

Company Number: 3858881

THE COMPANIES ACTS 1985 AND 1989

A PUBLIC COMPANY LIMITED BY SHARES

**NEW
ARTICLES OF ASSOCIATION**

**(adopted by a special resolution passed on 22 March 2000,
amended by a special resolution passed on 6 October 2008 and further amended by a special
resolution passed on 9 September 2010)**

**OF
ZOO Digital Group PLC**

Incorporated on 14 October 1999

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**OF
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(the "Company")**

PRELIMINARY

1 Exclusion of statutory regulations

No regulations set out in any statute, or subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of the Company.

2 Definitions and interpretation

2.1 In these Articles, unless the context otherwise requires, the following words have the meanings stated:

Act	Companies Act 1985 including any modification or re-enactment of it for the time being in force
2006 Act	Companies Act 2006 including any modification or re-enactment of it for the time being in force
Alternative Investment Market	the market regulated by the London Stock Exchange and known as the Alternative Investment Market

Articles	these Articles of Association as altered from time to time by special resolution
associated company	the Company or the predecessors in business of the Company or the parent undertaking of the Company; or a subsidiary undertaking of the Company or of any such parent undertaking; or any other undertaking which is allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or any such parent undertaking or subsidiary undertaking has any interest (whether direct or indirect)
auditors	the auditors for the time being of the Company
board	the board of directors for the time being of the Company or the directors present or deemed to be present at a duly convened meeting of the directors at which a quorum is present
business day	9am to 5pm on any day (other than a Saturday or Sunday) on which clearing banks are open for the transaction of normal banking business in London
certificated	in relation to a share, a share which is not an uncertificated share
clear days	in relation to a period of notice, that period excluding the day when the notice is given or deemed to be given, and the day for which it is given or on which it is to take effect
company	includes any body corporate (not being a corporation sole) or association of persons, whether or not a company within the meaning of the Act and wherever incorporated or established
director	a director for the time being of the Company
electronic form	has the meaning given in section 1168 of the 2006 Act
entitled by transmission	in relation to a share, entitled as a consequence of the death or bankruptcy of a member or of another event giving rise to a transmission of entitlement by operation of law
executed	includes, in relation to a document, execution under hand or under seal or by another method permitted by law
holder	in relation to a share, the holder of that share
in writing	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

London Stock Exchange	London Stock Exchange Limited
member	a member of the Company whose name is entered in the register as a holder of shares
month	calendar month
office	the registered office for the time being of the Company
paid and paid up	include credited as paid or paid up
recognised person	a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, each of which terms has the meaning given to it by section 185(4) of the Act
register	the register of members kept pursuant to section 352 of the Act and, where the context requires, any register maintained by the Company of persons holding any renounceable right of allotment of a share
seal	the common seal of the Company or any official or securities seal that the Company may have or be permitted to have under the Statutes
share warrant	a warrant to bearer in respect of shares of the Company, issued by the Company
Statutes	the Act and the 2006 Act and all statutes and subordinate legislation for the time being in force concerning companies and affecting the Company
transfer office	the place where the register is kept for the time being
Uncertificated Securities Regulations	the Uncertificated Securities Regulations 1995, including any modification or re-enactment of them for the time being in force
uncertificated	in relation to a share, a share, title to which is recorded in the register as being held in uncertificated form and which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of a relevant system
United Kingdom	Great Britain and Northern Ireland
year	calendar year

2.2 In these Articles, unless the context otherwise requires:

2.2.1 the expressions "**debenture**" and "**debenture holder**" respectively include "**debenture stock**" and "**debenture stockholder**";

- 2.2.2 the expression "**secretary**" includes any person appointed by the board to perform any of the duties of the secretary, including a joint, assistant or deputy secretary;
- 2.2.3 the expression "**shareholders' meeting**" includes both a general meeting and a meeting of the holders of any class of shares of the Company;
- 2.2.4 words denoting one gender include all other genders and words denoting the singular include the plural and vice versa;
- 2.2.5 references to a person include individuals, bodies corporate, unincorporated associations, partnerships, joint ventures and government departments or agencies, and references to any of the same include the others; and
- 2.2.6 the words "**include**" and "**including**" shall be construed as if they were immediately followed by the words "**but not limited to**".
- 2.3 All of the provisions of these Articles which apply to paid up shares apply also to stock, and the words "**share**" and "**shareholder**" and "**member**" shall be construed accordingly. The words "**shareholder**" and "**holder**" and "**member**" also include (subject to these Articles and except where the context in which such word is used requires otherwise) the bearer of any share warrant.
- 2.4 Any words or expressions defined in the Statutes shall (subject as set out in the preceding provisions of this Article) have the same meanings in these Articles (if such meaning is not inconsistent with the subject or the context in which the word or expression is used), but excluding any statutory modification to the Statutes not in force at the date of adoption of these Articles. In particular, the expressions "**operator**", "**participating issuer**", "**participating security**" and "**relevant system**" have the same meanings as in the Uncertificated Securities Regulations.
- 2.5 For the purposes of these Articles, references to a relevant system shall be deemed to relate to the relevant system in which the particular share or class of shares or renounceable right of allotment of a share concerned in the capital of the Company is a participating security for the time being and all references in these Articles to the giving of an instruction by means of a relevant system shall be deemed to relate to a properly authenticated dematerialised instruction given in accordance with the Uncertificated Securities Regulations and the giving of such instructions shall be subject to:
- 2.5.1 the facilities and requirements of the relevant system;
- 2.5.2 the extent permitted by the Uncertificated Securities Regulations; and

- 2.5.3 the extent permitted by or practicable under the rules, procedures and practices from time to time of the operator of the relevant system.
- 2.6 In these Articles:
- 2.6.1 powers of delegation shall not be restrictively construed but the widest possible interpretation shall be given to them;
- 2.6.2 the word "**board**" in the context of the exercise of any power contained in these Articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated;
- 2.6.3 no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and
- 2.6.4 except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other person who is for the time being authorised to exercise it under these Articles or under another delegation of power.
- 2.7 In these Articles where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective, and where an extraordinary resolution is required, a special resolution shall also be effective.
- 2.8 In these Articles the headings are for convenience only and do not affect the construction or interpretation of these Articles.

SHARE CAPITAL

3 Amount

The share capital of the Company at the date of adoption of these Articles is divided into ordinary shares of 15 pence each.

4 Redeemable shares and shares with special rights

4.1 Subject to the Statutes, and without prejudice to any rights attached to any class of shares for the time being in issue, shares in the Company may be issued:

4.1.1 on terms that they are, or are liable, to be redeemed at the option of the Company or the holder on such terms and in such manner as the Company, before the issue of such

shares may determine by ordinary resolution (or, in the absence of any such determination, as the board may determine); and

4.1.2 with such preferred, deferred or other rights, or subject to such restrictions, whether relating to dividends, return of capital, voting, conversion or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the board may determine).

4.2 Where the capital of the Company includes shares with different voting rights, the designation of each class of shares other than those with the most favourable voting rights shall include the words "restricted voting" or "limited voting" and where the capital of the Company includes shares which do not carry voting rights the designation of such shares shall include the words "non-voting".

5 **Warrants to subscribe for shares**

The Company may, subject to the Statutes, these Articles and the requirements of the London Stock Exchange, issue warrants or options to subscribe for shares in the Company upon such terms and subject to such conditions as the board may determine.

VARIATION OF CLASS RIGHTS

6 **Manner of variation of rights**

6.1 Whenever the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class may, subject to the Statutes be varied or abrogated:

6.1.1 in such manner (if any) as may be provided by those rights; or

6.1.2 in the absence of such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class validly held in accordance with these Articles (but not otherwise),

and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up.

- 6.2 All the provisions of the Statutes and these Articles relating to general meetings of the Company and to the proceedings at such general meetings shall (so far as applicable and with any necessary modifications) apply to any such separate meeting, except that:
- 6.2.1 no member shall be entitled to receive notice of such meeting or to attend it unless he is a holder of shares of the class in question and no vote shall be given except in respect of a share of that class;
 - 6.2.2 the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class in question and, at any adjourned meeting, the necessary quorum shall be any holder of shares of the class in question or his proxy who shall be deemed to constitute a meeting;
 - 6.2.3 any holder of shares of the class in question present in person or by proxy and entitled to vote may demand a poll; and
 - 6.2.4 every such holder shall, on a poll, have one vote for every share of the class held by him.
- 6.3 The preceding provisions of this Article 6 shall apply to the variation or abrogation of all or any of the rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class, the rights of which are to be varied.

7 Matters not constituting variation of rights

The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of such shares or the terms upon which such shares are for the time being held, be deemed not to be varied or abrogated by:

- 7.1 the creation, allotment or issue of further shares ranking equally in some or all respects with (but not having, in any respect, any priority over) such shares as regards participation in the profits or assets of the Company; or
- 7.2 the purchase or redemption by the Company of any of its own shares; or
- 7.3 the board resolving that a class of shares shall become, or the operator of the relevant system permitting such class of shares to be, a participating security.

ALTERATION OF CAPITAL

8 Increase in capital

The Company may from time to time by ordinary resolution increase its share capital by a sum to be divided into shares of such an amount as the resolution prescribes. All new shares shall be

subject to the Statutes and these Articles in relation to allotment, payment of calls, lien, transfer, transmission, forfeiture and all other matters.

9 Consolidation, sub-division and cancellation

9.1 The Company may from time to time by ordinary resolution:

9.1.1 consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;

9.1.2 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 authorised share capital by the nominal amount of the shares so cancelled; and

9.1.3 sub-divide its shares, or any of them, into shares of a smaller amount than is fixed by the memorandum of association (subject to the Statutes). The resolution providing for the sub-division of any share may also provide that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

9.2 Where any difficulty arises in relation to any consolidation or sub-division under Article 9.1, the board may settle the same as it thinks expedient and in particular may make such provision as it thinks fit for any fractional entitlements which may or would arise, including arrangements under which (treating holdings of a member of uncertificated shares and certificated shares of the same class as if they were separate holdings, unless the board otherwise determines) it may:

9.2.1 sell fractions of a share to a person (including, subject to the Statutes, the Company) for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion amongst the persons entitled (except that if the amount due to a person is less than £3.00, or such other sum as the board may from time to time decide, the sum may be retained for the benefit of the Company); or

9.2.2 subject to the Statutes, allot or issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub-division, leaves a whole number of shares (such allotment or issue being deemed to have been effected immediately before consolidation or sub-division, as the case may be).

9.3 To give effect to a sale pursuant to Article 9.2.1 the board may exercise its powers under Article 38.

9.4 If shares are allotted or issued pursuant to Article 9.2.2, the amount required to pay up those shares may be capitalised as the board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the board capitalising part of the reserves for the purpose set out in Article 9.2.2 has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to Article 145.

10 **Purchase of own shares**

Subject to the Statutes, the requirements of the London Stock Exchange and to the rights attached to any class of shares for the time being in issue, the Company may from time to time purchase, or enter into a contract under which it will or may purchase, any of its own shares (including any redeemable shares) at any price (whether at par or above or below par), and so that any shares to be so purchased may be selected in any manner whatsoever. Every contract for the purchase of, or under which the Company may become entitled or obliged to purchase, shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and by an extraordinary resolution passed at a separate general meeting of the holders of each class of shares (if any) which, at the date on which the contract is authorised by the Company in general meeting, entitle them, either immediately or at any time later on, to convert all or any of the shares of that class held by them into equity share capital of the Company.

11 **Reduction of capital**

Subject to the Statutes and to the rights attached to any class of shares for the time being in issue, the Company may by special resolution reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner.

SHARES

12 **Authority to allot**

12.1 Subject to the Statutes, any resolution of the Company, the Company's memorandum of association and these Articles all unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the board which may allot, grant options over, offer or otherwise deal with or dispose of in any other way unissued shares or rights to subscribe for or convert any security into shares to such persons, at such times and on such terms as it considers proper, but no share may be issued at a discount.

- 12.2 The board shall be generally and unconditionally authorised, pursuant to and in accordance with section 80 of the Act, to exercise for each specified period all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the specified amount.
- 12.3 During any period (not exceeding 5 years on any occasion) for which this power may be renewed by special resolution, the board shall have a general power to allot equity securities wholly for cash pursuant to and within the terms of the authority conferred by Article 12.2:
- 12.3.1 in connection with a rights issue; and
- 12.3.2 in addition to any equity securities allotted pursuant to Article 12.3.1, up to an aggregate nominal amount equal to the prescribed amount,
- as if section 89(1) of the Act did not apply to any such allotment.
- 12.4 By such authority and power, the board may, during any such period, make an offer or agreement which would or might require equity securities or other relevant securities to be allotted after the expiry of such period and may allot equity securities or other relevant securities pursuant to that offer or agreement as if such period had not expired.
- 12.5 For the purposes of this Article 12:
- 12.5.1 "**rights issue**" means an offer of equity securities open for acceptance for a period fixed by the board to holders on the register on a fixed record date of equity securities in proportion to their respective holdings of such securities and in accordance with the rights attached to such securities (but subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory);
- 12.5.2 "**specified period**" means, in the first instance, the period expiring on the conclusion of the first annual general meeting of the Company and after that shall mean any period (not exceeding five years on any occasion) for which the authority conferred by Article 12.2 is renewed or extended by ordinary resolution stating the specified amount for such period;
- 12.5.3 "**specified amount**" shall, for the first specified period, be the whole of the Company's authorised but unissued share capital and, for any other specified period, shall be that stated in the relevant ordinary resolution or, in either case, any increased amount fixed by ordinary resolution;
- 12.5.4 "**prescribed amount**" shall, for the first period referred to in Article 12.3, be £5,940 and, for any other period for which the power referred to in such Article is renewed by special resolution, shall be that stated in the relevant special resolution; and

12.5.5 the nominal amount of any securities shall be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

13 **Commission**

The Company may exercise all powers of paying commission or brokerage conferred or permitted by the Statutes. Subject to the Statutes, any commission or brokerage may be satisfied in cash or by the allotment of fully or partly paid shares in the Company or by the grant of an option to call for an allotment of shares or by any combination of these methods.

14 **Renunciation**

The board may at any time after the allotment of any share but before any person has been entered in the register as the holder of such share recognise a renunciation of the allotment by the allottee in favour of some other person and may give to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the board may think fit to impose.

15 **Equitable interests not recognised**

Except as required by the Statutes or these Articles, no person shall be recognised by the Company as holding any share upon any trust, nor shall the Company be bound by or 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 may be provided for by the Statutes or these Articles) any other right in respect of any share, except an absolute right to the entirety of the same in the holder or, in the case of a share warrant, in the bearer of the warrant for the time being.

16 **Trusts may be recognised**

The Company shall be entitled, but shall not (except as required by the Statutes or these Articles) be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust, whether express, implied or constructive, in respect of any shares in the Company and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owners of such shares. For the purpose of this Article 16, "**trust**" includes any right in respect of any share of the Company other than an absolute right of the holder of, or the person entitled by transmission to, such share for the time being.

SHARE CERTIFICATES

17 **General**

Every share certificate shall be issued under seal (including under a securities seal or, in the case of shares on a branch register, an official seal for use in the relevant territory), which may be affixed or printed on it, or in such other manner as the board may approve, having regard to the terms of allotment or issue of the certificated shares and the requirements of the London Stock Exchange. Every share certificate shall specify the number and class of certificated shares to which it relates and the amount paid up on such shares. No certificate shall be issued representing certificated shares of more than one class. No certificate shall normally be issued in respect of certificated shares held by a recognised person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate.

