disposal of the Board; and
- (b) the Board may reclassify, allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons on such terms and conditions and at such times as it thinks fit.

7.(4) In this Article 7 and in Article 8:

- (a) **Prescribed Period** means a Prescribed s551 Period and/or a Prescribed s561 Period.
- (b) **Prescribed s551 Period** means any period for which the authority conferred by Article 7.(1) is given by ordinary or special resolution stating the Section 551 Amount;
- (c) **Prescribed s561 Period** means any period for which the authority conferred by Article 8.(1) is given by special resolution stating the Section 561 Amount;
- (d) **Section 551 Amount** means, for any Prescribed s551 Period, the amount stated in the relevant ordinary or special resolution; and
- (e) **Section 561 Amount** means, for any Prescribed s661 Period, the amount stated in the relevant special resolution.

8.(1) The Board is empowered for each Prescribed s561 Period to allot equity securities for cash pursuant to the authority conferred by Article 7.(1) as if section 561 of the Act did not apply to any such allotment, provided that its powers shall be limited to:

- (a) the allotment of equity securities in connection with a pre-emptive issue; and
- (b) the allotment (otherwise than pursuant to Article 8.(1)(a)) of equity securities up to an aggregate nominal amount equal to the Section 561 Amount.

8.(2) In this Article 8:

- (a) ***pre-emptive issue*** means an offer of equity securities to ordinary shareholders or an invitation to ordinary shareholders to apply to subscribe for equity securities and, in accordance with their rights the Board so determines, holders of other equity securities of any class (whether by way of rights issue, open offer or otherwise) where the equity securities respectively attributable to the interests of ordinary shareholders or holders of other securities, if applicable, are proportionate (as nearly as practicable) to the respective numbers of ordinary shares or other equity securities, as the case may be, held by the, but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or any legal, regulatory or practical problems under the laws or regulations of any overseas territory or the requirements of any regulatory body or stock exchange;
- (b) ***equity securities*** shall be construed in accordance with section 560 of the Act.

9. Subject to the provisions of the Companies Acts, the Company may pay such commission as is permitted by section 553 of the Act. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in another. The Company may also on any issue of shares pay such brokerage as may be lawful.

10. If any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may subject to the conditions and restrictions contained in the Companies Acts, pay interest on so much of such share capital as is for the time being paid up, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of the plant.

11. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

12.(1) If at any time the Board is satisfied that, in relation to any shares in the capital of the Company:-

- (a) any member has failed to pay any call or instalment of a call in the manner and at the time appointed for payment thereof; or
- (b) any member or other person appearing to be interested in any shares in the capital of the Company has:
  - (i) failed within the prescribed period to comply with a notice given to that person by the Company pursuant to section 793 of the Act (other than a person for the time being exempted by the Secretary of State from the operation of such section); or
  - (ii) in purported compliance with any of such requirements, made a statement which is false or inadequate in a material particular;

then the Board may send notice to any member holding shares in relation to which the Board has determined or become aware that a default within paragraphs (a) or (b) above has occurred. Subject to Article 22, any such notice (hereinafter referred to as a **Default Notice**) shall specify the nature of default, the number of shares concerned and the steps to be taken to remedy such default.

12.(2) The Board may at any time give notice cancelling a Default Notice.

12.(3) After the sending of a Default Notice or, if later, the time specified therein, the member concerned shall not be entitled to attend or vote at any general meeting, either personally or by proxy, or to be reckoned in a quorum or to exercise any right or privilege as a member in relation to general meetings in respect of any shares specified in the Default Notice.

Where the shares in relation to which a default within 12(1)(b) above has occurred (the **default shares**) represent at least 0.25 per cent. of the class of shares concerned, then the Board may at any time after the sending of a Default Notice in its absolute discretion impose any one or more of the following additional sanctions, namely that:-

- (a) except in a liquidation of the Company, no payment shall be made of any sums due from the Company on the default shares, whether in respect of capital or dividend or otherwise, and the Company shall not meet any liability to pay interest on any such payment when it is finally paid to the member;
- (b) no other distribution shall be made on the default shares;
- (c) no transfer of any of the shares held by such member shall be registered unless:-
  - (i) the member is not himself in default as regards supplying the information requested and the transfer when presented for registration is accompanied by a certificate given by the member in such form as

the Board may in its absolute discretion require to the effect that after due and careful enquiry the member is satisfied that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer; or

(ii) the transfer is an approved transfer.

12.(4) The Board shall cause to be noted in the Register against the member to whom a Default Notice has been sent, details of the Default Notice and the number of shares specified therein and shall cause such note to be deleted when the Default Notice ceases to have effect.

12.(5) Any notice given by the Board pursuant to this Article shall be conclusive against the member concerned and its validity shall not be questioned by any person.

12.(6) A Default Notice shall cease to have effect when the Board cancels the Default Notice, or:

(a) if given pursuant to Article 12(1)(a):

(i) when the Board sends a further notice to the member concerned stating that the default has been remedied. The Board shall send such a further notice as soon as reasonably practicable after the member concerned has remedied the default complained of in the Default Notice to the satisfaction of the Board; or

(ii) in respect of any share which is transferred, upon registration of the relevant transfer;

(b) if given pursuant to Article 12(1)(b), seven days after the earlier of:

(i) receipt by the company of notice that the relevant share has been transferred under an approved transfer; and

(ii) due compliance to the satisfaction of the Board with the Default Notice.

12.(7) For the purposes of this Article:-

(a) the prescribed period is 28 days from the date of service of the said notice under section 793 of the Act unless the default shares represent at least 0.25 per cent. of the issued shares of that class, when the prescribed period is 14 days from that date;

(b) a transfer of shares is an approved transfer if but only if:-

(i) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take-over offer (as defined in section 974 of the Act);  
or

- (ii) the Board is satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares the subject to the transfer to a party unconnected with the member and with other persons appearing to be interested in such shares; or
  - (iii) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services Act 1986 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded;
- (c) a person shall be treated as appearing to be interested in any shares if the member holding such shares has sent to the Company a notification under section 793 of the Act (or has failed to send any notification) which either (i) names such person as being so interested or (ii) fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant section 793 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

13.(1) Except as authorised by the Companies Acts:-

- (a) the Company shall not acquire its own shares, whether by purchase, subscription or otherwise except by purchase pursuant and subject to paragraph (2) of this Article, nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding company (if any);
- (b) the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription of or for any shares in the Company or its holding company (if any);
- (c) the Company shall not make or guarantee or provide any security in connection with a loan to any Director (or a person connected to any Director) or to any director (or a person connected to a director) of its holding company (if any) or enter into any other transaction in contravention of sections 197, 198, 200, 201 or 203 of the Act; and
- (d) the Company shall not be a member of a company which is its holding company.

13.(2) Subject to and in accordance with the provisions of the Companies Acts and Article 3, and subject to sanction by a special resolution passed at a separate class meeting of the holders of any class of convertible shares, the Company is authorised to purchase its own shares (including any redeemable shares).

## **CERTIFICATES**

14.(1) Every person whose name is entered as a member in the Register (except a stock exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled without payment to receive one certificate in respect of each class of shares held by him, or, with the consent of the Board and upon payment of such sum (if any) for every certificate after the first as the Board shall determine, to 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 has transferred a part of the shares comprised in his holding he shall be entitled to a certificate for the balance without charge. The provisions of Article 107 concerning the sealing of share certificates shall be complied with whenever share certificates are issued.

