

**MORSON GROUP PLC**  
Incorporated on 26<sup>th</sup> April 2004  
Company No. 05111937

**A PUBLIC COMPANY LIMITED BY SHARES**

**THE COMPANIES ACTS 1985 AND 2006**

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**ARTICLES OF ASSOCIATION**

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**Adopted by the members of the Company  
by resolution dated 24 May 2010**

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## **1 EXCLUSION OF OTHER REGULATIONS**

- 1.1 No regulations set out in any statute or statutory instrument or other subordinate legislation concerning companies shall apply as Articles of Association or regulations of the Company but the following shall be the Articles of Association of the Company.

## **2 INTERPRETATION**

- 2.1 In these Articles unless the context otherwise requires the following expressions have the following meanings:-

**“2006 Act”**

the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

**“Address”**

in relation to Electronic Mail includes any number or address used for the purposes of such communication;

**“AIM”**

a market operated by the London Stock Exchange;

**“AIM Rules”**

the rules governing the admission to and operation of AIM published by the London Stock Exchange from time to time,

**“Articles”**

these Articles of Association as amended from time to time (and “Article” means one of these Articles);

**“Auditors”**

the auditors for the time being of the Company or, in the case of joint auditors, any one of them;

**“Authenticated”**

means (subject to Section 1146 of the 2006 Act) authenticated in such manner as the Board may in its absolute discretion determine;

**“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;

**“clear days”**

in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**“Company”**

Morson Group plc;

**“Dematerialised Instruction”**

means an instruction sent or received by means of a Relevant System;

**“Director”**

a director for the time being of the Company;

**“elected”**

elected or re-elected;

**“Electronic Mail”**

includes any electronic transmission in any form through any medium.

**“holder”**

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

**“London Stock Exchange”**

London Stock Exchange plc trading as the London Stock Exchange and any successor of it or any other recognised investment exchange, as appropriate;

**“member”**

a member of the Company or, where the context requires, a member of the Board or of any committee;

**“mental disorder”**

mental disorder as defined in Section 1 of the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984 (as the case may be) and “mentally disordered” shall be construed accordingly;

**“the office”**

the registered office for the time being of the Company;

**“Ordinary Shares”**

means the ordinary shares of 5 pence each (or such other nominal amount into which the same shall be consolidated or sub-divided from time to time) in the capital of the Company;

**“paid up”**

paid up or credited as paid up;

**“Recognised Person”**

means a recognised clearing house (within the meaning of the Financial Services and Markets Act 2000) or a nominee of a recognised clearing house or of a recognised investment exchange (within the meaning of the Financial Services and Markets Act 2000);

**“recognised investment exchange”**

means a recognised investment exchange as defined in the Financial Services and Markets Act 2000 or AIM on which the Company’s shares are normally traded;

**“the register”**

means in relation to the certificated share or the holder of it, the register of members maintained by the Company and, in relation to an Uncertificated share or the holder of it, the register of members of the Company maintained by the operator of the Relevant System through which title to that share is evidenced and transferred and “registered” shall be construed accordingly;

**“Regulations”**

means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended or replaced from time to time and any subordinate legislation or rules made under them for the time being in force;

**“Relevant System”**

means any computer-based system, and procedures, from time to time permitted by the Regulations and the rules of the UK Listing Authority or any other recognised investment exchange which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters;

**“the seal”**

the common seal of the Company or any official or securities seal permitted under the Act that the Company may have;

**“the secretary”**

the secretary for the time being of the Company or any other person appointed by the Directors to perform any of the duties of the secretary of the Company including but subject to the provisions of the Act in force concerning companies and affecting the Company, a joint, temporary, assistant or deputy secretary;

**“the Statutes”**

means the 2006 Act and every other statute (and regulations subordinate thereto for the time being in force concerning companies and affecting the Company including the Regulations);

**“Uncertificated”**

means in relation to any shares or other security of the Company that title to it is evidenced and transferred or to be evidenced and transferred by means of a Relevant System;

**“United Kingdom”**

Great Britain and Northern Ireland.

**“UK Listing Authority”**

means the Financial Services Authority (or any other body – from time to time) acting as the competent authority for the purposes of the Financial Services and Markets Act 2000.

- 2.2 References to writing or written include references to printing, typewriting lithography, photography and any other mode or modes of representing or reproducing words in a visible, legible and non-transitory form and includes Electronic Mail.
- 2.3 Words denoting the singular shall include the plural and vice versa; words denoting the masculine gender shall include the feminine and neuter genders; words denoting persons shall include corporations, partnerships, firms and trusts
- 2.4 Unless the context otherwise requires any words or expressions defined in the Statutes in force when these Articles become binding on the Company shall, unless otherwise expressly defined in these Articles, bear the same meaning in these Articles

save that the word company shall include any body corporate. Words and expressions used in the Regulations have the same meanings when used in these Articles

- 2.5 References to:-
- 2.5.1 any statute shall include any orders, regulations or other subordinate legislation made under it.
  - 2.5.2 any section or provision of any statute, if not inconsistent with the subject or context, include any corresponding or substituted section or provision of any amending, consolidating or replacement statute;
  - 2.5.3 “execution” include any mode of execution and “executed” shall be construed accordingly;
  - 2.5.4 an Article by number are to the particular Articles of these Articles;
  - 2.5.5 a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.
  - 2.5.6 rules of the UK Listing Authority includes the AIM rules.
- 2.6 The headings are inserted for convenience only and shall not affect the construction of these Articles.
- 2.7 In these Articles the words and phrases “other”, “including” and “in particular” do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited to scope to the same class as the preceding words where a wider scope is possible.