18 **Joint holders**

Where a certificated share is held jointly by several persons, the Company shall not be obliged to issue more than one certificate for such certificated share and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

19 **Issue of share certificates**

Upon the issue or transfer to him of any certificated shares of any class, any person (subject as provided in Articles 17 and 18) whose name is entered in the register shall be entitled without payment to a certificate for the same (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully paid shares) within 14 days, or (in the case of a transfer of partly paid shares) within two months, after the relevant transfer has been lodged.

20 **Delivery of certificate to broker or agent**

Delivery of a certificate for certificated shares to a broker or agent acting in regard to the purchase or transfer of shares to which it relates shall be sufficient delivery to the purchaser or the transferee, as the case may be.

21 **Balance certificates**

Where some only of the certificated shares comprised in a share certificate are transferred, the old certificate shall be cancelled and a new certificate for the balance of such certificated shares shall be issued in lieu without charge.

22 Replacement of share certificates

- 22.1 Any two or more certificates representing certificated shares of any one class held by any member may, at his request, be cancelled and a single new certificate for such shares issued in lieu without charge.
- 22.2 If any member surrenders for cancellation a share certificate representing certificated shares held by him and requests the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the board may, if it thinks fit and on payment by the member of such reasonable sum as the board may decide, comply with such request.
- 22.3 If a share certificate has been worn out, damaged or defaced or is alleged to have been lost, stolen or destroyed, it shall be replaced by a new certificate on request subject to delivery up of the old certificate or (if it is alleged that the old certificate has been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses reasonably incurred by the Company in the investigation of that evidence and the preparation of that indemnity, but otherwise without charge as the board may think fit.
- 22.4 Any such request may be made by any one of the joint holders where the shares are held jointly by several persons, subject to the provisions of this Article 22.

UNCERTIFICATED SHARES

23 Uncertificated Shares

- 23.1 Save where the London Stock Exchange otherwise agrees, all shares and securities shall be eligible for electronic settlement which includes settlement by a relevant system.
- 23.2 Shares of a class shall not be treated as forming a separate class from other shares of that class merely because any such shares are held from time to time in uncertificated form or are permitted in accordance with the Uncertificated Securities Regulations to become a participating security.
- 23.3 Any share of a class which is a participating security may be changed from an uncertificated share to a certificated share and from a certificated share to an uncertificated share in accordance with the Uncertificated Securities Regulations.
- 23.4 For so long as a class of shares remains a participating security, these Articles only apply to uncertificated shares of that class to the extent that they are consistent with:
- 23.4.1 the holding of shares of that class in uncertificated form;
- 23.4.2 the transfer of title to shares of that class by means of a relevant system; and

23.4.3 the Uncertificated Securities Regulations.

23.5 Where the Company is entitled under the Statutes, the Uncertificated Securities Regulations, the rules, procedures or practices of any relevant system or in accordance with the rules of the London Stock Exchange to dispose of, forfeit, accept the surrender of, enforce a lien over, re-allot or sell, transfer or otherwise procure the sale of any shares which are held in uncertificated form, the board shall have the power (subject to the Statutes, the Uncertificated Securities Regulations, the rules, procedures and practices of the relevant system and the requirements of the London Stock Exchange) to take such steps as the board considers appropriate, by instruction by means of a relevant system or otherwise, to effect such disposal, forfeiture, surrender, enforcement, re-allotment, sale or transfer and such powers shall (subject as aforesaid) include the right to:

23.5.1 request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in uncertificated form; and/or

23.5.2 alter such computer-based entries so as to divest the registered holder of such shares of the power to transfer such shares to a person other than the transferee, purchaser or his nominee identified by the Company for this purpose; and/or

23.5.3 require any holder of any uncertificated shares which are the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to convert his holding of such uncertificated shares into certificated form within such period as may be specified in the notice prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps as may be necessary to sell or transfer such shares; and/or

23.5.4 appoint any person to take such other steps in the name of the holder of such shares as may be required to effect the conversion and/or transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned.

23.6 The Company shall not issue to any person a certificate in respect of an uncertificated share.

CALLS ON SHARES

24 Power to make calls

The board may from time to time make calls upon the members in respect of any moneys unpaid on their shares and not payable on a date fixed by or in accordance with the terms of allotment or issue on the shares (whether on account of the nominal value of the shares or, when

permitted, in respect of any premium). A call shall be deemed to have been made at the time when the resolution of the board authorising the call was passed.

25 Liability for calls

Each member shall (subject to receiving not less than 14 clear days' notice specifying when and where payment is to be made) pay to the Company the amount called on his shares as required by the notice. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of such share. A call may be payable in instalments and may be either revoked or postponed in whole or in part if and as the board may determine at any time before receipt by the Company of a sum due thereunder. A person on whom a call is made remains liable to pay the amount called notwithstanding the subsequent transfer of the shares in respect of which the call was made.

26 Interest on overdue amounts

If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable the person from whom it is due and payable shall pay interest on that unpaid sum from and including the day it became due and payable until it is paid. Interest shall be paid at the rate fixed by the terms of allotment or issue of the share or in the notice of the call, or, if no rate is fixed, at the rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent. per annum) determined by the board. The board may in any case waive payment of all or part of such interest.

27 Deemed calls

Any sum (whether on account of the nominal value of the share or in respect of any premium) which, by the terms of allotment or issue of a share, becomes payable upon allotment or issue or at any fixed date shall, for all the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of allotment or issue the same becomes payable. If such sum is not paid, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

28 Power to differentiate between holders

Subject to the terms of allotment or issue, the board may, at any time and from time to time, differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

29 Payment of calls in advance

- 29.1 The board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys (whether on account of the nominal value of the shares or in respect of any premium) uncalled and unpaid upon the shares held by him. Such payment in advance of calls shall extinguish, to that extent, the liability upon the shares in respect of which it is made but shall not entitle the holder of such shares to participate in respect of that amount in any dividend. The Company may pay interest at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 10 per cent. per annum) as the member paying such sum and the board may agree on the moneys so received (until and to the extent that the same would but for such advance become payable).
- 29.2 The board may at any time repay moneys paid up in advance of calls upon giving to the member not less than 14 days clear notice in writing.

FORFEITURE AND LIEN

30 Notice on failure to pay a call

- 30.1 If a member fails to pay in full any call or instalment of a call on or before the due date for payment, the board may, at any time after the due date for payment, serve a notice on him (or on a person entitled by transmission to the share in respect of which the call was made) requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued on the unpaid amount and any costs, charges and expenses incurred by the Company by reason of such non-payment.
- 30.2 The notice shall specify a further day (which must be at not less than 14 clear days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made. The notice must also state that, if the amount specified in the notice is not paid in full as required by the notice, the shares on which the call has been made will be liable to be forfeited.

31 Forfeiture for non-compliance

If the requirements of any notice given under Article 30 are not complied with, at any time after such non-compliance and before payment has been made of all calls and interest and costs, charges and expenses due in respect of any share in respect of which such notice has been given, any such share may be forfeited by a resolution of the board to that effect. Such forfeiture shall include all dividends declared and other payments and distributions in respect of the forfeited share and not actually paid or distributed before forfeiture. The board may accept a surrender of any share liable to be forfeited under these Articles. Where a share has been forfeited, the Company shall serve notice of the forfeiture on the person who was before forfeiture the holder

of the share or the person entitled by transmission to the share, but no forfeiture shall be invalidated by an omission to give notice. An entry of the fact and date of forfeiture or surrender shall be made in the register.

32 Disposal of forfeited shares

Subject to the Statutes, a share which has been forfeited or surrendered and all rights attaching to it are deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before such forfeiture or surrender, the holder of or entitled to the same or to any other person upon such terms and in such manner as the board may think fit in accordance with Article 38. Any share which has been so forfeited or surrendered and has not been sold, re-allotted or disposed of shall be cancelled by resolution of the board within three years of such forfeiture or surrender.

33 Annulment of forfeiture or surrender

Notwithstanding any forfeiture or surrender of a share pursuant to these Articles, the board may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of or cancelled, annul such forfeiture or surrender upon such terms as it thinks fit.

34 Holder to remain liable despite forfeiture

A person whose share has been forfeited or surrendered shall cease to be a member in respect of the share and, if it is a certificated share, shall surrender to the Company for cancellation the certificate for such share. Such member shall, despite the forfeiture or surrender, remain liable (unless payment is waived in whole or in part by the board) to pay to the Company all moneys which, at the date of the forfeiture or surrender, were presently payable by him to the Company in respect of the share together with interest on such sum at such rate as may be fixed by the terms of allotment or issue of the share or in the notice of the call, or, if no rate is fixed, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent. per annum) as the board may determine from and including the date of forfeiture or surrender until payment. The board may, in its absolute discretion, enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or may waive payment in whole or in part.

35 Lien on partly paid shares

The Company shall have a first and paramount lien on every share (not being a fully paid share) registered in the name of a member (whether solely or jointly with another person) for all moneys called or payable in respect of such share, whether the due date for payment has arrived or not. The lien applies to all dividends from time to time declared and any other amounts payable in respect of the share. The board may generally or in a particular case waive any lien

which has arisen and may resolve that any share shall, for some limited period, be exempt in whole or in part from the provisions of this Article.

36 Enforcement of lien by sale

The Company may exercise its powers under Article 38 and sell in such manner as the board thinks fit any share on which the Company has a lien. No sale shall be made unless:

- 36.1 some sum in respect of which the lien exists is then payable;
- 36.2 a notice in writing has been given to the holder for the time being of the share or to the person entitled by transmission to the same stating, and demanding payment of, the sum then payable and giving notice of the intention to sell in default of such payment; and
- 36.3 not less than 14 clear days have expired after the delivery of such notice.

37 Application of proceeds of sale

- 37.1 The net proceeds of a sale of a share subject to a lien (after payment of the costs of such sale) shall be received by the Company and applied in or towards payment or satisfaction of the amount in respect of which the lien exists, so far as the same is then payable. Any balance remaining shall (in respect of certificated shares, upon surrender to the Company for cancellation of the certificate for the shares sold or the provision of an indemnity as to any lost or stolen or destroyed certificate required by the board), subject to a like lien for amounts not presently payable as existed on the shares before the sale, be paid to the person entitled to the shares immediately before the sale.

COMPULSORY SALE POWERS

38 Powers of sale

The board may exercise the powers conferred on it by this Article only when it is empowered to do so pursuant to any of Articles 9.3, 32, 36 and 51.1. The board may, if necessary, authorise some person to execute an instrument of transfer of a certificated share on behalf of the holder of (or the person entitled by transmission to) the share to any person. The board may, if necessary, exercise any of the powers conferred on the Company by Article 23.5 to effect the transfer of an uncertificated share on behalf of the holder of (or the person entitled by transmission to) the share to any person. In either case, the transfer shall be as effective as if it had been made by the holder of (or the person entitled by transmission to) the share and the Company may receive the consideration (if any) for the disposal and may register the transferee as the holder of the share.

39 **Evidence of sale and title of transferee**

A statutory declaration in writing that the declarant is a director or the secretary and that a share has been duly forfeited or surrendered, or sold to satisfy a lien of the Company, or sold to deal with fractional entitlements, or sold pursuant to Article 51.1 (sales of shares of untraced members), on a date stated in the declaration shall be conclusive evidence of the facts stated in such declaration, against all persons claiming to be entitled to the share. Such declaration shall (subject, if necessary, to the transfer of the share) constitute a good title to the share. The person to whom the share is sold, re-allotted or otherwise disposed of shall not be obliged to investigate to whom or where or how the consideration (if any) is paid and nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or other disposal of the share, except where fraudulent activities can be proved in relation to such forfeiture, surrender, sale, re-allotment or other disposal.

TRANSFER OF SHARES

40 **Method of transfer**

40.1 A certificated share may be transferred by an instrument of transfer in any usual or common form or in any other form acceptable to the board. The form of transfer need not be executed as a deed but must be signed by or on behalf of the transferor and, if the relevant certificated share is not fully paid, also by or on behalf of the transferee. The Company may retain all instruments of transfer which are registered.

40.2 An uncertificated share may be transferred in accordance with the Uncertificated Securities Regulations.

40.3 A transferor shall remain the holder of the share concerned (whether a certificated share or an uncertificated share) until the name of the transferee is entered in the register as the holder of that share.

41 **Right to refuse registration of transfers of certificated shares**

41.1 Subject to Article 75 and the requirements of the London Stock Exchange, the board may refuse to register the transfer of a certificated share which is not fully paid or on which the Company has a lien (provided that this power will not be exercised so as to disturb the market in those shares on the London Stock Exchange).

41.2 Subject to Article 75 and the requirements of the London Stock Exchange, the board may also refuse to register the transfer of a certificated share or a renunciation of a renounceable letter of allotment (save where to do so would disturb the market in the shares on the London Stock Exchange) unless all of the following conditions are satisfied:

- 41.2.1 it is in respect of only one class of share;
 - 41.2.2 it is in favour of a single transferee or renounee or not more than four joint transferees or renounees;
 - 41.2.3 it is duly stamped (if required); and
 - 41.2.4 it is delivered for registration to the transfer office or such other place as the board may determine, accompanied by the certificate(s) for the shares to which it relates (except in the case of a transfer by a recognised person where a certificate has not been issued or in the case of a renunciation) and such other evidence as the board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.
- 41.3 If the board refuses to register the transfer of a certificated share the board shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the purported transferee. An instrument of transfer which the board refuses to register shall (except in the case where fraud or any other crime involving dishonesty is suspected in relation to such transfer) be returned to the purported transferor.

42 Registration of transfers of uncertificated shares

- 42.1 Subject to the requirements of the London Stock Exchange, the Company shall register a transfer of title to any uncertificated share or any renounceable right of allotment of a share which is a participating security held in uncertificated form in accordance with the Uncertificated Securities Regulations, but so that the board may refuse to register such a transfer in favour of more than four persons jointly or in any other circumstance permitted by the Uncertificated Securities Regulations (save where to do so would disturb the market in the shares on the London Stock Exchange).
- 42.2 If the board refuses to register the transfer of an uncertificated share or of any such uncertificated renounceable right of allotment of a share, the Company shall, within two months after the date on which the transfer instruction relating to such transfer was received by the Company, send notice of the refusal to the purported transferee.

43 No fee on registration

No fee will be charged by the Company in respect of the registration of any transfer of a share or the renunciation of a renounceable letter of allotment or instruction or other document relating to or affecting the title to a share or otherwise for making any other entry in the register.

44 **Closure of register**

Subject to the Statutes, the registration of transfers of shares may be suspended and the register closed at such times and for such periods as the board may from time to time determine and either generally or in respect of any class of shares, provided that:

- 44.1 the register shall not be closed for more than 30 days in any year;
- 44.2 the Company shall not close the register relating to a participating security without the consent of the operator of the relevant system; and
- 44.3 notice of such closing shall be given by advertisement in accordance with the Statutes.

45 **Branch register**

Subject to, and to the extent permitted by, the Statutes and the London Stock Exchange, the Company, or the board on behalf of the Company, may arrange for a branch register to be kept in any territory of members resident in such territory. The board may make, and vary, such regulations as it may think fit regarding the keeping of any such register.