14.(2) Every certificate shall specify the shares to which it relates, and the amount paid up thereon. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate for each class of shares so held, and delivery of a certificate for a share to one of several joint holders shall be deemed sufficient delivery to all.

15. If a share certificate is worn out, defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity with or without security as the Board requires. In the case of loss or destruction the person to whom the new certificate is issued shall also pay to the Company any exceptional expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity.

## **CALLS ON SHARES**

16.(1) Subject to any terms upon which any shares may have been issued the Board may from time to time make calls upon the member in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium); provided that (subject as aforesaid) no call on any share shall be payable within one month from the date fixed for the payment of the last preceding call and that at least one month's notice shall be given of every call specifying the time or times and place of payment. A call may be revoked or the time fixed for its payment postponed by the Board.

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

16.(3) The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment.

17.(1) Each member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

17.(2) If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest thereon from the day fixed for payment to the time of actual payment at such rate, not exceeding 10 per cent. per annum as the Board determines; but the Board shall be at liberty to waive payment of such interest wholly or in part.

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

19. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate (if any) as may be agreed upon between the Board and such member.

## **LIEN ON SHARES**

20. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable thereon.

21.(1) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice, stating and demanding payment of the sum presently payable, and stating the intention to sell in default, shall have been sent to the registered holder for the time being of the share, or the person entitled to the share by reason of death or bankruptcy.

21.(2) To give effect to any such sale the Board may authorise some person to execute a transfer of the shares sold to the purchaser. The purchaser shall be entered in the Register as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

21.(3) The net proceeds of sale, after payment of the costs thereof, shall be received by the Company and applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to sale) be paid to the person entitled to the shares at the date of the sale.

## **FORFEITURE AND SURRENDER OF SHARES**

22.(1) If a member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, send a notice to him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment. A notice given pursuant to this Article shall constitute a Default Notice for the purposes of Article 12.

22.(2) The notice shall fix a further day (not being less than seven days from the date of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited.

23. If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

24. A forfeited share may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board thinks fit; and at any time before sale, re-allotment or disposal, the forfeiture may be annulled on such terms as the Board thinks fit. The Board may authorise some person to execute the transfer of a forfeited share.

25. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were then payable by him to the Company in respect of the shares, with interest thereon at such rate not exceeding 10 per cent. per annum as the Board shall think fit from the date of forfeiture until payment; but the Board shall be at liberty to waive payment of such interest in whole or in part and his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

26. The Board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it has been forfeited.

27. A statutory declaration that the declarant is one of the Directors or the Secretary, and that a share has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of such facts as against all persons claiming to be entitled to the share. After the person to whom the share is sold, re-allotted or disposed of shall have been registered as the holder thereof, his title to the share shall not be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

## **TRANSFER OF SHARES**

28. Subject to the requirements of the Companies Acts, all transfers of shares shall be effected in such form as the Board may approve.

29. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

30. The Board may, in its absolute discretion, refuse to register any instrument of transfer of, or which includes, shares which are not fully paid, but shall not be bound to specify the grounds upon which such registration is refused. The Board may also refuse to register any instrument of transfer of shares, if:-

- (a) it is not accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; or
- (b) it is of shares of more than one class; or
- (c) in the case of a transfer to joint holders, they exceed four in number.

31. The Company shall be entitled to destroy:-

- (i) all instruments of transfers of shares which have been registered, at any time after the expiration of six years from the date of registration thereof;
- (ii) all dividend mandates, at any time after the expiration of two years from the date of recording thereof;
- (iii) all notifications of change of name or address of a member, at any time after the expiration of one year from the date of registration thereof;
- (iv) all share certificates which have been cancelled, at any time after the expiration of one year from the date of such cancellation;
- (v) all paid dividend warrants and cheques, at any time after the expiration of one year from the date of actual payment thereof;
- (vi) all proxy appointments which have been used for the purpose of a poll, at any time after the expiration of one year from the date of such use; and
- (vii) all proxy appointments which have not been used for the purpose of a poll, at any time after one month from the end of the meeting to which the proxy appointment relates and at which no poll was demanded

and it shall conclusively be presumed in favour of the Company that any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company.

**PROVIDED ALWAYS** that:

- (1) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (2) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled;
- (3) references herein to the destruction of any document include references to the disposal thereof in any manner.

32. The Company shall be entitled to cease sending dividend warrants and cheques by post or otherwise to a member if such dividend warrants or cheques have been returned undelivered to, or left uncashed by, that member on at least two consecutive occasions. The entitlement conferred on the Company by this Article in respect of any member shall cease if such member claims a dividend or cashes a dividend warrant or cheque.

33.(1) The Company shall be entitled to sell the shares of a member or the shares to which a person is entitled by virtue of transmission on death, bankruptcy, mental disorder, operation of law or any other event if and provided that:-

- (a) during the period of twelve years prior to the date of the publication of the advertisements referred to in paragraph (b) below (or, if published on different dates, the first thereof) at least three dividends in respect of the shares in question have been declared and all dividend warrants and cheques which have been sent in the manner authorised by these Articles in respect of the shares in question have remained uncashed; and
- (b) the Company shall as soon as practicable after expiry of the said period of twelve years have inserted advertisements both in a national newspaper and in a newspaper circulating in the area of the address which notices to such member or other person may be sent in accordance with these Articles giving notice of its intention to sell the said shares; and
- (c) during the said period of twelve years and the period of three months following the publication of the said advertisements the Company shall have received no indication either of the whereabouts or of the existence of such member or person; and

- (d) if the shares are traded on London Stock Exchange plc, notice shall have been given to the Company Announcements Office of London Stock Exchange plc of the Company's intention to make such sale.

33.(2) To give effect to any such sale, the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The Board shall be entitled to register such transfer notwithstanding that no certificate representing the said shares shall be produced. 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 as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same 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 as the Board from time to time thinks fit.

34. If the Board refuses to register a transfer, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

35. The registration of transfers may be suspended and the Register closed at such times and for such periods as the Board may from time to time determine, provided that it shall not be closed for more than thirty days in any year.

## **TRANSMISSION OF SHARES**

36. In the case of the death of a member, the survivor, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

37.(1) Any person becoming entitled to a share in consequence of the death, bankruptcy or other incapacity of a member may, upon such evidence as to his title being produced as may be properly required by the Board, and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to make such transfer of the share as the deceased, bankrupt or incapacitated person could have made.

37.(2) If the person so becoming entitled shall elect to be registered himself, he shall send to the Company a notice executed by him stating that he so elects. If he shall elect to make a transfer to another person, he shall testify his election by executing a transfer of the share to that person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such

notice or transfer as if the death, bankruptcy or other incapacity of the member had not occurred and the notice or transfer were a transfer executed by that member.

38. A person becoming entitled to a share in consequence of the death, bankruptcy or other incapacity of a member shall subject to the requirements of Article 126 be entitled to receive, and may give a discharge for, all dividends and other moneys payable in respect of the share, but he shall not 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 shall have become a member in respect of the share. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

## **STOCK**

39. The Company may by ordinary resolution convert any fully paid shares into stock, and re-convert any stock into fully paid shares of any denomination.

40. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred, or as near thereto as circumstances admit. The Board may from time to time fix the minimum amount of stock transferable but so that the minimum shall not exceed the nominal amount of the shares from which the stock arose.

41. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such rights, privileges or advantages (except participation in dividends and profits and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such rights, privileges or advantages.

42. All the provisions of these Articles applicable to fully paid shares shall apply to stock, and the word "share" shall be construed accordingly.

## **CONSOLIDATION, SUB-DIVISION AND CANCELLATION OF SHARES**

43. The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares and authorise the Board to make such provisions as the Board thinks fit for the case of any fractions arising in the course of such consolidation and division, but so that the Board shall not be permitted to provide for the sale of shares representing fractions except on terms that the net proceeds are distributed among the members in respect of whose shares the fractions arise;

- (b) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of the Companies Acts;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

#### **INCREASE OF CAPITAL**

44. The Company may by ordinary resolution increase its share capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe.

#### **REDUCTION OF CAPITAL**

45. Subject to the provisions of the Companies Acts, the Company may by special resolution reduce its share capital, any capital redemption reserve fund and any share premium account in any way.

#### **REDEEMABLE SHARES**

46. Subject to the provisions of the Companies Acts, any shares may be issued on terms that they are, or at the option of the Company or the shareholder are liable, to be redeemed on such terms and in such manner as the Board may determine before the issue of the shares.

#### **MEETINGS OF MEMBERS**

##### **Convening Of General Meetings**

47. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other general meetings in that year, and shall specify the meeting as such in the notice convening it. The date, time and place of the annual general meeting shall, subject to the Companies Acts, be determined by the Board.

48. *Not used*

49. The Board may call a general meeting whenever it thinks fit, and, on the requisition of members in accordance with the Companies Acts, it shall forthwith convene a general meeting. Whenever the Board shall convene a general meeting on the requisition of members, it shall convene such meeting within the timeframe set out in the Companies Acts (unless the requisitionists shall consent in writing to a later date being fixed). If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two members may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## **NOTICE OF GENERAL MEETINGS**

50. Subject to the provisions of the Companies Acts, fourteen clear days' notice at the least or, in the case of an annual general meeting, twenty-one clear days' notice at the least (in all cases exclusive of the day on which the notice is sent or deemed to be sent and of the day for which the notice is given) shall be given in manner provided by these Articles to such members as are, under the provisions of these Articles, entitled to receive notices from the Company, to each of the Directors and to the Company's Auditors. Section 310 of the Act shall not apply to the Company.

51. Every notice of meeting shall specify the place, the day and the hour of meeting, and, in the case of special business, the general nature of such business. Every notice convening an annual general meeting shall specify the meeting as such and every notice convening a meeting to pass a special resolution shall also specify the intention to propose the resolution as a special. Every notice of meeting shall state with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote thereat instead of him and that a proxy need not be a member. Section 311(2) of the Act shall not apply to the Company.

52. Subject to the Companies Acts, the accidental omission to send notice of any meeting, or to send any notification where required by the Companies Acts or these Articles in relation to the publication of a notice of a meeting on a website, or to send a form of proxy where required by the Companies Acts or these Articles, to any person entitled to receive the same, or the non-receipt for any reason of any such notice or notification or form of proxy by such a person, whether or not the Company is aware of such omission or non-receipt, shall not invalidate the proceedings at the meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

53. 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 sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports of the Directors and Auditors, the remuneration report and any other documents required to be annexed to the balance sheet, the appointment or election of Directors in the place of those retiring by rotation or otherwise, the appointment of, and the fixing of the remuneration of, the Auditors and the renewal, limitation, extension, variation or grant of any authority of or to the Board, pursuant to section 80 of the Act, to allot securities.

54. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Three members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A corporation being a member shall be deemed to be personally present for the purpose of this Article if represented by its representative or representatives duly authorised in accordance with Article 66.

55. If within fifteen minutes from the time fixed 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 such day and to such time, and place, as may be fixed by the chairman of the meeting and if at such adjourned meeting a quorum is not present within fifteen minutes from the time fixed for holding the meeting, the members present in person or by proxy shall be a quorum.

56. The chairman of the Board, or in his absence the deputy chairman, shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time fixed for holding the meeting or is willing to act as chairman of the meeting, the Directors present shall choose one of themselves, or if no Director is present, or if all the Directors present decline to take the chair, the members present in person or by proxy shall choose a member to be chairman of the meeting. Sections 319 and 328 of the Act shall not apply to the Company.

57.(1) The chairman of a meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more or for an indefinite period, notice of the adjourned meeting shall be given in like manner as in the case of the original meeting; but it shall not otherwise be necessary to send any notice of an adjournment or of the business to be transacted at an adjourned meeting.

57.(2) If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

58. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is demanded:-

- (a) by the chairman of the meeting; or
- (b) by at least three members present in person or by proxy and having the right to vote; or
- (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or
- (d) by a member or members present in person or by proxy holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding shares in the

Company conferring a right to vote on the resolution which are held as treasury shares).

Unless a poll is so demanded, a declaration by the chairman of the meeting 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 such resolution.

59. If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

60. A poll demanded on the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the conclusion of the meeting; but, if a demand is withdrawn, the chairman of the meeting or other members entitled may himself or themselves demand a poll.

61. 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 not be entitled to a further or casting vote in addition to the votes to which he may be entitled as a member or as a representative or proxy of a member.

## **VOTES OF MEMBERS**

62. Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held, every member present in person or by proxy shall have one vote on a show of hands, and on a poll every member shall have one vote for every share of which he is the holder.

63. On a poll votes may be given in person or by proxy.

64. On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

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

66. Any corporation which is a member may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative at any general meeting, and the person or persons so authorised shall be

entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member.

67. A member incapable by reason of mental disorder of managing and administering his property and affairs may vote, whether on a show of hands or on a poll, by his receiver, or other person authorised by any Court of competent jurisdiction to act on his behalf provided that such evidence as the Board may require of the authority of such person shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote. Such person may on a poll vote by proxy.

68. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

69. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or poll at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

## **PROXIES**

70. The appointment of a proxy, whether by means of an instrument or contained in an electronic communication, shall be executed in such manner as the Board may approve. Subject thereto, the appointment of a proxy shall be executed by the appointor or his attorney or, if the appointor is a corporation, executed by a duly authorised officer, attorney or other authorised person or under its common seal. For the purpose of this Article and Articles 71 and 72, an electronic communication which contains a proxy appointment need not comprise writing if the Board so determines and in such a case, if the Board so determines, the appointment need not be executed but shall instead be subject to such conditions as the Board may approve.

71. The appointment of a proxy shall be made in writing and shall be signed in any usual or common form or in any other form which the Board may approve. Subject thereto, the appointment of a proxy may be:

- (a) by means of an instrument; or
- (b) contained in an electronic communication sent to such address (if any) for the time being notified by or on behalf of the Company for that purpose.

The Board may, if it thinks fit, but subject to the provisions of the Companies Acts, at the Company's expense send forms of proxy for use at the meeting and issue invitations contained in electronic communications to appoint a proxy in relation to the meeting in such form as may be approved by the Board. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned. A member may appoint more than one proxy to attend on the same

occasion provided that each such proxy is appointed to exercise the rights attached to a different share or shares held by that member.