### **3 OBJECTS**

Nothing in these articles shall constitute a restriction on the objects of the Company to do (or omit to do) any act and, in accordance with section 31(1) of the 2006 Act, the Company's objects are unrestricted.

### **4 LIMITED LIABILITY**

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

### **5 SHARE CAPITAL**

- 5.1 Subject to the provisions of the Statutes and to any special rights attached to any existing shares or class of shares, any shares in the Company may be allotted or issued with or have attached to them such preferential, deferred, qualified or special rights, privileges, restrictions or conditions either temporary or otherwise as to participation in dividends or in distribution of assets or as to voting or transfer or otherwise as the Company may from time to time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may decide. All new shares shall be subject to the

provisions of the Statutes and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

- 5.2 Subject to the provisions of the Statutes and the provisions of these Articles the power of the Company to allot and issue shares shall be exercised by the Board, which may offer, allot (with or without conferring rights of renunciation), issue or grant share warrants (as defined in Article 16) or options over such shares to such persons at such times and for such consideration and upon such terms and conditions as the Board may determine provided that no share shall be issued at a discount.
- 5.3 Subject to the provisions of the Statutes and to any rights for the time being attached to any existing shares, shares may be issued on terms that they are or, at the option of the Company or the holder, liable to be redeemed. The terms, conditions and manner of redemption of such shares may be determined by the Board before the shares are allotted.
- 5.4 The Company may exercise the powers of paying commissions and brokerage conferred by the Statutes. Subject to the provisions of the Statutes, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares, the grant of an option to call for an allotment of shares, or partly in one way and partly in the other.
- 5.5 Except as required by law or as expressly provided by these Articles or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and (except as aforesaid) the Company shall not be bound by or recognise (even when having notice of it) any equitable, contingent, future, partial or other claim to or interest in any share except an absolute right to the entirety thereof of the holder.

## **6 VARIATION OF RIGHTS**

- 6.1 Whenever the capital of the Company is divided into different classes of shares, unless otherwise provided by the terms of issue of the shares of that class the rights attached to any class may be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of at least three-quarters in nominal amount of the issued shares of the affected class or with the sanction of a special resolution passed at a separate general meeting of such holders but not otherwise.
- 6.2 Subject to the terms on which any shares may be issued or the rights attached thereby, the rights or privileges attached to any class of shares in the capital of the Company shall be deemed to be varied or abrogated by the allotment of further shares ranking in priority thereto for payment of a dividend or repayment of capital but shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already in issue or by the reduction in

capital paid up on such shares or by the purchase or redemption by the Company of its own shares in accordance with the provisions of the Statutes and these Articles.

## **7 SHARE CERTIFICATES**

- 7.1 Every person (except a Recognised Person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a holder of any share in the register shall be entitled, without payment, to have issued within two months after allotment or lodgement of a transfer (unless the terms of issue of the shares provide otherwise) one certificate in respect of all of the shares of each class of shares held by him or, with the consent of the Board and upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Board shall determine, to several certificates, each for one or more of his shares unless the Board resolves otherwise in accordance with Article 8.4.
- 7.2 Shares of different classes may not be included in the same certificate.
- 7.3 Where a member has transferred part of the shares comprised in a certificate he shall be entitled to a certificate for the balance of such shares without charge.
- 7.4 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge on surrender of the original certificates for cancellation.
- 7.5 The Company shall not be bound to issue more than one certificate for shares held jointly by two or more persons and delivery of a certificate to the person first named in the register shall be a sufficient delivery to all joint holders.
- 7.6 In the case of shares held jointly by two or more persons any such request mentioned in this Article may be made by any one of the joint holders.
- 7.7 The issued shares of a particular class which are fully paid up and rank *pari passu* for all purposes shall not bear a distinguishing number. All other shares shall bear a distinguishing number.
- 7.8 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity (with or without security) and to payment of reasonable out of pocket expenses as the Board may require and, where it is worn out or defaced, after delivery of the certificate to the Company. In the case of loss or destruction the person to whom the new certificate is issued shall pay only any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity to the Company.