TRANSMISSION OF SHARES

46 **Persons entitled on death**

If a member dies, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares. However, nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

47 **Election by person entitled by transmission**

- 47.1 A person becoming entitled to a share by transmission may (subject to these Articles), upon supplying to the Company such evidence as the board may reasonably require to show his title to the share, elect either to be registered himself as holder of the share (upon giving to the Company notice in writing in such form as the board may prescribe to that effect) or to transfer the share to some other person nominated by him.

- 47.2 If he elects to transfer such share to another person he shall:

- 47.2.1 if such share is a certificated share, execute a transfer of the share in favour of that person; or

- 47.2.2 if such share is an uncertificated share, either procure that instructions are given by means of the relevant system to effect the transfer of the share to that person or change the share to a certificated share and transfer it in accordance with Article 47.2.1.
- 47.3 All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notification or transfer or instruction (as the case may be) which shall be treated as if it were a transfer executed, or instruction given (as the case may be), by the member registered as the holder of any such share.
- 47.4 The board may give notice requiring a person to make the election referred to in Article 47.1. If such notice is not complied with within 90 days, the board may retain any dividend and other amounts payable on or in respect of the share until the requirements of the notice have been complied with.

48 Rights of persons entitled by transmission

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share by transmission shall (upon supplying to the Company such evidence as the board may reasonably require to show his title to the share) be entitled to the same dividends and other advantages as those to which he would be entitled if he were the holder of the shares. Such person shall be entitled pursuant to and in accordance with Article 155.1 to receive notices of general meetings of the Company but shall not be entitled to attend or vote at such general meetings or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a member until he has been registered as the member in respect of the share.

SHARE WARRANTS

49 Share Warrants

- 49.1 The Company may, with respect to any of its fully paid certificated shares, issue a warrant to bearer stating that the bearer of the warrant is entitled to the shares specified in the warrant, and may provide (by coupons or otherwise) for the payment of future dividends on the shares included in such warrant.
- 49.2 A share warrant shall entitle the bearer of the same to the shares included in it. Those shares may be transferred by the delivery of the share warrant and the provisions of these Articles regarding the transfer and transmission of shares shall not apply to the same. Each share warrant shall be issued under seal (including under a securities seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) or in such other manner as the board may approve.

- 49.3 The board shall be entitled to accept a certificate (in such form and from such person as the board may approve) to the effect that a specified person is shown in the records of the person issuing such certificate as being entitled to the shares comprised in a specified share warrant as sufficient evidence of the facts stated in such certificate. The board shall also be entitled to treat the deposit of such certificate at the transfer office (or any other place specified from time to time by the board) as equivalent to the deposit there of the share warrant, and may allot to the person named in such certificate any shares to which the bearer of the share warrant referred to in such certificate may be entitled. The right of the allottee to the allotment shall not, after any such allotment, be questioned by any person.
- 49.4 The board may determine, and from time to time vary, the conditions upon which share warrants shall be issued, including those:
- 49.4.1 upon which a new share warrant or coupon will be issued in the place of one worn out, damaged or defaced, or one alleged to have been lost, stolen or destroyed (but no new share warrant may be issued to replace one that is alleged to have been lost unless the board is satisfied beyond reasonable doubt that the original share warrant has been destroyed);
 - 49.4.2 upon which (subject as set out below) the bearer of a share warrant shall be entitled to receive notice of and to attend and vote at general meetings;
 - 49.4.3 upon which dividends will be paid; and
 - 49.4.4 upon which a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in such share warrant.

The conditions for the time being in force relating to share warrants (whether made before or after the issue of any particular share warrant) shall apply to the bearer of a share warrant unless stated to the contrary in any such conditions or in these Articles.

- 49.5 Subject to the terms of any conditions for the time being in force relating to share warrants and except as specifically stated to the contrary in these Articles, the bearer of a share warrant may at any time deposit the share warrant at the transfer office (or at such other place as the board may from time to time nominate). So long as the share warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, of giving notice of intention to submit a resolution to a meeting and of attending and voting, giving a proxy and exercising the other privileges of a member, at any meeting held after the expiry of 48 hours from the time of deposit, as if his name were inserted in the register as the holder of the shares included in the deposited share warrant. If a share warrant is deposited elsewhere than at the transfer office (or such other place as the board have nominated), the depositor must obtain from the person with whom the same is deposited a certificate of such

deposit in such form as the board may require specifying the share warrant and the number of shares included in that share warrant and must lodge the certificate of deposit at the transfer office (or such other place as the board has nominated), at least 48 hours before the time of the meeting at which the depositor desires to attend or to be represented. Not more than one person shall be recognised as a depositor of any share warrant. Every share warrant which shall have been so deposited shall remain so deposited until after the closing of the meeting at which the depositor desires to attend or to be represented.

- 49.6 Except as specifically stated to the contrary in these Articles or in the terms of any conditions for the time being in force relating to share warrants, no person shall, as the bearer of a share warrant, be entitled to sign a requisition for calling a meeting of the Company or give notice of intention to submit a resolution to a meeting or attend or vote or give a proxy or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notices from the Company. However, the bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register as the holder of the shares included in the share warrant, and he shall be deemed to be a member of the Company.

STOCK

50 Stock

- 50.1 The Company may from time to time by ordinary resolution convert any fully paid up certificated shares into stock or reconvert any stock into fully paid up shares of any denomination.
- 50.2 The holders of stock may transfer all or any part of such stock in the same manner and subject to the same regulations as and subject to which the certificated shares from which the stock arose might have been transferred (or as near to the same as circumstances permit). However, no stock shall be transferable except in such units (which shall not be greater than the nominal amount of the certificated shares from which the stock arose) as the board may from time to time determine.
- 50.3 The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, return of capital, voting and other matters as if they held the certificated shares from which the stock arose; but no such right, privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

UNTRACED SHAREHOLDERS

51 Sales of shares of untraced shareholders

51.1 The Company may exercise its powers under Article 38 and sell, at the best price reasonably obtainable at the time of sale, the shares of a member or the shares to which a person is entitled by transmission if:

51.1.1 during the period of 12 years immediately prior to the date of the publication of the advertisements referred to in Article 51.1.2 (or, if published on different dates, the first such date) at least three dividends (whether interim or final) in respect of the shares have become payable and no dividend in respect of those shares during that period has been claimed;

51.1.2 the Company has, on or after the expiry of the period referred to in Article 51.1.1, inserted an advertisement in both a United Kingdom national newspaper and in a newspaper circulating in the area in which the last known address of such member or person or the address at which service of notices may be effected in the manner authorised by these Articles is located and (if the shares are listed on the London Stock Exchange) by giving notice to the London Stock Exchange of its intention to sell the relevant shares; and

51.1.3 during the further period of three months following the date of the publication of such advertisements (or, if published on different dates, the last such date), the Company, so far as the board is aware, has not received any communication from such member or person (in his capacity as member or person entitled by transmission).

51.2 The Company shall also be entitled to sell, in the manner provided for in this Article 51, any share ("**additional share**") issued during the period or periods of 12 years and 3 months in respect of any share to which Article 51.1 applies or in respect of any share issued during such periods, provided that the requirements of:

51.2.1 Article 51.1.1, but modified to exclude the words "during the period of 12 years immediately prior to the date of the publication of the advertisements referred to in Article 51.1.2 (or, if published on different dates, the first such date)";

51.2.2 Article 51.1.2, but modified to exclude the words "on or after the expiry of the period referred to in Article 51.1.1"; and

51.2.3 Article 51.1.3,

are satisfied in respect of such additional share.

- 51.3 The net proceeds of sale shall belong to the Company, but the Company shall be obliged to account to the former member or other person previously entitled by transmission to the relevant shares for an amount equal to such net proceeds and shall enter the name of such former member or other person in its books as a creditor for such amount. Such amount shall be a permanent debt of the Company. No trust shall be created in respect of such debt, nor shall any interest be payable in respect of the same. The Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its parent undertaking, if any) as the board may from time to time think fit.

GENERAL MEETINGS

52 Annual and extraordinary general meetings

An annual general meeting shall be held not more than 18 months after the incorporation of the Company and subsequently once in every year, at such time (but not more than 15 months after the holding of the last preceding annual general meeting) and place as may be determined by the board. All other general meetings shall be called extraordinary general meetings.

53 Convening of general meetings

The board shall convene annual general meetings so as to ensure that the Company complies with its obligations under Article 52 and the Statutes. The board may, whenever it thinks fit, and shall on requisition by members in accordance with the Statutes, convene extraordinary general meetings in accordance with the Statutes. An extraordinary general meeting convened by the board shall be held at such time and place as may be determined by the board. Whenever the board convenes an extraordinary general meeting on requisition by members, such meeting shall be convened for a date not more than six weeks after the requisition is deposited at the office. If the board fails to convene an extraordinary meeting the meeting may be convened by the requisitionists. If at any time there are not within the United Kingdom sufficient directors to call a general meeting any director may convene an extraordinary general meeting.

NOTICE OF GENERAL MEETINGS

54 Length of and persons entitled to receive notice of general meetings

- 54.1 An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution or (except as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by not less than 21 clear days' notice in writing and any other extraordinary general meeting by not less than 14 clear days' notice in writing.

- 54.2 The notice shall be given in the manner provided for in these Articles (including Article 157) to all members (other than those who are not, under these Articles or the terms of allotment or issue of shares, entitled to receive such notices from the Company), to the directors and to the auditors.
- 54.3 The board may determine that persons entitled to receive notice of meetings are those persons entered on the register at the close of business on a day determined by the board, but if the Company is a participating issuer, the day determined by the board may not be more than 21 days before the date upon which the relevant notice is being sent.
- 54.4 A general meeting shall be deemed to have been duly called even if the notice given is less than that specified in Article 54.1 if it is so agreed:
- 54.4.1 in the case of an annual general meeting, by all the members entitled to attend and vote at that meeting; and
- 54.4.2 in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at that meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

55 **Contents of notice of general meetings**

- 55.1 Every notice calling a general meeting shall specify the place and the day and time of the meeting (including any satellite meeting places arranged for the purpose of Article 58 which shall be identified as such). The notice shall also state reasonably prominently that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him and that a proxy need not be a member of the Company.
- 55.2 In the case of any general meeting at which business other than ordinary business (as defined in Article 56) is to be transacted, the notice shall specify the general nature of the business to be transacted at the meeting. If any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect.
- 55.3 In the case of an annual general meeting, the notice shall also specify the meeting as such.
- 55.4 The notice shall include details of any arrangements made for the purpose of Article 58, making clear that participation in those arrangements will amount to attendance at the meeting to which the notice relates.
- 55.5 The notice may specify a time (which, if the Company is a participating issuer, shall not be more than 48 hours before the time fixed for the meeting) by which a person must be entered on the register in order to be entitled to attend or vote at the meeting. No person shall have the right to attend or vote at the meeting if he is entered on the register after the specified time.

56 **Ordinary Business**

Ordinary business shall mean and include only business transacted at an annual general meeting of the following classes:

- 56.1 declaring a dividend;
- 56.2 receiving, considering and/or adopting the accounts, the reports of the directors and auditors and other documents required to be annexed to the accounts;
- 56.3 re-appointing the auditors and authorising the directors to fix their remuneration; and
- 56.4 re-appointing directors and appointing directors to replace those retiring at the meeting and not offering themselves for re-appointment or otherwise.

57 **Omission to send notice**

The accidental omission to send a notice of meeting to, or the non-receipt of such notice by, any person entitled to receive notice does not invalidate the proceedings at the general meeting concerned.

58 **General meetings at more than one place**

58.1 The board may resolve to enable persons entitled to attend a general meeting to do so by attendance and participation (concurrently with the proceedings at the principal meeting place) at any satellite meeting place anywhere in the world and the members present in person or by proxy at satellite meeting places shall be counted in the quorum for and entitled to vote at the general meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members attending at each of the meeting places are able to:

- 58.1.1 participate in the business for which the meeting has been convened;
- 58.1.2 hear and see all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and
- 58.1.3 be heard and seen by all other persons so present in the same way.

58.2 The chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place.

59 **Change in place and/or time of meeting**

If, after the giving of notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board decides that it is impracticable or unreasonable to hold the meeting at the declared place (or any of the places, in the case of a meeting to which Article 58 applies) and/or time, it may change the place (or any of the places, in the case of a meeting to which Article 58 applies) and/or postpone the time at which the meeting is to be held. If such a decision is made, the board may then change the place (or any of the places, in the case of a meeting to which Article 58 applies) and/or postpone the time again if it decides that it is reasonable to do so. In either case:

- 59.1 no new notice of the meeting need be given, but the board shall, if practicable, advertise the date, time and place of the meeting in at least one United Kingdom national newspaper and shall make arrangements for notices of the change of place and/or postponement to appear at the original place and/or at the original time; and
- 59.2 notwithstanding Article 80, an instrument of proxy in relation to the meeting may be deposited at any time not less than 48 hours before any new time appointed for holding the meeting.

PROCEEDINGS AT GENERAL MEETINGS

60 **Chairman**

- 60.1 The chairman (if any) of the board or, in his absence, a deputy chairman (if any) or, in his absence, some other director nominated by the board, shall preside as chairman at a general meeting. If neither the chairman, deputy chairman nor such other director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall choose one of their number to be chairman of the meeting or, if there is only one director present, he may act as chairman of the meeting. If no director is present or if all the directors present decline to take the chair, the members present and entitled to vote shall choose one of their number to be chairman of the meeting. If there are two or more deputy chairmen willing to act as chairman of the meeting, the provisions of Article 103.2 shall apply.
- 60.2 Nothing in these Articles is intended to restrict or exclude any of the powers or rights of a chairman of a meeting which are given by law.
- 60.3 The decision of the chairman on points of order, matters of procedure or arising incidentally out of the business of a general meeting is conclusive, as is the chairman's decision, acting in good faith, on whether a point or matter is of this nature.

61 **Quorum**

No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

62 **Lack of quorum**

If, within 30 minutes from the time appointed for a general meeting (or such longer interval as the chairman of the meeting may think fit to wait), a quorum is not present or if, during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall be adjourned to such other day (being not less than 14 clear days nor more than 28 clear days later) and at such time and place as may have been specified for the purpose in the notice convening the meeting or, if not so specified, as the chairman of the meeting (or, in default, the board) may determine. If a quorum is not present within 30 minutes from the time fixed for the adjourned meeting, the adjourned meeting shall be dissolved. The provision of Article 63.4 shall apply to any such adjourned meeting.

63 **Adjournment**

63.1 The chairman of any general meeting at which a quorum is present may, with the consent of the meeting, adjourn the meeting to another time (or indefinitely, to no fixed time) and another place. All business conducted at a general meeting up to the time of adjournment shall be valid.

63.2 Without prejudice to any other power which he may have under these Articles or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:

63.2.1 secure the proper and orderly conduct of the meeting; or

63.2.2 give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or

63.2.3 ensure the safety of persons attending the meeting; or

63.2.4 ensure that the business of the meeting is properly disposed of.

63.3 No business shall be transacted at an adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned indefinitely, the time and place for the adjourned meeting shall be fixed by the board. When a meeting is adjourned for 28 days or more or indefinitely, notice of the adjourned meeting shall be given in like manner as the notice of the original meeting. Save as set out in

this Article, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

63.4 The chairman of the meeting or the board may adjourn a meeting to more than one place and hold such adjourned meeting in accordance with Article 58 even if the meeting from which the adjournment took place was held in only one place without having to give notice of the adjourned meeting save as otherwise provided in this Article 63.4. A meeting may be adjourned in the circumstances set out in Articles 62 and 63 notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless execute a form of proxy for the adjourned meeting which, if delivered by him to the chairman or secretary, shall be valid even though it is given at less notice than would otherwise be required by these Articles.