72.(1) The appointment of a proxy shall:

(a) in the case of an instrument, be delivered personally or by post to the Office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose:

(i) in the notice convening the meeting, or

(ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting,

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

(b) in the case of an appointment contained in an electronic communication, where an address has been specified by or on behalf of the Company for the purpose of receiving electronic communications:

(i) in the notice convening the meeting, or

(ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting, or

(iii) in any invitation contained in an electronic communication to appoint a proxy issued by or on behalf of the Company in relation to the meeting,

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

(c) in either case, where a poll is taken more than forty-eight hours after it is demanded, be delivered or received as aforesaid and not less than twenty-four hours before the time appointed for the taking of the poll.

72.(2) Any power of attorney or other written authority under which a proxy appointment is executed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority (if any) shall be delivered personally or by post to the Office, or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 72(1)(a), not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote.

72.(3) A proxy appointment which is not delivered or received in accordance with paragraph (1) of this Article, or in respect of which paragraph (2) of this Article has

not been complied with, shall be invalid. No proxy appointment shall be valid more than twelve months after the date stated in it as the date of its execution. When two or more valid proxy appointments are delivered or received in respect of the same share for use at the same meeting, the one which was executed last shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was executed last, none of them shall be treated as valid in respect of that share.

72.(4) A proxy appointment shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

72.(5) In calculating the periods referred to in this Article, no account shall be taken of any part of a day that is not a working day.

73. A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding the poll unless notice of the determination was either delivered or received as mentioned in the following sentence at least three hours before the start of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll. Such notice of determination shall be either by means of an instrument delivered to the Office, or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 72(1)(a), or contained in an electronic communication received at the address (if any) specified by or on behalf of the Company in accordance with Article 72(1)(b), regardless of whether any relevant proxy appointment was effected by means of an instrument or contained in an electronic communication. For the purpose of this Article, an electronic communication which contains such notice of determination need not comprise writing if the Board has determined that the electronic communication which contains the relevant proxy appointment need not comprise writing.

74. [Intentionally left blank]

## **DIRECTORS**

### **Number And Appointment Of Directors**

75. Subject to any ordinary resolution of the Company, the Directors shall be not less than three nor more than fourteen in number. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not exceed the maximum number fixed by or in accordance with these Articles. Any Director so appointed shall retire from office at the next following annual general meeting, and shall then be eligible for re-appointment, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under the provisions in that behalf contained in these Articles.

76. The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is reduced below the minimum number fixed by these Articles, the continuing Directors may act for the purpose of filling up vacancies in their number or of calling a general meeting of the Company, but not for any other purpose. If there be no Director or Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.

77. Except as otherwise authorised by the Companies Acts, the appointment of any person proposed as a Director shall be effected by a separate resolution.

78. No person other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for appointment to the office of a Director at any general meeting, unless not less than seven nor more than forty-five days before the day fixed for the meeting a notice of the intention to propose such person for appointment as a Director and also notice in writing executed by the person to be proposed of his willingness to be appointed, both of which shall have been received by the Company, in the case of a notice contained in an instrument be received at the Office addressed to the Secretary or, in the case of a notice contained in an electronic communication, be received at such address (if any) as may for the time being be notified by or on behalf of the Company for that purpose by some member duly qualified to be present and vote at the meeting for which such notice is sent.

79. The shareholding qualification for Directors may be fixed by the Company in general meeting, and unless and until so fixed, no qualification shall be required.

### **Remuneration Of Directors**

80. Each Director who does not hold executive office under Article 88 shall be paid out of the funds of the Company by way of remuneration for his services a fee at such rate as the Board may from time to time determine provided that the aggregate fee payable to such Directors does not exceed £400,000 in any financial year or such other figure as the Company may in general meeting by ordinary resolution from time to time determine.

81. In addition to any remuneration or benefits provided for by or pursuant to any other Article:

81.(1). An annual fee as determined by the Board shall be paid to the chairman if such chairman does not hold executive office under Article 88.

81.(2). The Directors shall also be entitled to be repaid by the Company all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the Board, or of committees of the Board, or general meetings, or which they may otherwise properly incur in or about the business of the Company.

81.(3). Any Director who by request of the Board performs services which in the opinion of the Board go beyond the ordinary duties of a director or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

## **POWERS OF DIRECTORS**

82. The business of the Company shall be managed by the Board, and the Board may exercise all such powers of the Company as are not by the Companies Acts or by these Articles required to be exercised by the Company in general meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

83. The Board from time to time, and at any time, may establish any divisional 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 such divisional boards, or any managers or agents. The Board from time to time, and at any time, may delegate to any divisional board, manager or agent any of the powers, authorities and discretions vested in the Board, (other than the powers to borrow and make calls) and the power to sub-delegate, and may authorise the members for the time being of any such divisional boards, or any of them, to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

84.(1) The Board may (by the establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities or other benefits to or for the benefit of past or present Directors or employees of the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who were related to, connected with or dependants of any such Directors or employees.

84.(2) Pursuant to section 247 of the Act, the Board is hereby authorised to make such provision as may seem appropriate for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or transfer of the whole or part of the undertaking of the Company or any subsidiary. Any such provision shall be made by a resolution of the Board in all respects in accordance with the said section.

84.(3) Subject to the provisions of the Companies Acts, the Board may purchase and maintain any insurance for or for the benefit of any persons who are or were at any time officers, Directors (including non-executive Directors) or employees of the Company or of any company in which the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or any such other company, or who are or were at any time trustees of any retirement benefits scheme or employee benefits trust in which employees or former employees of the Company or any such other company or subsidiary undertaking are interested.

85. The Board may from time to time by power of attorney under the Seal or otherwise in accordance with the laws of the applicable jurisdiction appoint any

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

86. The Board may from time to time make and vary such regulations as it thinks fit respecting the keeping of overseas branch registers of members pursuant to the Companies Acts.

## **BORROWING**

87.(A) Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

87.(B) The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by "the Group" (which expression in this Article means the Company and/or any of its subsidiaries) and for the time being owing to persons outside the Group shall not at any time without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to twice the Share Capital and Consolidated Reserves.

87.(C) For the purposes of the said limit:

- (i) There shall be taken into account as borrowed moneys of the Group (to the extent that the same would not otherwise fall to be taken into account):-
  - (a) the principal amount outstanding in respect of any debentures (whether issued for cash or a consideration other than cash) of any member of the Group which are not beneficially owned within the Group;
  - (b) the principal amount outstanding under any acceptance credit (not being an acceptance in relation to the purchase or sale of goods in the ordinary course of trading) opened by any bank or accepting house on behalf of or in favour of any member of the Group;
  - (c) the nominal amount of any share capital and the principal amount of any debentures or other borrowed moneys of any person outside the Group the redemption or repayment whereof is guaranteed or secured by any member of the Group;

- (d) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account but moneys borrowed for the purpose of repaying or redeeming (with or without premium) the whole or any part of any borrowed moneys falling to be taken into account and intended to be applied for such purpose within four months after the borrowing thereof shall not during such period, unless and to the extent so applied, themselves be taken into account.
- (ii) ***Share Capital and Consolidated Reserves*** means at any material time the amount standing to the credit of the share capital account of the Company plus the aggregate amount standing to the credit of the consolidated capital and revenue reserves (including any share premium account and capital redemption reserve fund) plus or minus the amounts standing to the credit or debit (as the case may be) of the consolidated profit and loss account all as shown in the latest published Group accounts but adjusted as may be necessary and appropriate to take account of any subsidiary not consolidated in such accounts and any increase in or reduction of the issued and paid-up share capital of the Company since the date to which the consolidated balance sheet incorporated in such accounts shall have been made up and any distributions (other than normal preference dividends and interim dividends paid in each case out of the profits earned since such date) in cash or specie made, recommended or declared from such reserves or profit and loss account since such date; deducting any amount for goodwill or any other intangible asset in such balance sheet (as adjusted), provided that goodwill representing part of the cost of a bona fide commercial acquisition of shares or other property shall not be deducted or if written off after 15th November 1971 shall be reinstated for the purposes of this calculation; and after making such other adjustments (if any) as the Auditors may consider appropriate, including in particular adjustments to provide for the carrying into effect of the transaction for the purposes of or in connection with which the Share Capital and Consolidated Reserves require to be calculated.