64 **Amendments to resolutions**

If an amendment is proposed to a resolution under consideration, but in good faith is ruled out of order by the chairman of the meeting, the proceedings on the main resolution shall not be invalidated by any error in such ruling. With the consent of the chairman, an amendment may be withdrawn by its proposer before it is voted on. No amendment (other than a mere clerical amendment to correct a patent error) to a resolution duly proposed as a special or extraordinary resolution may in any event be considered or voted upon. No amendment (other than a mere clerical amendment to correct a patent error) to a resolution duly proposed as an ordinary resolution may be considered or voted upon unless the chairman in his absolute discretion so decides or at least 48 hours before the time appointed for holding the meeting (or adjourned meeting) at which the ordinary resolution is to be considered, notice of the terms of the amendment and intention to move it has been lodged at the office.

65 **Director's right to attend and speak**

A director is entitled to receive notice of and to attend and speak at all general meetings of the Company (and at all separate meetings of the holders of a class of shares or debentures) irrespective of whether or not he is a member.

66 **Accommodation of members at meeting**

If it appears to the chairman that the principal meeting place or any satellite meeting place is inadequate to accommodate all members entitled and wishing to attend, the meeting is duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able to:

66.1 participate in the business for which the meeting has been convened;

- 66.2 hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere; and
- 66.3 be heard and seen by all other persons so present in the same way.

67 Security and other arrangements at meetings

The board may from time to time make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including the requiring of evidence of identity to be produced by a person attending the meeting, the searching of a person attending the meeting and the restriction of the items of property which may be taken into the meeting place. The board may refuse entry to, and/or remove from, a meeting any person who refuses to comply with these arrangements or restrictions.

VOTING AT GENERAL MEETINGS

68 How votes are taken

- 68.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll in accordance with Article 68.2) demanded. Subject to the Statutes, a poll may be demanded by:
- 68.1.1 the chairman of the meeting; or
 - 68.1.2 not less than five members present in person or by proxy and entitled to vote; or
 - 68.1.3 a 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 at the meeting; or
 - 68.1.4 a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting 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.
- 68.2 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman. A demand so withdrawn shall validate the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made. A demand by a proxy is deemed to be a demand by the member appointing a proxy.

69 **Procedure on a poll**

If a poll is duly demanded (and the demand is not withdrawn), it shall be taken in such manner (including the use of a ballot, electronic voting or voting papers or tickets) as the chairman of the meeting may direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

70 **Voting on a poll**

On a poll, votes may be given either personally or by proxy. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

71 **Timing of poll**

A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such subsequent time (within a period of 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken is announced at the meeting at which it is demanded. In any other case, not less than seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The demand for a poll (other than on the choice of a chairman or on a question of adjournment) shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES AND FAILURE TO DISCLOSE INTERESTS IN SHARES

72 **Votes attaching to shares**

Subject to any special rights or restrictions as to voting on which shares have been allotted or issued or in accordance with these Articles, on a show of hands every member who is present in person and entitled to vote shall have one vote and on a poll every member who is present in person or by proxy and entitled to vote shall have one vote for every share held by him.

73 **Votes of joint holders**

Where a share is registered in the joint names of two or more persons, the vote of the senior member 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 in respect of such share.

74 **Chairman's casting vote**

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

75 **Restriction on voting in particular circumstances**

75.1 No member shall, unless the board otherwise determines, be entitled in respect of any share held by him to attend or vote either personally or by proxy at a general meeting (including a separate meeting of the holders of shares of a particular class) or to exercise any other right conferred by membership in relation to a general meeting if any call or other sum presently payable by him to the Company in respect of that share remains unpaid. This restriction shall cease to apply when all amounts due (including interest) are paid, together with all costs, charges and expenses incurred by the Company by reason of the non-payment.

75.2 Subject to the requirements of the London Stock Exchange, if a member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under section 212 of the Act and is in default for the prescribed period (as defined in Article 75.8.2) in supplying to the Company the information required by such notice, then (unless the board otherwise determines) in respect of the relevant shares (as defined in Article 75.3), the member shall not (for so long as the default continues) nor shall any transferee to whom any of such shares are transferred (other than pursuant to an approved transfer (as defined in Article 75.8.3) or pursuant to Article 75.4.3) be entitled to attend or vote, either personally or by proxy, at a general meeting (including a separate meeting of the holders of shares of a particular class). Where, on the basis of information obtained from a member in respect of a share held by him, the Company issues a notice under section 212 of the Act to another person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of this Article 75.

75.3 In this Article 75:

75.3.1 **"relevant shares"** means:

- (a) all the shares in the shareholding account in the register which comprises or includes the default shares; and
- (b) any other shares from time to time held by the member concerned;

75.3.2 **"default shares"** means those shares in relation to which the default referred to in Article 75.2 has occurred and any further shares allotted or issued in right of those shares after the date of the notice under section 212 of the Act; and

75.3.3 reference to a person being in default in supplying to the Company the information required by a notice under section 212 of the Act includes:

- (a) reference to his having failed or refused to give all or any part of it; and
- (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular.

75.4 Where the default shares represent not less than 0.25 per cent. of the issued shares of the class in question, the board may, in its absolute discretion, by giving notice (a "**direction notice**") to the member concerned direct that:

75.4.1 the whole or any part of any dividend which would otherwise be payable in respect of the default shares shall be retained by the Company (without any liability to pay interest on such moneys when they are finally paid to the member); and/or

75.4.2 all or any shares which would otherwise be issued by the Company in lieu of a cash dividend on the default shares shall be withheld from the member or otherwise retained by the Company (without any liability to pay compensation in respect of such shares when they are finally issued or released to the member); and/or

75.4.3 no transfer of any certificated relevant shares shall be registered unless the transfer is an approved transfer (as defined in Article 75.8.3) or:

- (a) the member is not himself in default as regards supplying the information required; and
- (b) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate from the member in form and substance satisfactory to the board to the effect that, after due and careful enquiry, the member is satisfied that none of the shares comprised in the transfer is a default share.

The terms of a direction notice shall apply as soon as it has been given.

75.5 For the purpose of enforcing the sanction in Article 75.4.3, the board may exercise its powers set out in Article 23.5.

75.6 The Company shall send to each other person appearing to be interested in the shares covered by a direction notice a copy of the notice, but the failure or omission by the Company so to do, or the non-receipt by each person of the notice, shall not invalidate such notice.

75.7 Except as provided in this Article 75, any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect seven days following:

75.7.1 due compliance, to the reasonable satisfaction of the board, with the notice referred to in Article 75.2; or

75.7.2 if earlier, the transfer of any relevant shares by an approved transfer or in accordance with Article 75.4.3 (but only in relation to the relevant shares so transferred).

The board shall notify promptly in writing the member concerned if the direction notice ceases to have effect pursuant to Article 75.7.1.

75.8 For the purposes of this Article 75:

75.8.1 a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a notice under section 212 of the Act and either:

(a) the member has named such person as being so interested; or

(b) (after taking into account the response of the member to such notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

75.8.2 the prescribed period is 28 days from the date of service of the notice under section 212 of the Act except that, if the shares in respect of which such notice is given represent not less than 0.25 per cent. of the issued shares of that class at the time such notice is given, the prescribed period is 14 days from such date;

75.8.3 a transfer of shares is an approved transfer if:

(a) it is a transfer of shares to an offeror by way of, or pursuant to, acceptance of a takeover offer for the Company (within the meaning of section 428(1) of the Act); or

(b) the board is satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with any person appearing to be interested in such shares (including any such sale made through the London Stock Exchange or any other stock exchange or recognised investment exchange outside the United Kingdom on which the Company's shares are normally traded). For the purposes of this sub-paragraph (b), any associate (as that term is defined in section 435 of the Insolvency Act 1986) shall be included amongst the persons

who are connected with the member or any person appearing to be interested in such shares; and

75.8.4 **"interested"** shall be construed as it is for the purpose of section 212 of the Act.

75.9 The provisions of this Article 75 are in addition to, and shall not limit or restrict any powers available under, the Statutes.

76 **Member under incapacity**

If in the United Kingdom or elsewhere a guardian, receiver or other person (by whatever name called) has been appointed by any court claiming the right or entitlement to exercise powers with respect to the property or affairs of a member on the grounds (however formulated) of mental health, the board may in its absolute discretion, upon or subject to production of such evidence of the appointment as the board may require, permit such guardian, receiver or other person on behalf of such member to vote in person or by proxy at any general meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

77 **Validity and result of vote**

77.1 If any votes are counted which ought not to have been counted, or which might have been rejected or are not counted which ought to have been counted, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment of the meeting, and, in the opinion of the chairman, it is of sufficient magnitude to vitiate the result of the voting.

77.2 No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered. Every vote not disallowed at such meeting shall be valid for all purposes and every vote not counted which ought to have been counted shall be disregarded. Any such objection shall be referred to the chairman of the meeting whose decision shall be conclusive and binding on all concerned.

77.3 Unless a poll is taken, 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 that fact without proof of the number or proportion of the votes recorded for or against such resolution.

PROXIES

78 **Identity of proxy**

A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion provided that the form of proxy specifies the number of shares in

respect of which the proxy is appointed and only one proxy shall be appointed in respect of any one share. When two or more valid but differing instruments of proxy are delivered for the same share for use at the same meeting, the one which was executed last shall be treated as replacing and revoking the other or others as regards that share. If in such circumstances the Company is unable to determine which form of proxy was executed last, none of them shall be treated as valid in respect of that share.

79 Form of proxy

79.1 The board may, if it thinks fit, but subject to the Statutes, at the Company's expense send out forms of proxy for use at the meeting with the notice convening any general meeting. The document appointing a proxy shall be in writing in any usual or common form or in any other form which the board may approve. The form of proxy shall:

79.1.1 in the case of an individual member, be signed by that individual or his attorney;

79.1.2 in the case of a member which is a corporation, be either sealed with its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation or some other person duly authorised on its behalf;

79.1.3 provide for two-way voting (without prejudice to a right to abstain) on all resolutions set out in the notice of meeting;

79.1.4 state that a member is entitled to appoint a proxy of his own choice and provide a space for insertion of the name of such proxy; and

79.1.5 state that if it is returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes.

79.2 The signature on any such form of proxy need not be witnessed. Where a form of proxy is signed on behalf of the member by an attorney or, on behalf of a member being a corporation, by a person on its behalf, the power of attorney or other authority or a notarially certified copy (or a copy certified in some other way approved by the board) of the same must (if it has not been previously registered with the Company) be deposited with the form of proxy in the manner set out in Article 80; if such power or other authority or such copy is not so lodged, the form of proxy may be treated as invalid.

80 Deposit of form of proxy

80.1 A form of proxy must be:

80.1.1 deposited by personal delivery, post, facsimile transmission or by any other electronic form at such place or one of such places (if any) as may be specified for that purpose

in, or by way of note to, or in any document accompanying, the notice convening the meeting (or, if no place is so specified, at the transfer office) not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting; or

80.1.2 in the case of a poll taken more than 48 hours after it was demanded, be so deposited after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

80.1.3 where the poll is not taken immediately but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

80.2 If the form of proxy is not deposited in accordance with Article 80.1, it will not be treated as valid. Any form of proxy will be valid for any adjournment of a meeting to which it relates, unless it is stated on the relevant form that the form of proxy cannot be used at any such adjournment. If a form of proxy relates to more than one meeting (including any adjournment of any meeting) and has been deposited as required by this Article 80 for or in respect of one of those meetings, it will be valid for all subsequent meetings to which it relates and need not be re-deposited. Such a form of proxy shall not be valid for more than 12 months after its date of execution. Deposit of a form of proxy does not prevent a member attending and voting in person at the meeting or at an adjournment of the meeting or on a poll.

81 **Rights of proxy**

A form appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, and to vote on a resolution or the amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given, in each case as the proxy thinks fit, but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting. A proxy cannot vote on a show of hands.

CORPORATIONS ACTING BY REPRESENTATIVES

82 **Corporations acting by representatives**

Any company or corporation sole which is a member of the Company may, in the case of a company by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any general meeting (including a separate meeting of the holders of shares of a particular class). The person so authorised shall, in respect of the shares to which the authorisation relates, be entitled to exercise the same powers on behalf of such company or corporation sole as the company or corporation sole could exercise if it were an individual member of the Company. Such company or corporation sole shall, for the purposes of these Articles, be deemed to be present in person at any such meeting if a person so

authorised is present at that meeting. A director or the secretary of the Company (or a person so authorised by a director or the secretary) may demand the representative of the company which he represents to provide a certified copy of, or a certificate under the hand of a director or the secretary of the company evidencing the passing of, the authorising resolution and the representative shall not be entitled to exercise the powers conferred upon him by these Articles unless and until any such demand has been satisfied.

REVOCAION OF PROXY OR CORPORATE AUTHORISATION

83 Revocation of proxy or corporate authorisation

A vote cast or demand for a poll made by a proxy (or in the case of a company or corporation sole, its authorised representative) shall not be invalidated by the previous death or insanity of the member or by the transfer of the shares in respect of which the vote is given or poll is demanded or by the revocation of the appointment of the proxy or of the authority under which the appointment was made (or, in the case of a company or corporation sole, the revocation of the appointment of its authorised representative) unless written notice of such death, insanity, transfer or revocation (as the case may be) has been received by the Company at the transfer office or at such other place at which the form of proxy was duly deposited at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll which is not taken at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

WRITTEN RESOLUTIONS OF THE COMPANY

84 Written resolutions of the company

Subject to the Statutes, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings of the Company or meetings of the holders of any class of shares in the Company (or, being a company or corporation sole, by their duly authorised representatives) shall be as valid and effectual as if the same had been passed at a general meeting of the Company or a meeting of the holders of the class of shares concerned, as appropriate, duly convened and held and may consist of one or more documents in like form each signed by one or more members (or, being a company or corporation sole, by their duly authorised representatives), as the case may be. For the purposes of this Article 84, any signature may be affixed to a facsimile copy of the resolution and any signed resolution shall be valid if the Company receives the original or a copy by facsimile.

DIRECTORS: TERMS OF HOLDING OFFICE

85 Number of directors

Unless otherwise determined by the Company by ordinary resolution, the number of directors (other than alternate directors) shall not be less than two nor more than eight. Non-executive directors shall comprise not less than one-third of the board.

86 Share qualification

A director shall not be required to hold any shares of the Company by way of qualification.

87 Directors' remuneration

The remuneration of the directors for their services as officers of the Company (excluding amounts payable under any other provision of these Articles or payable to them as remuneration under the terms of their respective service agreements with the Company or any subsidiaries of the Company) shall be determined by the remuneration committee of the board, but shall not exceed in aggregate the sum of £50,000 per annum (or such higher amount as the Company may from time to time by ordinary resolution determine) and shall accrue daily.

88 Additional remuneration of directors

A director who performs services which, in the opinion of the board, go beyond the ordinary duties of a director may be paid such additional remuneration (whether by way of salary, commission, participation in profits or otherwise) and may receive such other benefits as the remuneration committee of the board may determine and such additional remuneration or benefits shall be in addition to any remuneration or benefits provided for by or pursuant to any other Article.