For the purposes of the foregoing, share capital allotted shall be treated as issued and share capital called up or payable at any fixed future date within the following six months shall be treated as already paid and if the Company proposes to issue any shares for cash and such issue has been underwritten then such shares shall be deemed to have been issued and the subscription moneys (including any premium) payable in respect thereof within the following six months shall be deemed to have been paid up.

- (iii) The certificate of the Auditors as to the amount of the Share Capital and Consolidated Reserves at any time shall be conclusive and binding upon all concerned.

87.(D) No person dealing with the Company or any of its subsidiaries shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender

or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded.

## **CHIEF EXECUTIVE AND EXECUTIVE DIRECTORS**

88. The Board may from time to time:-

- (a) appoint one or more of its body to the office of Chief Executive, or to any other office (except that of Auditor) or employment in the Company, for such period and on such terms as it thinks fit, and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation);
- (b) permit any person appointed to be a Director to continue in any other office or employment held by him before he was so appointed.

A Director (other than a Chief Executive) holding any such other office or employment is herein referred to as "an Executive Director".

89. A Director appointed to the office of Chief Executive shall be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director he shall ipso facto cease to be a Chief Executive (but without prejudice to any rights or claims which he may have against the Company by reason of such cesser). An Executive Director shall not ipso facto cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.

90. The emoluments of any Chief Executive or Executive Director for his services as such shall be determined by the Board, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

91. The Board may entrust to and confer upon a Chief Executive Director or Executive Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and, in the case of a Chief Executive Director, either collaterally with or to the exclusion of its own powers, and may from time to time revoke, withdraw, or vary all or any of such powers.

## **HONORARY PRESIDENT**

92. The Board may appoint any retiring Director who has rendered or is likely to render special services to the Company to be Honorary President of the Company for a period not exceeding three years and may remove from office before the expiration of that time any person so appointed. None of the provisions of the Companies Acts

regarding Directors shall apply to the Honorary President. The Honorary President may, if the Board shall so resolve, be entitled to notice of and to attend and speak but not to vote nor to be taken into account in calculating the quorum at meetings of the Board.

## **ALTERNATE DIRECTORS**

93.(1) Each Director shall have the power at any time to appoint to the office of an alternate Director either another Director or any other person approved for that purpose by a resolution of the Board, and, at any time, to terminate such appointment. Any such alternate is referred to in these Articles as an alternate Director.

93.(2) The appointment of an alternate Director shall automatically determine in any of the following events:

- (a) if his appointor shall terminate the appointment;
- (b) on the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
- (c) if by notice in writing (which shall, in the case of a notice contained in an instrument, be delivered to the Office or, in the case of a notice contained in an electronic communication, be received at such address (if any) as may for the time being be notified by or on behalf of the Company for that purpose) he shall resign such appointment;
- (d) if his appointor shall cease for any reason to be a Director otherwise than by retiring and being reappointed at the same meeting.

93.(3) An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be sent to him) be entitled to receive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and to attend, and, in place of his appointor, to vote and be counted for the purpose of a quorum at any such meeting at which his appointor is not personally present and generally to perform as a Director all functions of his appointor in his appointor's absence.

93.(4) An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not in respect of his office of alternate Director be entitled to receive any remuneration from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.

93.(5) An alternate Director shall, during his appointment, be an officer of the Company and shall not be deemed to be an agent of his appointor.

93.(6) Every appointment and removal of an alternate Director shall be in writing and executed by the appointor and shall take effect (subject to any approval required by paragraph (1) of this Article) upon receipt of such written appointment or removal by

the Company which shall, in the case of an appointment or removal contained in an instrument, be sent to the Office or by the Secretary or, in the case of an appointment or removal contained in an electronic communication, be sent to such address (if any) as may for the time being be notified by or on behalf of the Company for that purpose.

93.(7) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

## **PROCEEDINGS OF THE BOARD**

94. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board. Notice of a Board meeting shall be deemed to be properly sent to a Director if it is sent to him personally or by word of mouth or sent by instrument to him, at his last known address or such other address (if any) as may for the time being be notified by him or on his behalf to the Company for that purpose, or sent in an electronic communication sent to such address (if any) as may for the time being be notified by him or on his behalf to the Company for that purpose. Any electronic communication sent pursuant to this Article need not comprise writing if the Board so determines. It shall not be necessary to send notice of a meeting of the Board to any Director absent from the United Kingdom.

95. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be two. A Director or any other person who is present at a meeting of the Board as an alternate Director shall only be counted as two or more for quorum purposes if at least one other Director or duly appointed alternate Director is also present thereat. For the purpose of determining whether the quorum for the transaction of the business of the Board exists:

- (a) in the case of a resolution agreed by Directors in telephonic communication all such Directors shall be counted in the quorum;
- (b) in the case of a meeting of Directors, in addition to the Directors present at the meeting, any Director in telephonic communication with such meeting shall be counted in the quorum.

96. The Board may appoint a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they respectively are to hold office. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting, the Directors present may choose one of their number to act as chairman of such meeting.

97. A resolution in writing agreed to by all the Directors for the time being entitled to receive notice of a meeting of the Board shall be valid and effectual whether or not it shall be passed at a meeting of the Board duly convened and held. In the absence of a Director from the United Kingdom the agreement of an alternate Director (if any) appointed by him shall be necessary. For the purpose of this Article:

- (a) a resolution may be contained in an instrument sent to the Office or in electronic form sent to such address (if any) as may for the time being be notified by the Company for that purpose;
- (b) a resolution may be contained in one document whether in hard copy or electronic form or in several such documents with like wording;
- (c) a director signifies his agreement to a proposed written resolution when the Company receives from him a document (whether in hard copy form or electronic form) indicating his agreement to the resolution authenticated in the manner specified by the Act for a document in that form;
- (d) for the purpose of this Article, the agreement of an alternate Director (if any) given in writing and authenticated in accordance with the terms of Article 97(c) shall suffice in place of the agreement of the Director appointing him;
- (e) a resolution executed by a Director who has appointed an alternate Director need not also be executed by the alternate Director in that capacity; and
- (f) "electronic form" and "hard copy form" shall have the meaning set out in 1168 of the Act.

98. The Board may delegate any of its powers including without limitation the powers conferred by Article 90 hereof to committees consisting of such member or members of its body as it thinks fit with power to sub-delegate to any of such persons. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board and subject thereto shall be governed by the provisions of these Articles regulating the proceedings and meetings of the Board.

99. All acts done by any meeting of the Board, or of a committee or sub-committee of the Board, or by any person acting as a Director or by an alternate Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director, or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or, as the case may be, an alternate Director and had been entitled to vote.

## **MINUTES**

100. The Board shall cause minutes to be recorded in hard copy form or electronic form (in each case as defined in section 1168 of the Act):-

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

Any such minutes, if purporting to be authenticated by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts therein stated.

## **DISQUALIFICATION OF DIRECTORS**

101. The office of a Director shall be vacated in any of the following events, namely:-

- (a) if (not being a Chief Executive holding office as such for a fixed term) he resigns his office by notice to the Company;
- (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) if he becomes incapable by reason of mental disorder of discharging his duties as a Director;
- (d) if he is absent from meetings of the Board for three successive months without leave and his alternate Director (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated;
- (e) if he is requested by instrument by all his co-Directors to resign;
- (f) if pursuant to any provision of the Companies Acts he is removed or prohibited from being a Director.

Provided that the vacation of the office of Director shall take effect (i), so far as regards paragraph (a), on the expiration of the period mentioned in such notice or, if no period is stated, its receipt by the Company and (ii), so far as regards any of paragraphs (b) to (e), upon an entry of his so ceasing to be a Director being made in the minutes of the meetings of the Board.

102.(1). No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, or otherwise, or from being interested whether directly or indirectly in any contract or arrangement entered into by or on behalf of the Company. No such contract or arrangement or transaction in which any Director shall

be so interested shall be avoided, nor shall any Director so contracting, or being so interested, be liable to account to the Company for any profit realised by him from such contract or arrangement or transaction by reason of such Director holding that office or the fiduciary relation thereby established. A Director so interested in any contract or arrangement or transaction shall declare the nature of his interest in accordance with the provisions of the Companies Acts. For the avoidance of doubt, the Company shall have no claim arising from, or in consequence of, the Director's interest in any contract or arrangement or transaction within the scope of this paragraph 102(1), and the Director shall not be in breach of any of his duties to the Company as a result of having that interest.

102.(2) Save as herein provided, a Director shall not vote in relation to any resolution of the Board or a committee of the Board in respect of any contract, arrangement, transaction or any other proposal whatsoever in which he has any material interest (together with any interest of a person connected with him, within the meaning of section 252 of the Act) otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

102.(3) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part (either alone or jointly with others) under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (d) any contract, arrangement, transaction or other proposal concerning any other company in which he (and any other person connected with him, within the meaning of section 252 of the Act) is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

- (e) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;
- (f) any proposal concerning any insurance which the Company is empowered to purchase or maintain for or for the benefit of any Directors of the Company, or for any group of persons including Directors of the Company, as is referred to in Article 84(3).

102.(4) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph (3)(d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

102.(5) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.

102.(5)(A) If any question shall arise at any meeting as to the materiality of an interest of the chairman of the meeting, or as to the entitlement of the chairman of the meeting to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be decided by a resolution of the Directors present at the meeting (excluding the chairman) and the resolution shall be final and conclusive except in a case where the nature or extent of the interests of the chairman concerned have not been fairly disclosed.

102.(6) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article.

102.(7) Directors Powers to Authorise Conflict of Interest:

- (a) For the purposes of section 175 of the Act, the Board may authorise any matter proposed to it in accordance with these Articles which would otherwise involve a breach of duty by a Director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company.
- (b) Any such authorisation will be effective only if:

- (i) the matter has been proposed in writing for consideration at a meeting of the Board, in accordance with the Board's normal procedure or in such other manner as the Board may from time to time require;
  - (ii) any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and
  - (iii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- (c) The Board may make any such authorisation subject to any limits or conditions (whether at the time of the giving of the authorisation or afterwards) and may at any time vary or terminate such authorisation.
- (d) For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- (e) A Director shall not, by reason of his office, be liable to account to the Company for any profit, remuneration or other benefit derived as a result of any matter authorised by the Board in accordance with the terms of this Article and no contract, arrangement, transaction or proposal entered into by the Director in relation to such matter shall be avoided on the grounds of any such interest or benefit.
- (f) Where a director's relationship with another person, firm or body corporate ("the Third Party") has been approved by the Board in accordance with the terms of this Article 102(7) and for so long as such relationship gives rise to a conflict, or possible conflict, of interest, the director shall not be in breach of his duties under sections 171 to 177 of the Act in the event that he:
- (i) does not disclose to the Board (or to any director, officer or employee of the Company) any information obtained, otherwise than in his capacity as a director of the Company, as a result of his relationship with the Third Party in circumstances where he owes a duty of confidentiality to the Third Party;
  - (ii) does not use such information in the performance of his duties as a director of the Company; or
  - (iii) does not attend meetings of the Board at which any matter relating to the conflict, or possible conflict, of interest is to be discussed (or does not otherwise discuss such matter).

103.(1) A Director may be or become a director or other officer of any company promoted by the Company or in which the Company may be interested as vendor, member or otherwise, and no such Director shall (unless otherwise agreed) be accountable for any benefits received as director or other officer of such company.

103.(2) The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors of such company, or voting or providing for the payment of remuneration to the directors of such company).

103.(3) Any 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.

## **RETIREMENT OF DIRECTORS**

104. At each annual general meeting the following Directors shall retire from office:-

- (a) any Director who shall not have retired at the immediately preceding annual general meeting;
- (b) any Director who shall be bound to retire under Article 75.

A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

105. At the meeting at which a Director retires the Company may (subject to Article 78) fill the vacated office by appointing a person thereto, and in default the retiring Director shall, unless he intimates that he does not wish to be re-elected, be deemed to have been re-appointed, unless at such meeting it is expressly resolved not to fill such vacated office, or unless a resolution for the re-appointment of such Director shall have been put to the meeting and lost. In the event of the vacancy not being filled at such meeting, it may be filled by the Board as a casual vacancy.

106. The Company may, pursuant and subject to the provisions of sections 168 and 169 of the Act, by ordinary resolution remove any Director (including a Chief Executive) before the expiration of his period of office and may by ordinary resolution appoint another person in his stead. The person so 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.

## **SECRETARY**

107. Subject to the provisions of the Companies Acts, the Board may appoint the Secretary for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

108. A provision of the Companies Acts or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## **THE SEAL**

109.(1) The Board shall provide for the safe custody of the Seal which shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board and, subject to the provisions of this Article, every instrument to which the Seal shall be affixed shall be signed by at least two Directors or by one Director and the Secretary or by a Director in the presence of a witness who attests his signature or by some other person appointed by the Board for the purpose.

109.(2) All forms of certificate for shares, or debentures or representing any other form of security (other than letters of allotment) shall be issued under the Seal or the securities seal kept in accordance with section 50 of the Act in manner above provided; but the Board may by resolution determine either generally or in any particular case that any signatures may be affixed to such certificates by some mechanical means or that such certificates need not bear any signature.

109.(3) Subject to the provisions of the Companies Acts, any document executed by one Director and the Secretary or by two Directors or by a Director in the presence of a witness who attests his signature and expressed to be executed by the Company shall have the same effect as if executed under the Seal of the Company.

110. The Company may exercise the powers conferred by section 49 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

## **ACCOUNTS AND DIVIDENDS**

### **Books, Registers and Information Rights**

111. The Board shall cause to be kept such books of account and other books and registers as are necessary to comply with the provisions of the Companies Acts.

112. The books of account shall be kept at the Office or (subject to the provisions of the Companies Acts) at such other place in Great Britain as the Board thinks fit, and shall at all times be open to inspection by the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Companies Acts or authorised by the Board or by an ordinary resolution of the Company.

113. The Board shall in accordance with the Companies Acts cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Companies Acts.