89 Directors' expenses

Each director may be paid or repaid his reasonable hotel, travelling and other expenses incurred in attending and returning from meetings of the board or any committees of the board or general meetings (including separate meetings of the holders of a particular class of shares or of debentures) of the Company or otherwise properly and reasonably incurred by him in or in connection with or about the business of the Company.

90 Retirement and other benefits

90.1 The remuneration committee of the board shall have power:

90.1.1 to pay and agree to pay pension, retirement, superannuation, death and/or disability benefits, annuities and other emoluments or benefits to (or to any person in respect of)

any person who is or was at the time a director or officer or employee of the Company or of any associated company and, in each case, for his benefit or for the benefit of any member of his family, including a spouse or former spouse, or a person who is or was dependent on him; and

90.1.2 for the purpose of providing any benefits referred to in Article 90.1.1, to establish and/or to contribute to any scheme or fund or to pay premiums (whether such contributions are made by the Company alone or by any other person or persons).

90.2 A director or ex-director or officer or ex-officer is entitled to receive and retain for his own benefit any benefit provided under this Article 90 and is not obliged to account for it to the Company. The receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

91 Appointment of executive directors

91.1 The board may from time to time appoint any one or more directors to be the holder of any executive office (including, where considered appropriate, the office of chairman or deputy chairman or chief executive officer or managing or joint managing or deputy or assistant managing director but excluding that of auditor) on such terms and for such period as it may (subject to the Statutes and the requirements of the London Stock Exchange) determine. Subject to the Statutes, the board may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. The board may, without limiting or prejudicing in any way the terms of any contract entered into in any particular case, at any time revoke or vary the terms of any such appointment. A director appointed to an executive office shall not cease to be a director merely because his appointment to such executive office terminates.

91.2 The appointment of a director to an executive office shall terminate automatically if he ceases to be a director, but any such termination shall not, of itself, prejudice any claim for damages for breach of any contract of service between him and the Company.

92 Powers of executive directors

The board may entrust to and confer upon any director holding any executive office any of its powers upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers. The board may from time to time revoke, withdraw, alter or vary all or any of such powers.

ELECTION, RETIREMENT AND REMOVAL OF DIRECTORS

93 Retirement of directors

- 93.1 Each director shall retire from office and may offer himself for re-election at the first annual general meeting or other available opportunity following his appointment. Thereafter at each succeeding annual general meeting any director bound to retire under Article 97 and one-third of the other directors for the time being (or, if their number is not three or a multiple of three, the number nearest to, but (except where less than three directors are subject to retirement by rotation) not greater than one-third) shall retire from office. No director shall continue to hold office as a director after the third annual general meeting following his election or re-election, as the case may be, without submitting himself for re-election at the said third annual general meeting.
- 93.2 The directors to retire by rotation shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-election. Any further directors so to retire shall be those of the directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the board at the date of the notice convening the annual general meeting and no director shall be required to retire, or be relieved from retiring, by reason of any change in the number or identity of the directors after the date of such notice but before the close of the meeting. A retiring director shall be eligible for re-election.

94 Re-election of retiring director

- 94.1 The Company at the general meeting at which a director retires under any provision of these Articles may, by ordinary resolution, fill the vacancy by electing the retiring director or some other person eligible for election. The names of directors submitted for election or re-election shall be accompanied by biographical details sufficient (in the opinion of the board) to enable shareholders to take an informed decision on the election or re-election of such directors or other persons.
- 94.2 The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring director (other than with effect from a time later than the conclusion of the meeting) or a resolution for his re-election is put to the meeting and lost (in either which case the retirement shall take effect from the passing of the relevant resolution). Accordingly, a retiring director who is re-elected will continue in office without a break.

95 **Election of two or more directors**

The election or re-election of two or more persons proposed as directors shall be effected by separate resolutions.

96 **Nomination of director for election**

No person, other than a director retiring at the meeting or a person recommended by the board, shall be eligible for election or re-election as a director at any general meeting unless not less than seven (nor more than 42) days, including the date on which the notice is given, before the date appointed for the meeting, there shall have been lodged at the office notice in writing, containing all details in relation to the nominee which would be required to be entered in the Company's register of directors were the nominee a director, signed by some member (other than the nominee) duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, together with notice in writing signed by the nominee of his willingness to be elected.

97 **Additional directors and casual vacancies**

The Company may by ordinary resolution elect, and (without restricting in any way that power of the Company) the board shall have power at any time to appoint, any person who is willing to act to be a director either to fill a casual vacancy or as an additional director (but so that the total number of directors shall not, as a result, exceed the maximum number (if any) fixed by or in accordance with these Articles). Any person so appointed by the board must retire from office at, or at the conclusion of business at, the next following annual general meeting, and will be eligible for election by the shareholders at that meeting.

98 **Termination of office**

98.1 A director shall cease to be a director in any of the following events, namely if:

98.1.1 he ceases to be a director pursuant to the Statutes, is removed from office pursuant to these Articles, or becomes prohibited by law from acting as a director; or

98.1.2 he delivers a signed, written resignation to the office, or at a board meeting, or if he offers in writing to resign and the board resolves to accept such offer; or

98.1.3 having been appointed for a fixed term, the term expires; or

98.1.4 having retired pursuant to Article 93, he is not re-elected as a director; or

98.1.5 he has a bankruptcy order made against him or settles or agrees terms with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act; or

- 98.1.6 in the United Kingdom or elsewhere a guardian, receiver or other person (by whatever name called) has been appointed by any court claiming the right or entitlement to exercise powers with respect to his property or affairs on the grounds (however formulated) of mental health and the board resolves that he shall cease to be a director; or
- 98.1.7 he is removed from office as a director by notice in writing served upon him at his last known address signed by all his co-directors. If any such director has been appointed to an executive office which thereby automatically terminates, such removal shall be treated as an act of the Company and shall not, of itself, prejudice any claim which he may have for damages for breach of any contract of service between him and the Company or otherwise; or
- 98.1.8 he and his alternate (if any) are absent without the permission of the board from board meetings for six consecutive months and the board resolves that he shall cease to be a director.
- 98.2 A resolution of the board to the effect that a director has ceased to be a director under this Article 98 shall be conclusive as to the facts and reasons for his ceasing to hold office as stated in the resolution.

99 Removal of director

The Company may, in addition to any power and subject to any restriction of removal conferred by the Statutes, by ordinary resolution remove any director from office as a director (notwithstanding any provision of these Articles or any agreement between the Company and such director, but without prejudice to any claim he may have for damages for breach of any such agreement or otherwise). The Company may, subject to these Articles, also elect another person willing to act in place of a director so removed from office. Any person so elected shall be treated, for the purpose of determining the time at which he or any other director is to retire, as if he had become a director on the day on which the director in whose place he is elected was last elected a director. If no person is so elected, the vacancy arising upon the removal of a director from office may be filled as a casual vacancy.

MEETINGS AND PROCEEDINGS OF DIRECTORS

100 Convening of board meetings

Subject to these Articles, the board may meet together, and regulate its proceedings, as it thinks fit. At any time a director may, and the secretary at the request of a director shall, summon a meeting of the board. Notice of a board meeting shall be deemed to be duly and properly given to a director by being given to him personally or by word of mouth (including in either case via

telephone) or sent in writing to him at his last known address or at another address or to a fax number or to an electronic mail address given by him to the Company for such purpose. Notice of a board meeting need not be given to any director who is for the time being absent from the United Kingdom, but such notice shall be given to a director absent from the United Kingdom if he has given the Company notice that he requires notice of board meetings and his notice specifies how notice of board meetings is to be given to him during his absence from the United Kingdom, although such notice need not be given any earlier than notices given to directors not so absent.

101 **Authority to vote**

A director who is unable to attend any meeting of the board and who has not appointed an alternate director may authorise any other director to vote for him at that meeting; and in that event the director so authorised shall have a vote for each director by whom he is so authorised in addition to his own vote provided that he shall only be counted once in the quorum at the meeting. Any such authority must be in writing and be produced at the meeting at which it is to be used and be left with the secretary for retention.

102 **Quorum**

The quorum necessary for the transaction of business of the board may be fixed from time to time by the board and, unless so fixed at any other number, shall be two. A duly convened meeting of the board at which a quorum is present is capable of exercising any and all of the powers and discretions vested in or exercisable by the board. Any director ceasing to be a director at a board meeting may continue to act as a director and be present at the meeting and be counted in the quorum unless and until a director objects.

103 **Chairman**

103.1 The board may elect a chairman and a deputy chairman (or two or more deputy chairmen) from amongst its members and determine the period for which each is to hold office and may at any time remove any of them from such office. Any chairman or deputy chairman so elected without any fixed period of office shall, if he be re-elected a director following retirement at any annual general meeting, continue as chairman or deputy chairman (as the case may be) unless the board otherwise determines. If, at any meeting of the board, both the chairman and a deputy chairman are present, the chairman shall be the chairman of the meeting, unless he declines so to act, in which case the deputy chairman shall be the chairman of the meeting. If no chairman or deputy chairman has been appointed or, if, at any meeting of the board, no chairman or deputy chairman is present and willing to act within five minutes after the time appointed for holding the meeting, the directors (including any alternate director whose appointor is absent) present may choose one of their number to be chairman of the meeting.

103.2 If at any meeting, in the absence of the chairman, or in circumstances where the chairman is unwilling to act, there is more than one deputy chairman present and willing to act and the directors present cannot resolve which one should preside at that meeting of the board or of the Company (as the case may be), the deputy chairman who was appointed first to that post shall preside. If two or more deputy chairmen were appointed at the same time, the directors present shall resolve which of them shall preside and, in the event of an equality of votes, lots shall be cast to decide which of them shall preside.

103.3 A chairman or deputy chairman may hold executive office or employment with the Company.

104 **Casting vote**

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

105 **Directors' interests in transactions or arrangements with the Company**

105.1 Subject to compliance with Article 107, a director, despite his office:

105.1.1 may enter into or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

105.1.2 (except that of auditor or auditor of a subsidiary of the Company) may hold any other office or place of profit under the Company in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company and he or his firm be entitled to remuneration for professional services as if he were not a director;

105.1.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise (directly or indirectly) interested or as regards which the Company has any powers of appointment; and

105.1.4 shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, transaction or arrangement and no such transaction or arrangement shall be avoided on the grounds of any such interest or benefit.

105.2 Save as provided in this Article 105, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the directors concerning any contract, transaction or arrangement or any other proposal, in which he (or any person connected with him as detailed in Article 105.8) is interested.

- 105.3 Subject to the provisions of the Statutes, a director shall (in the absence of some other interest than as set out below) be entitled to vote, and be counted in the quorum, in respect of any resolution concerning any contract, transaction or arrangement, or any other proposal:
- 105.3.1 in which he has an interest of which he is not aware;
 - 105.3.2 in which he has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - 105.3.3 in which he has an interest only by virtue of interests in shares, debentures or other securities of the Company, or by reason of any other interest in or through the Company;
 - 105.3.4 which involves the giving of any guarantee, security or indemnity in respect of:
 - (a) 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 subsidiary undertakings; or
 - (b) a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
 - 105.3.5 concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities; or in the underwriting or sub-underwriting of which the director is to participate;
 - 105.3.6 concerning any other body corporate in which he (and any person connected with him) has a direct or indirect interest of any kind (including an interest by holding any position, or by holding an interest in shares, in that body corporate), provide that he (and any person connected with him) does not hold an interest in share (within the meaning set out in sections 820-825 of the 2006 Act) representing one per cent or more of either any class of equity share capital, or the voting rights, in such body corporate (excluding any shares of that class, or any voting rights attached to shares, which are held as treasury shares);
 - 105.3.7 relating to an arrangement for the benefit of the employees or former employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees or former employees to whom such arrangement relates; or

105.3.8 concerning:

- (a) insurance which the Company proposes to maintain or purchase for the benefit of directors or for the benefit of persons including directors; or
- (b) indemnities in favour of directors; or
- (c) the funding of expenditure by one or more directors on defending proceedings against such director or them or doing anything to enable such director or directors to avoid incurring such expenditure.

105.4 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each director. In such case, each of the directors concerned (if not otherwise debarred from voting under this Article 105) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning his own appointment.

105.5 If any question arises at any meeting as to whether any interest of a director prevents him from voting or being counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the chairman of the meeting. The chairman of the meeting's ruling in relation to the director concerned (other than himself) shall be final and conclusive (except where it subsequently becomes apparent that the nature or extent of the interests of the director concerned have not been fairly disclosed).

105.6 If any question arises at any meeting as to whether any interest of the chairman of the meeting prevents him from voting or being counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman). The majority vote of the directors or committee members shall be final and conclusive (except where it subsequently becomes apparent that the nature or extent of the interests of the chairman of the meeting have not been fairly disclosed).

105.7 Subject to the provisions of the Statutes, the Company may by ordinary resolution suspend or relax the provisions of this Article 105, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of this Article 105.

105.8 For the purposes of this Article 105:

105.8.1 sections 252-255 of the 2006 Act shall be applied to determine whether a person is connected with a director;

105.8.2 an interest of a person who is connected with a director shall be treated as an interest of the director;

105.8.3 in relation to an alternate, an interest of his appointer shall be treated as an interest of the alternate, in addition to any interest which the alternate otherwise has; and

105.8.4 without prejudice to Article 105.8.3, the provisions of this Article 105 shall apply to an alternate director as if he were a director otherwise appointed.

106 **Directors' interests other than in relation to transactions or arrangements with the Company**

106.1 For the purposes of this Article 106 and Article 107:

"Relevant Situation" means a situation or matter in which a director has a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) but excludes (i) any situation or matter which cannot reasonably be regarded as likely to give rise to a conflict of interest and (ii) any conflict of interest arising in relation to a transaction or arrangement with the Company;

"Interested Director" means, in relation to any Relevant Situation, any director interested in that Relevant Situation; and

any reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

106.2 The directors shall have the power to authorise any Relevant Situation on such terms as they determine. Such authorisation shall be effective only if:

106.2.1 any requirements as to the quorum at the meeting of the directors at which the Relevant Situation is considered is met without counting the Interested Director(s); and

106.2.2 any resolution authorising the Relevant Situation was agreed to without the Interested Director(s) voting or would have been agreed to if the votes of the Interested Director(s) had not been counted.

106.3 Any terms determined by the directors under Article 106.2 may be imposed at the time of authorisation or may be imposed or varied subsequently and may include (without limitation):

106.3.1 whether the Interested Director(s) may vote (or be counted in the quorum at a meeting) in relation to any resolution relating to the Relevant Situation;

- 106.3.2 the exclusion of the Interested Director(s) from all information and discussion by the Company of the Relevant Situation; and
- 106.3.3 (without prejudice to the general obligations of confidentiality) the application to the Interested Director(s) of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the Relevant Situation.
- 106.4 An Interested Director must act in accordance with any terms determined by the directors under Article 106.2.
- 106.5 Except as specified in Article 106.2, any proposal made to the directors and any authorisation by the directors in relation to a Relevant Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the directors in accordance with the provisions of these Articles.
- 106.6 Any authorisation of a Relevant Situation given by the directors under Article 106.2 may provide that, where the Interested Director obtains (other than through his position as a director) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.
- 106.7 A director shall not, by reason of his holding office as a director (or of the fiduciary relationship established by holding that office), be liable to account to the Company for any remuneration, profit or other benefit resulting from any Relevant Situation authorised under Article 106.2 and no contract shall be liable to be avoided on the grounds of any director having any type of interest authorised under Article 106.2 nor shall the receipt of any such remuneration, profit or other benefit constitute a breach of his duty under section 176 of the 2006 Act.

107 Provisions applicable to declarations of interest

- 107.1 An Interested Director shall declare the nature and extent of his interest in a Relevant Situation to the other directors.
- 107.2 A director who is in any way (directly or indirectly) interested in any proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors.
- 107.3 A director who is in any way (directly or indirectly) interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors unless the interest has been declared under Article 107.2.

107.4 The declaration of interest must (in the case of Article 107.3) and may, but need not (in the case of 107.1 or 107.2) be made:

107.4.1 at a meeting of the directors; or

107.4.2 by notice to the directors in accordance with section 184 or section 185 of the 2006 Act.

107.5 If a declaration of interest proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.

107.6 Any declaration of interest request by Article 107.1 must be made as soon as is reasonably practicable.

107.7 Any declaration of interest request by Article 107.2 must be made before the Company enters into the transaction or arrangement.

107.8 Any declaration of interest required by Article 107.3 must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration.

107.9 A declaration in relation to an interest of which the director is not aware is not required. For this purpose, a director is treated as being aware of matters of which he ought reasonably to be aware.

107.10 A director need not declare an interest:

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

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

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

108 **Number of directors below minimum**

The continuing directors may act notwithstanding any vacancies but, if and for so long as the number of directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing directors or director may act for the purpose of filling such vacancies or of summoning general meetings, but not for any other purpose. If there are no directors or director able or willing to act, then any two members may summon a general meeting for the

purpose of appointing directors. Any additional director so appointed by the directors or director shall, subject to these Articles, hold office until the conclusion of business at the following annual general meeting of the Company, unless he is reappointed during that meeting.

109 Written resolutions

A resolution in writing signed by all the directors (or, in the case of a committee, all the members of such committee) for the time being entitled to receive notice of a board or committee meeting (and comprising together in number not less than a quorum for a meeting of the board or committee) shall be as valid and effective as a resolution duly passed at a meeting of the board (or of such committee) and may consist of several documents in like form each signed by one or more directors. A resolution in writing signed by an alternate director need not be signed by his appointor and a resolution in writing signed by the appointor need not be signed by the alternate director in that capacity. For the purposes of this Article 109, any signature may be affixed to a facsimile copy of the resolution and any signed resolution shall be valid if the Company receives the original or a copy by facsimile.

110 Video conference and telephone meetings

A director (or his alternate director) may participate in a meeting of the board or a committee of the board through the medium of a video conference, conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the board or a committee of the board shall, for the purposes of these Articles, be deemed to be validly and effectively transacted at a meeting of the board or a committee of the board although fewer than two directors (or alternate directors) are physically present at the same place. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. The word "**meeting**" when referring to a meeting of the board, or of a committee of the board, in these Articles shall be construed accordingly.

111 Minutes of proceedings

111.1 The board shall cause minutes to be made, in books kept for the purpose, of:

111.1.1 all appointments of officers and committees made by the board and of any remuneration fixed by the board; and

111.1.2 the names of directors present at every meeting of the board, committees of the board, the Company or the holders of a class of shares or debentures, and all orders, resolutions and proceedings of such meetings.

111.2 If purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, such minutes shall be sufficient evidence of the proceedings of the meeting without any further proof of the facts stated in them.

112 Validity of proceedings

All acts done by any meeting of the board, or of any committee of the board, or by any person acting as a director or alternate director or as a member of any such committee shall, as regards all persons dealing in good faith with the Company, be as valid as if every such director or person had been duly appointed and was qualified and had continued to be a director or member of the committee and had been entitled to vote, even if there was some defect in the appointment or continuance in office of any such director or other person, or that any of them was disqualified or had left office, or was not entitled to vote.

COMMITTEES OF THE DIRECTORS

113 Appointment and constitution of committees

Subject to these Articles, the board may, as it thinks fit, delegate any of its powers, authorities and/or discretions (including any power, authority and/or discretion relating to the remuneration of directors) to committees consisting of one or more directors and, if thought fit, one or more other persons who have been co-opted on to such committee in accordance with this Article on such terms as it thinks fit. Any committee appointed under this Article shall, when exercising any powers, authorities and/or discretions delegated to it, abide by any regulations imposed by the board which may then subsist. Any such regulations may provide for or permit the co-option to the committee of persons other than directors and for such persons to have voting rights as members of that committee. Any such regulations may also provide for or permit the sub-delegation of powers, authorities and/or discretions by the committee. If any power, authority and/or discretion of the board referred to in these Articles has been delegated to a committee (or by a committee to a sub-delegate) under this Article 113, any reference in these Articles to the exercise by the board of that power, authority and/or discretion shall be interpreted accordingly as if it were a reference to the exercise of the same by that committee (or sub-delegate) and, for the avoidance of doubt, the delegation by the board (or by the committee) shall be construed as having been permitted. The board may, if it thinks fit, provide in such regulations that the board may itself either exercise or not exercise such powers, authorities and/or discretions as it delegates under this Article 113 concurrently with such delegation remaining in force. The board may at any time revoke the delegation of its powers, authorities and/or discretions and discharge any committee or otherwise alter the terms of the delegation.

114 **Proceedings of committee meetings**

The meetings and proceedings of any committee appointed pursuant to Article 113 consisting of two or more persons shall be governed by these Articles regulating the meetings and proceedings of the board (with appropriate modifications), so far as the same are not superseded by any regulations made by the board under Article 113. It is not necessary for a director who is not a member of a committee to be given notice of any meeting of the committee.

POWERS OF DIRECTORS

115 **General powers**

The business and affairs of the Company shall be managed by the board, who may pay all expenses incurred in forming and registering the Company and may (subject to these Articles, the memorandum of association of the Company, the Statutes and any regulations which may be prescribed by special resolution of the Company) exercise all the powers of the Company which are not, by the Statutes or these Articles, required to be exercised by the Company in general meeting. No alteration of the memorandum of association of the Company or these Articles, and no regulation prescribed by special resolution, shall invalidate any prior act of the board which would have been valid if that alteration or regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the board by any other Article or resolution of the Company.

116 **Local management**

The board may establish any local or 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 any such boards or agencies, or any managers or agents, and may fix their remuneration. The board may also delegate to any local or divisional board, agency, manager or agent any of the powers, authorities and/or discretions vested in the board, with power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies on such board, and to act despite any vacancy. Any such appointment or delegation may be made upon such terms and subject to such conditions as the board may think fit. 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 by the same. Subject to the terms of establishment of, or delegation to, a local or divisional board, all the provisions of these Articles relating to proceedings of the board shall, with such changes as are necessary and where applicable, apply to any such board.

117 Appointment of attorney

The board may from time to time and at any time by power of attorney or otherwise appoint any person or undertaking 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/or 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 appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the board may think fit. The board may also authorise any such attorney to sub-delegate all or any of the powers, authorities and/or discretions vested in him or it. The board may at any time revoke or alter the terms of any such appointment or delegation. The board may, if it thinks fit, provide that the board may itself either exercise or not exercise such powers, authorities and/or discretions as it delegates under this Article 117 concurrently with such delegation remaining in force.

118 President

The board may from time to time elect a president of the Company and may determine the period for which he shall hold office. Such president may be either honorary or paid such remuneration as the remuneration committee of the board in its discretion shall think fit and need not be a director but shall, if not a director, be entitled to receive notice of, and attend and speak, but not to vote, at, all meetings of the board.

119 Signature on cheques etc.

All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the board shall from time to time by resolution determine.

120 Titular directors

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

121 Exercise of voting powers

Subject to Article 123, the board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by the Company, or a

power of appointment to be exercised by the Company, in any manner it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of the members or any of them as directors of that company or the payment of remuneration to the officers or employees of that company).

122 **Provision for employees**

The board may exercise the powers conferred on the Company by the Statutes to make provision for the benefit of a person employed or formerly employed by the Company or any of its subsidiary undertakings (or any member of his family, including a spouse or former spouse, or any person who is or was dependent on him) in connection with the cessation, or the transfer to a person of the whole or part, of the undertaking of the Company or the subsidiary undertaking.

123 **Borrowing powers**

123.1 Subject to these Articles and the Statutes, the board may exercise all the powers of the Company to borrow money and to mortgage, pledge, charge or grant any security over all or any part of the undertaking, property, assets (present and future) and uncalled capital of the Company, 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.

123.2 The board shall restrict the borrowings of the Company and shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to ensure (but as regards subsidiary undertakings, to the extent possible) that the aggregate principal amount for the time being outstanding in respect of moneys borrowed by the group shall not at any time, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to three times the adjusted capital and reserves of the group from time to time.

123.3 For the purpose of this Article 123:

123.3.1 adjusted capital and reserves means a sum equal to the aggregate of:

- (a) the amount paid up on the allotted or issued share capital of the Company; and
- (b) the amount standing to the credit of the consolidated reserves,

all as shown in the relevant balance sheet but after:

- (c) making such adjustments as may, in the opinion of the board, be necessary or appropriate to take account of a variation in the amounts referred to in paragraphs 123.3.1(a)(b) and 123.3.1(b) since the date of the relevant balance sheet arising out of the allotment of shares in the capital of the Company. For this purpose, if a proposed allotment or issue of shares by the Company for

cash has been underwritten, then such shares shall be deemed to have been allotted or issued and the amount (including any premium) of the subscription moneys payable in respect of those shares (not being moneys payable later than six months after the date of allotment or issue) shall, to the extent so underwritten, be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);

- (d) making such adjustments as may be necessary or appropriate in respect of any distribution declared, recommended or paid by each group undertaking to a person other than a group undertaking out of profits accrued up to and including the date of, but not provided for in, the relevant balance sheet; and
- (e) making such adjustments as may be necessary or appropriate to reflect any variation in the interests of the Company in any group undertaking (including a variation whereby a group undertaking becomes or ceases to be a group undertaking) since the date of the relevant balance sheet;

123.3.2 group means

- (a) the Company;
- (b) all undertakings which are included in the consolidated group accounts of which the relevant balance sheet forms part and which would be so included if group accounts were prepared at the relevant time (and if that time were the Company's financial year end); and
- (c) all undertakings which are not included in the consolidated group accounts of which the relevant balance sheet forms part but which would be so included if group accounts were prepared at the relevant time (and if that time were the Company's financial year end);

123.3.3 group undertaking means the Company or any undertaking in the group;

123.3.4 investments means an amount equal to the aggregate of:

- (a) all cash in hand and cash deposits repayable on demand with any bank or financial institution (not itself a group undertaking); and
- (b) investments which are readily convertible into known amounts of cash with notice of 48 hours or less,

in each case beneficially owned, directly or indirectly, by a group undertaking and whether denominated in sterling or in a currency other than sterling;

123.3.5 moneys borrowed means all moneys borrowed including, without limitation:

- (a) the nominal amount of, and the amount of any premium payable in respect of, any debentures or loan capital issued by a group undertaking;
- (b) the nominal amount of, and the amount of any premium paid in respect of, any allotted share capital (not being equity share capital) of a group undertaking (other than the Company) not beneficially owned, directly or indirectly, by another group undertaking;
- (c) the principal amount of any borrowings of any person the redemption or repayment of which is guaranteed or secured (wholly or partly) or the subject of an indemnity granted by a group undertaking (together with, in each case, any fixed or minimum premium payable on final redemption or repayment) (except so far as such moneys borrowed is otherwise taken into account as moneys borrowed by a group undertaking);
- (d) any amount raised by acceptance under an acceptance credit facility;
- (e) any amount raised under a note purchase facility;
- (f) the aggregate amount owing by group undertakings under lease or hire purchase contracts which would, in accordance with generally accepted accounting standards in the United Kingdom, be treated as finance or capital leases;
- (g) the principal amount of any book debts of any group undertaking which have been sold or agreed to be sold, to the extent that any group undertaking is for the time being liable to indemnify or reimburse the purchaser in respect of any non-payment of such book debts;
- (h) any part of the purchase price of any movable or immovable assets or services acquired by any group undertaking, the payment of which is deferred for a period of more than 90 days; and
- (i) any amount raised under any other transaction having the commercial effect of a borrowing,

but excluding:

- (j) borrowings by one group undertaking from another, including the principal amount of any loan capital (whether secured or unsecured) and the nominal amount of any allotted or issued share capital (not being equity share capital)

of a group undertaking beneficially owned, directly or indirectly, by another group undertaking;

- (k) borrowings for the purpose of financing a contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by an export credits guarantee institution; and
- (l) borrowings for the purposes of, and applied within six months of being made in, repaying the whole or part of borrowings that constitute moneys borrowed for the purposes of this Article, pending their application for that purpose within that period,

and in calculating moneys borrowed for the purposes of this Article, there shall be deducted a sum equal to the investments; and

123.3.6 relevant balance sheet means the consolidated balance sheet of the Company and each group undertaking comprised in the latest group accounts prepared and approved by the board and audited by the auditors in accordance with the Statutes.

123.4 For the purposes of this Article 123, moneys borrowed expressed in or calculated by reference to a currency other than sterling shall be converted into sterling:

123.4.1 at the rate of exchange specified in a forward purchase contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in rates of exchange in respect of repayment of those moneys (a "**hedging agreement**"); or

123.4.2 if those moneys were borrowed on or before the date of the relevant balance sheet and repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of:

- (a) the rate of exchange used for the conversion of that currency in the relevant balance sheet; or
- (b) the middle-market rate of exchange quoted by Royal Bank of Scotland PLC at the close of business on the business day immediately preceding the day on which the calculation falls to be made; or

123.4.3 if those moneys were borrowed after the date of the relevant balance sheet and repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of:

- (a) the middle-market rate of exchange quoted by Royal Bank of Scotland PLC at the close of business on the date of the relevant balance sheet; or

- (b) the middle-market rate of exchange quoted by Royal Bank of Scotland PLC at the close of business on the business day immediately preceding the day on which the calculation falls to be made.

123.5 When calculating moneys borrowed for the purposes of this Article 123:

123.5.1 moneys borrowed by a partly-owned subsidiary undertaking and not owing to another group undertaking shall be taken into account subject to the exclusion of a proportion of such moneys equal to the relevant proportion; and

123.5.2 moneys borrowed and owing to a partly-owned subsidiary undertaking by another group undertaking shall be taken into account to the extent of a proportion of such moneys equal to the relevant proportion,

and for the purposes of this Article 123.5 "**relevant proportion**" means the proportion of the issued equity share capital of such partly-owned subsidiary undertaking which is not attributable, directly or indirectly, to the Company.

123.6 The determination of the auditors as to the amount of the adjusted capital and reserves or the aggregate amount of moneys borrowed for the purposes of this Article 123.5 shall be conclusive and binding on all concerned and for the purposes of their computation the auditors may in their discretion make such further or other adjustments (if any) as they think fit. Nevertheless, the board may at any time act in reliance on a bona fide estimate of the amount of the adjusted capital and reserves or the aggregate amount of moneys borrowed and, if in consequence the borrowing limit contained in this Article is inadvertently exceeded, an amount of moneys borrowed as is equal to such excess may be disregarded for 90 days after the date on which, by reason of a determination of the auditors or otherwise, the board became aware that such a situation had or may have arisen.