114. Subject to the Companies Acts, a copy of every balance sheet (including every document required by law to be annexed thereto) and profit and loss account which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall, at least twenty-one clear days prior to the meeting, be sent to every member and to every debenture holder of the Company or, in the case of joint holders

of any share or debenture, to one of the joint holders. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting. Copies do not need to be sent to a person for whom the Company does not have a current address.

114A. Subject to the Companies Acts, the Board may from time to time issue, endorse or adopt terms and conditions relating to the form and content of any notification to the Company of a nomination of a person to enjoy information rights under section 146 of the Act.

## **AUDIT**

115. Auditors of the Company shall be appointed and their duties regulated in accordance with the Companies Acts.

116. The Auditors' report to the members made pursuant to the statutory provisions as to audit shall be read before the Company in general meeting and shall be open to inspection by any member.

## **DIVIDENDS AND RESERVES**

117. 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.

118. No dividend shall be payable except in accordance with the Companies Acts, nor in excess of the amount recommended by the Board.

119. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or the next following Article as paid on the share.

120. All dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly.

121.(1) Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of fully paid shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order

to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the members entitled to the dividend, as may seem expedient to the Board.

121.(2) If, in relation to any dividend which it is proposed should be paid, the Board considers it appropriate to offer to members the right to receive fully paid shares in the Company in lieu of such dividend, the Board is hereby authorised and directed to appropriate such amount of the profits of the Company (as defined in paragraph (4) of Article 128) as may be necessary to the relevant members who have validly accepted such an offer and to apply the same in paying up in full unissued shares and allotting the same to such members in the relevant proportions. Any capitalisation of the profits of the Company pursuant to this paragraph (2) shall be governed by the provisions of Article 130.

122. The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company, and the Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise whenever such profits in the opinion of the Board justify that course.

123. The Board shall transfer to share premium account as required by the Companies Acts sums equal to the amount or value of any premiums at which any shares of the Company shall be issued.

124. The Board may deduct from any dividend payable to any member on or in respect of a share all sums of money (if any) presently payable by that member to the Company on account of calls or otherwise in relation to shares in the Company.

125. Subject to Article 33, all dividends and interests shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

126. The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

127. No dividend or other moneys payable in respect of a share shall bear interest against the Company. All dividends which have been declared but which remain unclaimed for six months after the date determined for their payment may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and so that the Company shall not thereby be constituted as a trustee in respect thereof. All dividends which have been declared but which remain unclaimed for a period of twelve years after the date determined for their payment shall be forfeited and shall revert to the Company. The provisions of this Article shall be without prejudice to Article 33.

128. Any dividend may be paid by cheque or warrant sent through the post to the address in the Register of the member or person entitled thereto, and in the case of joint holders to any one of such joint holders, or to such person and to such other address as the holder or joint holders may by notice direct. Every such cheque or warrant shall be made payable to or to the order of the person to whom it is sent. Any such dividend may also be paid by any other method (including direct debit or credit or other funds transfer system) which the Board considers appropriate, and to or through such person as the holder or joint holders may by notice direct. Payment of the cheque or warrant by the financial institution upon which it is drawn or transfer of the funds by the financial institution instructed to make the same shall be a good discharge to the Company. Every such cheque or warrant so sent or transfer of the funds so made shall be at the risk of the person entitled to the money represented thereby. The Company shall have no responsibility for any sums lost or delayed in the course of payment by a method properly selected by the Board pursuant to this Article, or where it has acted on any directions given by the holder or joint holders of the share to which the sums in question relate.

129. If several persons are entered in the Register as joint holders of any share, any one of them may give effectual receipts for any moneys payable in respect of the share.

#### **CAPITALISATION OF PROFITS**

130.(1) The Company may, upon the recommendation of the Board, resolve that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the members on the record date specified in the relevant resolution who would have been entitled thereto if distributed by way of dividend and in the same proportions.

130.(2) Subject to any direction given by the Company, the Board shall make all appropriations and applications of the profits resolved to be capitalised by any such resolution, and such profits shall be applied by the Board on behalf of the members entitled thereto either:-

- (a) in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively; or
- (b) in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution credited as fully paid up, to and amongst such members in the proportion aforesaid

or partly in one way and partly in the other, provided that the only purpose to which sums standing to capital redemption reserve fund or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid.

130.(3) The Board shall have power after the passing of any such resolution:-

- (a) to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of shares, debentures or obligations becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing (as the case may require) either:
  - (i) for the payment up by the Company on behalf of such members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing shares; or
  - (ii) for the allotment to such members respectively, credited as fully paid up, of any further shares, debentures or obligations to which they may be entitled upon such capitalisation

and any agreement made under such authority shall be effective and binding on all such members.

130.(4) The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying the fixed dividends on any preference shares or other shares issued on special conditions and shall include:

- (a) any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- (b) any profits carried and standing to any reserve or reserves or to the capital redemption reserve fund or to share premium or other special account.

## **NOTICES**

131. Any notice or other document to be sent to or by any person pursuant to these Articles (other than a notice calling a meeting of the Board) shall be in writing. Any such notice may be sent using electronic communications to such address (if any) for the time being notified for that purpose to the person sending the notice or other document by or on behalf of the person to whom the notice or other document is sent.

132.(1) The Company shall send any notice or other document pursuant to these Articles to a member by whichever of the following methods it may in its absolute discretion determine:

- (a) personally; or
- (b) by posting the notice or other document in a prepaid envelope addressed, in the case of a member, to his registered address or, in any other case, to the person's usual address; or
- (c) by leaving the notice or other document at that address; or

- (d) by sending the notice or other document using electronic communications to such address (if any) for the time being notified to the Company by or on behalf of the member for that purpose; or
- (e) in accordance with paragraph 2 of this Article; or
- (f) by any other method approved by the Board.

132.(2) Subject to the Companies Acts, the Company may also send any notice or other document pursuant to these Articles to a member by publishing that notice or other document on a website where:

- (a) the Company and the member have agreed (generally or specifically) that such notice or document may be sent or supplied to him in that manner, or he is taken to have so agreed under Schedule 5 of the Act, and in either case he has not revoked that agreement;
- (b) the notice or document is one to which that agreement applies;
- (c) the member is notified, in a manner for the time being agreed between him and the Company for the purpose, of:
  - (i) the publication of the notice or document on a website;
  - (ii) the address of that website; and
  - (iii) the place on that website where the notice or document may be accessed, and how it may be accessed; and
- (d) the notice or document is published on that website throughout the publication period, provided that, if the notice or document is published on that website for a part, but not all of, the publication period, the notice or document shall be treated as being published throughout that period if the failure to publish that notice or document throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

In this paragraph (2), **publication period** means:

- (i) in the case of a notice of an adjourned meeting pursuant to Article 57(1), a period of not less than fourteen or, as the case may be, twenty-one clear days before the date of the adjourned meeting, beginning on the day following that on which the notification referred to in sub-paragraph (c) above is sent or (if later) is deemed sent; and
- (ii) in any other case, a period of not less than twenty-one days, beginning on the day following that on which the notification referred to in sub-paragraph (c) above is sent or (if later) is deemed sent.

132.(3) Unless otherwise provided by these Articles, a member or a person entitled by transmission to a share shall send any notice or other document pursuant to these Articles to the Company by whichever of the following methods he may in his absolute discretion determine:

- (a) by posting the notice or other document in a prepaid envelope addressed to the Office; or
- (b) by leaving the notice or other document at the Office; or
- (c) by sending the notice or other document using electronic communications to such address (if any) for the time being notified by or on behalf of the Company for that purpose.