123.7 No lender or other person dealing with the Company or any other group undertaking shall be concerned to see or enquire whether the borrowing limit is observed and no borrowing 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 borrowing was incurred or security given, express notice that such limit had been or would thereby be exceeded.

ALTERNATE DIRECTORS

124 **Alternate Directors**

124.1 Any director (other than an alternate director) may at any time appoint another director or any other person to be his alternate director (whether for a limited or an unlimited term) and may at

any time terminate such appointment. The appointment of a non-director requires the approval of the board and the consent of the appointee.

- 124.2 Any appointment or removal of an alternate director shall be made by the delivery, to the office (or such other place approved by the board) or to a meeting of the board, of a written notice signed by the appointing director and, subject to Article 124.1 shall take effect on receipt of such notice at the office.
- 124.3 The appointment of an alternate director shall terminate on the happening of any event which, if he were a director, would cause him to cease to be a director or if the director who appointed him ceases to be a director (except by retirement at a general meeting at which he is re-elected).
- 124.4 An alternate director shall, if the director appointing him so requests, be entitled to receive notices of meetings of the board or of committees of the board to the same extent as, but to the exclusion of, the director appointing him and shall be entitled to attend and vote as a director at, and to be counted as part of the quorum for, any such meeting at which the director appointing him is not present, and generally at any such meeting to perform the functions of the director who appointed him.
- 124.5 Every person acting as an alternate director shall (except as regards the power to appoint an alternate director and remuneration) be subject to the provisions of these Articles relating to directors and shall alone be responsible for his acts and defaults and shall not be deemed to be the agent of or for the director appointing him.
- 124.6 If an alternate director is also himself a director or attends any meeting as an alternate for more than one director, his voting rights shall be cumulative but he will only be counted once for any quorum requirements.
- 124.7 If and to the extent that the board may from time to time decide in relation to any committees of the board, the preceding provisions of this Article 124 shall also apply (with appropriate modifications) to any meetings of any such committee of which a director who has appointed an alternate is a member.
- 124.8 An alternate director shall be entitled to contract, to be interested in and to benefit from any contracts, arrangements, transactions or other proposals, to be repaid expenses and to be indemnified, to the same extent as if he were a director. Such alternate director shall not be entitled to receive any remuneration from the Company for acting as an alternate director unless the director who appointed him instructs the Company in writing to pay part of the remuneration payable by the Company to that director to the alternate director instead.

SECRETARY

125 Secretary

The secretary shall be appointed by the board on such terms and for such period as it may think fit. Any secretary so appointed may at any time be removed from office by a simple majority of the board as a whole, but any such removal shall not, of itself, prejudice any claim for damages which he may have for breach of any contract of service between him and the Company. The board may, if it thinks fit, appoint two or more persons as joint secretaries. The board may also appoint from time to time on such terms and for such period as it may think fit, one or more deputy and/or assistant secretaries. Any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.

REGISTERS

126 Members

126.1 Subject to the Act, the Company shall enter on the register how many certificated and uncertificated shares each member holds.

126.2 Subject to the Statutes and the Uncertificated Securities Regulations, the board may exercise the powers conferred on the Company with regard to the keeping of an overseas, local or other register in any place and may make and vary regulations as it thinks fit concerning the keeping of a register, provided, however, that those members who hold uncertificated shares may not be entered as holders of those shares on an overseas branch register.

127 Charges

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

SEALS

128 Seals

128.1 The board shall ensure that every seal is kept in safe custody and that no seal shall be used (or document executed pursuant to Article 128.3) without the authority of a resolution of the board or of a committee which has been appropriately authorised by the board.

128.2 Unless the board resolves otherwise, every document on which a seal is to be put shall be signed by one director and the secretary or by two directors but, on any certificate for shares or

debentures or other securities of the Company, such signatures or either of them shall be dispensed with or put on by some method or system of printed or mechanical signature.

- 128.3 Subject to Article 128.1 any document signed by one director and the secretary or by two directors and expressed to be executed by the Company as a deed shall have the same effect as if executed under the seal.
- 128.4 The Company may exercise the powers conferred by the Statutes to have an official seal for use abroad and such powers shall be vested in the board.
- 128.5 The board may resolve that the Company shall not have a seal.

AUTHENTICATION OF DOCUMENTS

129 Authentication of Documents

Any director or the secretary or any person appointed by the board for the purpose shall have power to authenticate any document comprising or affecting the constitution of the Company, any resolution passed at a general meeting (or at a separate meeting of the holders of a class of shares or debentures) or at a meeting of the board or any committee, and any book, record, document or account relating to the business of the Company, and to certify copies of, or extracts from, the same as true copies or extracts. Where any book, record, document or account is kept at a place other than the office, the local manager or other officer of the Company having the custody of the same shall be deemed to be a person appointed by the board. A document purporting to be a copy of any such resolution, or the minutes of, or an extract from the minutes of, any such meeting, which is so certified shall be conclusive evidence in favour of all persons dealing with the Company in good faith who rely on the same that such resolution has been duly passed or, as the case may be, that the minutes are, or any minute so extracted is, a true and accurate record of proceedings at a duly constituted meeting.

RESERVES

130 Establishment of reserves

The board may from time to time set aside out of the profits of the Company and put in a reserve such sums as it may think proper. Such sums may, at the discretion of the board, be used for any purpose for which the profits of the Company may properly be applied and, pending such use, may either be employed in the business of the Company or be invested. The board may divide any such reserve into such special funds as it may think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The board may also, without putting the same in a reserve, carry forward any profits. In creating a reserve and in using the same, the board shall comply with the Statutes.

131 **Capital reserve**

The board shall establish a reserve to be called the "**capital reserve**" and shall in its discretion either carry to the credit of such reserve from time to time all capital profits or appreciations arising on the sale, transposition, payment off or revaluation of any investment or other capital asset of the Company (for the purposes of these Articles, each being called a disposal) in excess of their respective book value or apply the same in providing for depreciation or contingencies. Accrued but unpaid interest (or any sum received in respect of accrued but unpaid interest) shall not be treated as capital profits or appreciations arising on such a disposal. Any losses realised on such a disposal and any other expenses, loss or liability (or provision therefor) considered by the board to be of a capital nature may be carried to the debit of the capital reserve. Any increase or diminution in the amount of any index-linked stock or other index-linked obligation of the Company may be carried to the debit or credit of the capital reserve, except so far as the board decides to make good the same out of or credit the same to other funds or reserves of the Company. Subject to the Statutes, the board may also debit the capital reserve with the whole or such part of (i) any management fees incurred by the Company and (ii) any interest payable by the Company in respect of any borrowings of the Company as may be deemed appropriate by the board. All sums carried and standing to the credit of the capital reserve may be applied for any of the purposes to which sums standing to any reserve under Article 130 are applicable, except and provided that no part of the capital reserve or any other moneys in the nature of accretion to capital shall in any event be transferred to revenue account or be regarded or treated as profits of the Company available for distribution or be applied in paying dividends on any shares in the Company's capital.

132 **Business bought as from past date**

Subject to the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date is before or after the incorporation of the Company) the profits and losses of such asset, business or property may, as from such date, at the discretion of the board be carried in whole or in part to a revenue account and treated for all purposes as profits or losses of the Company. Subject again to the Statutes, if any shares or securities are purchased cum dividend or interest, such dividend or interest may, at the discretion of the board, be treated as revenue; it shall not be obligatory to capitalise the same (or any part of the same).

DIVIDENDS

133 **Final dividends**

Subject to the Statutes and these Articles, the Company may, by ordinary resolution, declare dividends, but no such dividend shall exceed the amount recommended by the board.

134 **Interim and preferential dividends**

Subject to the Statutes and Article 136, if and to the extent that, in the opinion of the board, the profits of the Company justify such payments, the board:

- 134.1 may declare and/or pay the fixed dividends on any class of shares carrying a fixed dividend payable on fixed dates, on the dates prescribed for payment of the same;
- 134.2 may provide, in such manner and on such terms as they may think fit, for the payment of any dividends (whether fixed or calculated by reference to or in accordance with a specified procedure or mechanism) on any class of shares carrying rights to such a dividend on the dates prescribed for payment of the same (whether such dates are fixed or are determined or to be determined in accordance with a specified procedure or mechanism); and
- 134.3 may from time to time pay interim dividends on the shares of any class of such amounts, on such dates and in respect of such periods, as they may think fit provided that, if shares of a class carry a right to a preferential dividend and such dividend is in arrears, no interim dividend shall be paid on any shares having deferred or non-preferred rights unless and until such preferential dividend is no longer in arrears.

If the board acts in good faith, it shall not incur any liability to the holders of any shares for any loss they may suffer by the lawful payment of any such fixed or interim dividend.

135 **Distribution in specie**

Without prejudice to Article 75, the Company may, upon the recommendation of the board, by ordinary resolution direct payment of the whole or any part of a dividend by the distribution of specific assets (and, in particular, of paid up shares or debentures of any other company) and the board shall comply with and carry out any such resolution. Where any difficulty arises with regard to such distribution, the board may settle the same as it thinks expedient and, in particular (without limitation), may:

- 135.1 make such provisions as it thinks fit for dealing with fractional entitlements which may or would arise (including provisions under which fractional entitlements are ignored or the benefit of the same belongs to the Company rather than the relevant members or the issue of fractional certificates);
- 135.2 fix the value for distribution of such specific assets (or any part of the same);
- 135.3 determine that cash shall be paid to any member on the basis of the value so fixed in order to adjust the rights of those entitled to participate in the dividend; and
- 135.4 vest any such specific assets in trustees.

136 **No dividend except out of profits**

No dividend shall be paid except out of profits available for distribution under the provisions of the Statutes. Any surplus over the book value derived from the sale or realisation of any capital asset and any other sums representing capital profits within the meaning of section 265 of the Act or other accretions to capital assets, including in particular any sums resulting from the writing up of the book values of any capital assets, shall not be available for dividend or any other distribution (as defined by section 263(2) of the Act).

137 **Ranking of shares for dividend**

Unless and to the extent that the rights attached to any shares or the terms of allotment of any shares or these Articles provide to the contrary, all dividends shall (as regards any shares which are not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid in proportion to the amounts paid up on the shares during any part or parts of the period in respect of which the dividend is paid. In accordance with Article 29.1, any payment in advance of calls shall not entitle the holder of such shares to participate in respect of that amount in any dividend.

138 **Currency and payment of dividends**

138.1 Any dividend or other moneys payable on or in respect of a share may be paid by one of the following methods to be determined from time to time by the board as it sees fit:

138.1.1 in cash; or

138.1.2 by cheque (made payable to or to the order of the person entitled to the payment and may, at the Company's option, be crossed "account payee" where appropriate), warrant or other financial instrument; or

138.1.3 by a bank or other funds transfer system to an account designated in writing by the person entitled to the payment; or

138.1.4 by means of the relevant system in respect of an uncertificated share if the board decides and the person entitled to payment has in writing authorised the payment to be made by means of that system; or

138.1.5 by such other method approved by the board and agreed (in such form as the Company thinks appropriate) by the person entitled to the payment may in writing direct.

138.2 The Company may send a cheque, warrant or other financial instrument for amounts payable in respect of a share by post to the registered address of the member or person entitled to the same (or, if two or more persons are registered as joint holders of the share or are entitled to the same by transmission, to any one of such persons) or to such person and/or such address as such

member or person(s) may in writing direct. Payment of the cheque, warrant or other financial instrument by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque, warrant or other financial instrument shall be sent at the risk of the person(s) entitled to the money represented by the same. Payment by bank or other funds transfer, by means of a relevant system or by another method at the direction of the person(s) entitled to payment shall be a good discharge to the Company and the Company shall have no responsibility for any amounts lost or delayed in the course of making that payment. If any such cheque, warrant or other financial instrument has been, or shall be alleged to have been, lost, stolen or destroyed, the board may, at the request of the person(s) entitled to it, issue a replacement cheque, warrant or other financial instrument or other form of payment subject to compliance with such conditions as to evidence and indemnity and the payment of such out-of-pocket expenses incurred by the Company in connection with the request as the board may think fit. Notwithstanding any other provision of these Articles relating to payments in respect of shares, where:

- 138.2.1 the board determines to make payments in respect of uncertificated shares through the relevant system, it may also determine to enable any holder of uncertificated shares to elect not to receive dividends through the relevant system and, in such event, establish procedures to enable such holder to make, vary or revoke any such election; and
- 138.2.2 the Company receives an authority in respect of such payments in respect of shares in a form satisfactory to it from a holder of any shares (whether such authority is given in writing or by means of the relevant system or otherwise), the Company may make, or procure the making of, such payments in accordance with such authority and any payment made in accordance with such authority shall constitute a good discharge therefore.
- 138.3 Subject to these Articles and to the rights attaching to, or the terms of issue of, any shares, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the board may determine.
- 138.4 If any dividend or other moneys payable on or in respect of a share are to be paid in a currency other than sterling, the board may make such provisions as it thinks fit to enable such payment to be made, including making arrangements to enable payment to be made in the relevant currency for value on the date due for payment or on such later date as the board may decide.
- 138.5 Where a dividend or other moneys payable on or in respect of a share are to be paid in a currency other than sterling, the rate of exchange to be used to calculate the relevant amount of foreign currency shall be such market rate selected by the board as it shall consider appropriate, ruling at any time between the close of business on the business day immediately preceding the day on which the board publicly announces its intention to pay or recommend (as the case may be) the relevant dividend and the close of business on the day on which that dividend is paid.

139 Joint holders and persons entitled by transmission

If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise through the operation of law, any one of them may give a good receipt for any dividend or other moneys payable, or property distributable, on or in respect of the share. The Company may rely in relation to the share on the written direction or designation in relation to Articles 138, 139 and 142.2 of any one joint holder of the share, or any one person entitled by transmission to the share.

140 No interest on dividends

Subject to the rights attaching to, or to the terms of issue of, any shares, the Company shall not be obliged to pay interest on any dividend or other moneys payable on or in respect of a share.

141 Retention of dividends

141.1 The board may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the moneys payable to the Company in respect of that share.

141.2 The board may retain any dividend payable on a share in respect of which any person is, under the provisions of these Articles dealing with the transmission of shares, entitled to become a member in the circumstances set out in Article 47.4.

142 Unclaimed and uncashed dividends

142.1 Any unclaimed dividend, interest or other moneys payable on or in respect of a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed. The payment by the board of any unclaimed dividend, interest or other moneys payable on or in respect of a share into a separate account from the Company's own account shall not constitute the Company a trustee of the moneys paid in. Any dividend which has remained unclaimed for a period of 12 years from the due date for payment of such dividend shall be forfeited and shall cease to remain owing by, and shall revert to, the Company.

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

142.2.1 a cheque, warrant or other financial instrument is returned undelivered or left uncashed; or

142.2.2 a transfer made by a bank or other funds transfer system is not accepted,

and reasonable enquiries have failed to establish another address or account of the person entitled to the payment, the Company shall not be obliged to send or transfer a dividend or other

moneys payable on or in respect of that share to that person until he notifies the Company of an address or account to be used for that purpose. If the cheque, warrant or other financial instrument is returned undelivered or left uncashed or the transfer is not accepted on two consecutive occasions, the Company may exercise this power without making any such enquiries. Subject to these Articles, the Company shall recommence sending cheques, warrants or other financial instruments in respect of the dividends or other moneys payable on or in respect of those shares if the holder or person entitled by transmission claims the arrears of any dividend or other moneys payable and does not instruct the Company to pay future dividends or other moneys payable in some other way.