132.(4) In the case of joint holders of a share, all notices or other documents shall be sent to the joint holder whose name stands first in the Register in respect of the joint holding. Any notice or other document so sent shall be deemed for all purposes sent to all the joint holders.

132.(5) A member whose registered address is not within the United Kingdom, who shall from time to time send to the Company an address within the United Kingdom at which a notice or other document may be sent to him by instrument or an address to which a notice or other document may be sent using electronic communications shall (provided that, in the case of electronic communications, the Company so agrees) be entitled to have notices or other documents sent to him at that address but otherwise:

- (a) no such member shall be entitled to receive any notice or other document from the Company; and
- (b) without prejudice to the generality of the foregoing, any notice of a general meeting of the Company which is in fact sent or purports to be sent to such member shall be ignored for the purpose of determining the validity of the proceedings at such general meeting.

132.(6) A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the capital of the Company shall be deemed to have been sent notice of the meeting and, where requisite, of the purposes for which it was called.

132.(7) The Board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic communications for the sending of notices, other documents and proxy appointments by the Company to members or persons entitled by transmission and by members or persons entitled by transmission to the Company.

132.(8) In this Article (except for paragraph (2)) and in Articles 133, 134 and 135, references to a notice include without limitation references to any notification required by the Companies Acts or these Articles in relation to the publication of any notices or other documents on a website.

133. A notice or other document may be sent by the Company to the person or persons entitled by transmission to a share by sending it in any manner the Company may choose authorised by these Articles for the sending of a notice or other document to a member, addressed to them by name, or by the title of representative of the deceased, or trustee of the bankrupt or by any similar description at the address (if any) in the United Kingdom as may be supplied for that purpose by or on behalf of the person or persons claiming to be so entitled. Until such an address has been supplied, a notice or other document may be sent in any manner in which it might have been sent if the death or bankruptcy or other event giving rise to the transmission had not occurred.

134. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register, has been sent to a person from whom he derives his title, provided that no person who becomes entitled by transmission to a share shall be bound by any direction notice sent under Article 12 to a person from whom he derives his title.

135.(1) Proof that an envelope containing a notice or other document was properly addressed, prepaid and posted shall be conclusive evidence that the notice or document was sent. Proof that a notice or other document contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators current at the date of adoption of these Articles, or, if the Board so resolves, any subsequent guidance so issued, shall be conclusive evidence that the notice or document was sent. A notice or other document sent by the Company to a member by post shall be deemed to be sent:

- (a) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country to another address in that other country, on the day following that on which the envelope containing it was posted;
- (b) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the envelope containing it was posted;
- (c) in any other case, on the third day following that on which the envelope containing it was posted.

135.(2) A notice or other document sent by the Company to a member contained in an electronic communication shall be deemed sent to the member on the day following that on which the electronic communication was sent to the member. Such a notice or other document shall be deemed given to the member by the Company on that day notwithstanding that the Company becomes aware that the member has failed to receive the relevant notice or other document for any reason and notwithstanding that

the Company subsequently sends a copy of such notice or other document to the member.

136. If at any time the Company is unable effectively to convene a general meeting by notices sent through the post in the United Kingdom as a result of the suspension or curtailment of postal services, notice of general meeting may be sufficiently given by advertisement in the United Kingdom. Any notice given by advertisement for the purpose of this Article shall be advertised in at least one newspaper having a national circulation (and if more than one newspaper, such notice shall be given on the same date in each newspaper). Such notice shall be deemed to have been sent to all persons who are entitled to have notice of meetings sent to them on the day when the advertisement appears. In any such case, the Company shall send confirmatory copies of the notice to members, if at least seven days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

137. Any notice or document sent to any member in pursuance of these Articles shall, notwithstanding such member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly sent in respect of any share, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as holder or joint holder thereof, and such sending shall for all purposes be deemed a sufficient sending of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in such share.

## **DISCOVERY**

138. No member or meeting of members shall be entitled to discovery of or any information respecting any detail of the Company's operations or trading or any matter which may be or is in the nature of a trade secret, or which may relate to the conduct of the business of the Company, which in the opinion of the Board it would not be expedient in the interests of the members to communicate.

## **WINDING UP**

139. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution, divide amongst the members in specie the whole or any part of the assets of the Company in such manner as he shall think fair, and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefits of the members as the liquidator with the like sanction shall think fit.

140. The power of sale of a liquidator shall include 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**

141.(1) Without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a Director, alternate Director, Secretary or other Relevant Officer of the Company shall be indemnified and kept indemnified out of the

Company's assets against all liability incurred by him as such or as a director, alternate director, secretary or Relevant Officer of an Associated Company:

- (a) in defending any proceedings, whether civil or criminal (and including, without limitation, any proceedings before a regulatory body), in respect of alleged negligence, default, breach of duty or breach of trust in relation to the Company or an Associated Company (including where the Company or Associated Company is a trustee of an occupational pension fund), in which judgement is given in his favour or in which he is acquitted or in defending or settling any such proceedings which are otherwise disposed of on terms approved by the Board without a finding or admission of negligence, default, breach of duty or breach of trust on his part; or
- (b) in connection with any application under section 1157 of the Act in which relief is granted to him by the Court.

provided that this Article shall not grant, or entitle any such person to, indemnification to the extent that it would cause this Article, or any part of it, to be void under the Companies Acts.

141.(2) To the extent permitted by the Companies Acts, the Board shall have power in the name and on behalf of the Company to:

- (a) grant on such terms as it sees fit any person who is or was a Director, alternate Director, Secretary or other Relevant Officer of the Company an indemnity or indemnities out of the assets of the Company in respect of any liability incurred by him as such or as a director, alternate director, secretary or Relevant Officer of an Associated Company and to amend, vary or extend the terms of any such indemnity so granted on such terms as the Board sees fit; and/or
- (b) enter into and amend, vary or extend such arrangements as it sees fit:
  - i) to provide any person who is or was a Director, alternate Director, Secretary or other Relevant Officer of the Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings (including, without limitation, any proceedings before a regulatory body) brought against him as such or as a director, alternate director, secretary or Relevant Officer of an associated company or in connection with any application for relief under section 1157 of the Act; or
  - ii) to enable any such person to avoid incurring any such expenditure.

141.(3) For the purpose of this Article 141:

- (a) a "Relevant Officer" is any officer of the Company or an Associated Company (other than in either case any person, whether or not an officer of the Company

or an Associated Company, engaged by the Company or an Associated Company as auditor); and

- (b) an “Associated Company” shall mean a company which is associated, within the meaning of the term in section 256 of the Act;
- (c) a Director shall be entitled to vote and to be counted in quorum at any meeting of the Board or a committee of the Board at which any indemnity, arrangement or proposal falling within this Article 141 is to be considered and, for the purpose of Article 102(2), any interest which any Director may have in such indemnity, arrangement or proposal shall not be a material interest unless the terms of such indemnity, arrangement or proposal confer upon such Director a privilege or benefit not available to, or awarded to, any other Director in whose favour such indemnity, arrangement or proposal is given. The decision of the chairman of the meeting as to whether the indemnity, arrangement or proposal to be considered at the meeting falls within this Article 141 or as to the materiality of any Director’s interest therein for the purposes of this Article and Article 102(2) shall be final and conclusive.