143 Waiver of dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not executed as a deed) shall be effective only if such document is signed by the shareholder (or the person entitled to the share by transmission) and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company.

SCRIP DIVIDENDS

144 Scrip dividends

144.1 Subject to the Act but without prejudice to Article 75, the board may, with the prior approval of an ordinary resolution of the Company, offer the holders of shares of a particular class the right to elect to receive additional shares of that or another class, credited as fully paid (each an "**additional share**"), instead of cash in respect of all or part of any dividend or dividends proposed to be paid or declared at any time during a specified period (such period not expiring later than the beginning of the fifth annual general meeting following the date on which the resolution is passed) upon (subject as set out in this Article 144) such terms and conditions as may be specified in such ordinary resolution or otherwise decided upon by the board.

144.2 The board may in its absolute discretion amend, suspend or withdraw (whether temporarily or otherwise) any offer previously made to shareholders to elect to receive additional shares at any time prior to the allotment of the additional shares and may do such acts and things considered necessary or expedient with regard to, or in order to effect, any such amendment, suspension or withdrawal.

144.3 When a right to elect is to be offered to holders of shares of a particular class pursuant to this Article, the board shall notify such holders of that right and shall make available or provide to such holders forms of election (in such form as the board may approve) in order to exercise such right. Such forms may also provide for the right to elect to receive additional shares instead of cash in respect of future dividends not yet declared or resolved upon (and accordingly in respect of which the basis of allotment has not yet been decided upon) as well as in respect of the

relevant dividend. The board shall also specify the procedures to be followed in order to exercise any such right or rights of election and, where applicable, to vary or revoke any such right or rights.

- 144.4 The basis of allotment shall be determined by the board so that each holder of shares of a particular class who elects to receive additional shares shall be entitled to receive such number of additional shares, calculated at the relevant price for each such share, as is nearly as possible equal to (but not in excess of) the cash amount of the relevant dividend which such holder would otherwise have received. For the purposes of this Article 144, the "**relevant price**" of an additional share shall be such price as is equal to the average of the middle market prices for a share of that class, ascertained by reference to the Daily Official List of the London Stock Exchange during the period of five dealing days commencing on the day when such shares are first quoted "ex" the relevant dividend or to the par value of such a share (whichever is the higher), or commencing on such other date as the board may deem appropriate to take account of a subsequent issue of shares by the Company. A certificate or report by the auditors as to the value of an additional share in respect of any dividend shall be conclusive evidence of that value. No member may receive a fraction of a share.
- 144.5 The cash amount of a dividend (or part of the dividend) on shares in respect of which an election to receive additional shares has been made shall not be payable and in lieu additional shares shall be allotted to the relevant holders on the basis of allotment determined under Article 144.3. For such purpose, the board may (without limiting or restricting in any way their powers under Article 144) capitalise out of such of the sums for the time being standing to the credit of any of the Company's reserve accounts (including any share premium account or capital redemption reserve) or profit and loss account as the board may determine a sum equal to the aggregate nominal amount of the additional shares to be allotted and shall apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution credited as fully paid to the relevant holders of shares.
- 144.6 Article 145 shall apply (with appropriate modifications) to any capitalisation made pursuant to this Article 144.
- 144.7 The additional shares so allotted shall rank equally in all respects with the fully paid shares of that class then in issue save only as regards participation in the relevant dividend (or share election in lieu).
- 144.8 The board shall not proceed with any election unless the Company has sufficient unissued authorised share capital for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment has been determined.
- 144.9 The board may on any occasion determine that rights of election shall be subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to

any legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory. In any such case, the preceding provisions of this Article shall be construed accordingly.

- 144.10 A resolution to be proposed at an annual general meeting that a dividend be declared at that meeting shall be deemed to take effect at the end of the meeting if at the meeting a resolution under Article 144.1 is also to be proposed.

CAPITALISATION OF PROFITS AND RESERVES

145 Capitalisation of profits and reserves

Subject to the Statutes, the board may, with the authority of an ordinary resolution of the Company:

- 145.1 resolve to capitalise any undistributed profits of the Company not required for paying any preferential dividend whether or not they are available for distribution or any sum standing to the credit of any reserve (including a share premium account, capital redemption reserve and profit and loss account);

- 145.2 appropriate the sum resolved to be capitalised to the members in proportion to the nominal amount of shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards:

145.2.1 paying up the amounts (if any) for the time being unpaid on any shares held by them respectively; or

145.2.2 paying up in full unissued shares or debentures of a nominal amount equal to that sum, and allot the shares or debentures, credited as fully paid, to those members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

- 145.3 subject to the requirements of the London Stock Exchange, make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions, the board may:

145.3.1 in a capitalisation in lieu of dividend, deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members

(except that if the amount due to a member does not exceed £3.00, or such other sum as the board may decide, the sum may be retained for the benefit of the Company);

145.3.2 in a capitalisation other than one in lieu of dividend, if a member's entitlement includes a fraction of a security, that fraction must be sold for the benefit of the member save that if its value does not exceed £3.00 it may be sold for the benefit of the Company;

145.4 authorise a person to enter (on behalf of all the members concerned) into an agreement with the Company providing for either:

145.4.1 the allotment to the members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation; or

145.4.2 the payment by the Company on behalf of the members (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares,

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

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

ACCOUNTS

146 **Accounting records**

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the office, or at such other place as the board thinks fit. Such records shall always be open to inspection by the officers of the Company but no member (other than an officer of the Company) or other person shall have any right to inspect any records, accounts, books or other documents of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the board or by an ordinary resolution of the Company.

147 **Preparation and laying of accounts**

The board shall from time to time cause to be prepared and to be laid before a general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any), reports and all other documents required by law to be comprised in or attached or annexed to any such accounts or balance sheets as may be required by the Statutes.

148 **Accounts to be sent to members**

148.1 Subject to Articles 148.2 and 149, a printed copy of all documents which are to be laid before a general meeting of the Company in accordance with Article 147 shall, not less than 20 working days before the date of the meeting, be sent to:

148.1.1 every member of, and every holder of debentures of, the Company;

148.1.2 every other person who is entitled to receive a copy of the accounts under the requirements of the London Stock Exchange; and

148.1.3 every other person who is entitled to receive notices of meetings from the Company under the Statutes or these Articles.

148.2 Article 148.1 shall not require a copy of the documents listed in Article 147 to be sent to more than one of any joint holders or to any person who is not entitled to receive notices of meetings or of whose address the Company is not aware. The accidental omission to send such documents to, or the non-receipt of any such documents by, any person entitled to such documents shall not invalidate any proceedings at the relevant general meeting.

149 **Summary financial statements**

The Company need not, subject to the Statutes and the requirements of the London Stock Exchange, and if the board so decides, send copies of the documents specified in Article 147 to those persons mentioned in Article 148 as being entitled to receive such documents but may instead send them a summary financial statement derived from the Company's annual accounts and the directors' report in such form and containing such information as may be required by the Statutes and the London Stock Exchange and provided further that copies of the documents specified in Article 147 shall be sent to any such person who in accordance with the Statutes wishes to receive them.

AUDITORS

150 **Validity of auditor's acts**

Subject to the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

151 **Auditor's right to attend general meetings**

An auditor shall be entitled to attend any general meeting and to receive all notices of, and other communications relating to, any general meeting which any member is entitled to receive, and to

be heard at any general meeting on any part of the business of the meeting which concerns him as auditor.

NOTICES

152 Nature of notice

Any notice to be given to or by a person pursuant to these Articles shall be in writing except that a notice calling a meeting of the board need not be in writing.

153 Service of notices

153.1 Any notice or other document (including a share certificate) may be served on or delivered to a member by the Company either personally or by sending it by post in a prepaid cover addressed to such member at (or by leaving it addressed to such member at) his registered address or (if he has no registered address within the United Kingdom) at the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices or by any other electronic form. In the case of a member registered on a branch register, any such notice or other document may be posted either in the United Kingdom or in the territory in which such branch register is maintained.

153.2 Where a notice or other document is:

153.2.1 served on or delivered to a member personally or left at his registered address or address for service in the United Kingdom, it shall be deemed to have been served or delivered on the day it was so served or left; and

153.2.2 sent by first class post, it shall be deemed to have been served or delivered at the expiry of 24 hours (or, where second class post is used, 48 hours) after the time when the cover containing the same is posted. In proving such service or delivery, it shall be sufficient to prove that such cover was properly addressed, stamped and posted; and

153.2.3 sent by any other electronic form, at the time of completion of transmission by the sender.

153.3 The accidental failure to serve or deliver, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

153.4 A member present in person or by proxy at a meeting of the Company or a meeting of the holders of a particular class of shares is deemed to have received notice of the meeting and, where required, of the purposes for which it was called.

154 **Joint holders**

In the case of joint holders of a share in the Company, all notices or other documents shall be served on or delivered to the joint holder whose name appears first in the register in respect of the share and shall be sufficient notice to all the joint holders in their capacity as such. For such purpose, a joint holder who has no registered address in the United Kingdom and who has not supplied an address within the United Kingdom for the service of notices shall be disregarded.

155 **Deceased and bankrupt members and transferees**

155.1 A person entitled to a share by transmission shall, upon supplying to the Company such evidence as the board may reasonably require to show his title to the share, and upon supplying an address within the United Kingdom for the service of notices, be entitled to have served on or delivered to him at such address all notices or other documents to which the said member would have been entitled. Such service or delivery shall, for all purposes, be deemed to be sufficient service or delivery of such notice or document on all persons interested (whether jointly with or claiming through or under him) in the share. Until such evidence and address have been supplied, a notice or other document may be served or delivered in any manner in which it might have been served or delivered if the death or bankruptcy or other event giving rise to the transmission had not occurred.

155.2 A person who becomes entitled to a share by transmission, transfer or otherwise shall be bound by any notice in respect of that share (other than a notice served by the Company under section 212 of the Act) which, before his name is entered in the register, has been properly served on or delivered to a person from whom he derives his title.

156 **Overseas members**

A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices or other documents from the Company.

157 **Suspension of postal services and advertisements**

157.1 If at any time, because of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notices sent through the post, the board may, in its discretion and as an alternative to any other method of service or delivery permitted by these Articles, convene such meeting by a notice advertised in at least one United Kingdom national newspaper. Such notice shall be deemed to have been duly served on all members entitled to receive the same at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if, at least seven clear days prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

157.2 Any notice required to be given by the Company to members (including for this purpose holders of share warrants) and not expressly provided for by these Articles or by the terms of issue of any shares shall be sufficiently given if given by advertisement in the manner provided for in Article 157.1 (but the Company need not send confirmatory copies of the notice by post). The holder of a share warrant shall be entitled to receive notice only by advertisement in the manner provided for in Article 157.1.

158 **Statutory requirements as to notices**

Nothing in any of Articles 152 to 157 (inclusive) shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

RECORD DATES

159 **Record Dates**

159.1 **Record date for service of notices, etc**

Subject to Articles 54.3 and 55.5, any notice or other document may be served or delivered by the Company by reference to the register as it stands at any time not more than 21 days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery.

159.2 **Record date for dividends, issues of shares, etc**

Subject to the Statutes and the requirements of the London Stock Exchange, these Articles and the rights attaching to, or the terms of issue of, any shares, the Company in general meeting, or the board by resolution, may specify any date (the "**record date**") as the date at the close of business on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue or other right and such record date may be on, or at any time before or after, that on which the resolution is passed. Such dividend, distribution, interest, allotment, issue or other right shall then be payable or due to them in accordance with their respective registered holdings, but shall not, of itself, prejudice the rights between transferors and transferees of any such shares or other securities in respect of such dividend, distribution, interest, allotment, issue or other right.

WINDING UP

160 Directors' power to petition

The board shall have the power, in the name and on behalf of the Company, to present a petition to the court for the Company to be wound up.

161 Distribution of assets in specie

If the Company is wound up (whether the liquidation is voluntary or under the supervision of or by the court) the liquidator may, with the authority of an extraordinary resolution of the Company and any other authority required by the Statutes:

- 161.1 divide among the members *in specie* or in kind the whole or any part of the assets of the Company (whether or not the assets consist of property of one kind or of different kinds);
- 161.2 set such value as he deems fair upon any one or more class or classes of property and determine how such division shall be carried out as between the members or different classes of members; and
- 161.3 vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as he thinks fit but no member shall be compelled to accept any shares or other property in respect of which there is an actual or potential liability.

DESTRUCTION OF DOCUMENTS

162 Destruction of Documents

- 162.1 The Company shall be entitled to destroy:
 - 162.1.1 all forms of transfer of shares which have been registered and all other documents on the basis of which any entry in the register has been made at any time after the expiry of six years from the date of registration or entry in the register (as the case may be);
 - 162.1.2 all dividend mandates, variations or cancellations of dividend mandates and notifications of change of name and/or address at any time after the expiry of two years from the date of recording such notification or cancellation (as the case may be);
 - 162.1.3 all share certificates which have been cancelled at any time after the expiry of one year from the date of the cancellation;
 - 162.1.4 all paid dividend warrants and cheques at any time after the expiry of one year from the date of actual payment;

162.1.5 all proxy forms which have been used for a poll at any time after the expiry of one year from the date of use; and

162.1.6 all proxy forms which have not been used for a poll at any time after one month from the end of the general meeting to which the proxy forms relate and at which no poll was demanded.

Any such document may be disposed of in any manner approved by the board.

162.2 Every document destroyed under the provisions of this Article 162 shall conclusively be regarded as a valid and effective document and duly and properly registered (in the case of a form of transfer) or cancelled (in the case of a share certificate) or recorded (in the case of any other document). Every entry in the register or in any other books or records of the Company made or recorded from any such document shall conclusively be regarded as having been duly and properly made.

162.3 Article 162.2 shall apply only to a document destroyed in good faith where the Company has not been notified of any claim (regardless of the parties to the document) to which the document might be relevant.

162.4 Nothing in this Article 162 shall impose upon the Company any liability in respect of the destruction of any document before the expiry of any period referred to in Article 162.1 or in any other circumstances which would not attach to the Company in the absence of this Article.

INDEMNITY AND INSURANCE

163 Indemnity

Subject to the Statutes every director, alternate director, secretary or other officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him:

163.1 in the execution or purported execution and/or discharge of his duties and/or exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office;

163.2 in relation to defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted; and

163.3 in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

164 **Insurance**

Without prejudice to the provisions of Article 163, the board shall have power to purchase and/or maintain insurance for, or for the benefit of, any persons who are or were at any time directors, alternate directors or other officers of any associated company or who are or were at any time trustees of any retirement benefits scheme or employee share scheme in which employees of any associated company are or were interested, including insurance against any liability incurred by such persons which may lawfully be insured against by the Company in respect of any act or omission in the execution or purported execution and/or discharge of their duties and/or exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or offices in relation to any associated company, or any such retirement benefits scheme or employee share scheme.

NAMES AND ADDRESSES OF SUBSCRIBERS

- 1 For and on behalf of
Instant Companies Limited
1 Mitchell Lane
BRISTOL
BS1 6BU

- 2 For and on behalf of
Swift Incorporations Limited
1 Mitchell Lane
BRISTOL
BS1 6BU

Dated 6 October 1999

Witness to the above signatures:

Glenys Copeland
1 Mitchell Lane
BRISTOL
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