## **8 EVIDENCE OF TITLE TO SECURITIES**

- 8.1 Nothing in these Articles shall require title to any shares or other securities of the Company to be evidenced by a certificate if the Statutes and rules of the UK Listing Authority or any other relevant recognised investment exchange permit otherwise.
- 8.2 There shall be entered in the register details of the number of Uncertificated shares by each member. The register must be compiled and kept up to date so as to meet the requirements of the Regulations and the Relevant System.
- 8.3 Certificated and Uncertificated shares of the same class shall be treated as one class of shares, notwithstanding that these Articles or the Regulations require different treatment to be given to certificated or Uncertificated shares.
- 8.4 Subject to the Statutes and the rules of the UK Listing Authority any other relevant recognised investment exchange, the Board without further consultation with the holders of any shares or securities of the Company may resolve that any securities or any class or classes of shares of the Company from time to time in issue or to be issued may be issued, held, registered, converted to, transferred or otherwise dealt with in Uncertificated form in accordance with the Regulations and practices instituted by the operator of the Relevant System. The Board shall have the power to implement any arrangements it may think for such evidencing and transfer which accord with the Regulations. No provision of these Articles will apply to any Uncertificated share or other securities of the Company to the extent that they are inconsistent with the holding of such shares or other securities in Uncertificated form or the transfer of title to any such shares or other securities by means of a Relevant System or any provision of the Regulations.
- 8.5 To the extent that any provision of these Articles is inconsistent in any respect with the terms of the Regulations in relation to any Uncertificated shares or other securities of the Company, such provision shall not apply thereto and the Regulations shall be given effect thereto in accordance with their terms.

## **9 LIEN**

- 9.1 The Company shall have a first and paramount lien on each of its shares which is not fully paid in the circumstances and to the extent permitted by the Statutes for all amounts (whether presently payable or not) called or payable to the Company in respect of that share, but the Board may waive any lien which has arisen and may at any time declare any share for some limited person to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any) on a share shall further extend to all dividends and interest payable on such share.
- 9.2 The Company may sell in such manner as the Board determines any shares on which the Company has a lien, if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice in writing has been served on the holder of the shares or the persons entitled to the share in consequence

of death or bankruptcy of the holder demanding payment of the sum presently payable and stating that if the notice is not complied with the shares may be sold.

- 9.3 To give effect to such a sale the Board may authorise some person to execute an instrument of transfer of, or to give a Dematerialised Instruction in respect of the shares sold in the name of and on behalf of the holder or the persons entitled to the share in consequence of death or bankruptcy of the holder to, or in accordance with the directions of, the purchaser and may enter the name of the transferee in respect of such share in the register, notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale, and he shall not be bound to see to the application of the purchase money.
- 9.4 The net proceeds of the sale of shares subject to any lien after payment of the costs shall be applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable or any liability not likely to be presently fulfilled or discharged as existed upon the shares before the sale) be paid to the holder of (or the person entitled by transmission to) the shares immediately before the sale (without interest).

## **10 CALLS ON SHARES**

- 10.1 Subject to the terms of allotment the Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares of any class (whether in respect of the nominal value of the shares and/or premium) and not payable on a date fixed by or in accordance with the terms of issue; provided that (subject as aforesaid) at least fourteen clear days' notice shall be given to each such member of every call specifying the time or times and place of payment and whether or not by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part or the time fixed for its payment postponed in whole or part by the Board. A call may be made payable by instalments.
- 10.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 10.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.
- 10.4 Each member shall pay to the Company, at the time and place of payment specified in the notice given in accordance with Article 10.1, the amount called on his shares. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

- 10.5 If a sum called in respect of a share shall not be paid before or on the day appointed for payment, the person from whom the sum is due shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on such sum from the day fixed for payment to the time of actual payment at such rate, not exceeding 15 per cent. per annum (compounded on a six monthly basis), as the Board may decide, but the Board may waive payment of such costs, charges, expenses or interest wholly or in part.
- 10.6 Any sum which by the terms of allotment of a share becomes payable on allotment or at any other fixed date, whether in respect of the nominal value of the share and/or any premium thereon, shall be deemed to be a call duly made, notified and payable on the date on which, by the terms of allotment, it becomes payable. If such sum is not paid all the provisions of these Articles relating to payment of interest and expenses, forfeiture and otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 10.7 The Board may, in its absolute discretion, receive from any member willing to advance the same to it all or any money uncalled and unpaid upon any shares held by him, and may pay upon all or any money so advanced (until it would, but for the advance, become presently payable) interest at such rate (if any) not exceeding 10 per cent. per annum (compounded on a six monthly basis) as the Board may decide. Such payment in advance of calls shall extinguish *pro tanto* the liability of the shares on which it is made. No sum paid in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable. The Board may at any time repay the amount so advanced on giving to such member not less than three months notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.
- 10.8 The Board may on the allotment of shares differentiate between the allottees or holders as to the amount and the times of payment of calls to be paid.
- 10.9 Unless the Board otherwise determines, no member shall be entitled to receive any dividend or to be present and vote at a general meeting or at any separate general meeting of the holders of any class of shares either in person or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other right or privilege as a member in respect of a share held by him unless and until he shall have paid all calls for the time being due and payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) to the Company.
- 10.10 If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may delegate on such terms as it thinks fit to the person in whose favour such mortgage or security is executed, or to any other person in trust for

him, the power to make calls on the members in respect of such uncalled capital, to sue in the name of the Company or otherwise for the recovery of monies becoming due in respect of calls so made and to give valid receipts for such monies. The power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be.

## **11 FORFEITURE**

- 11.1 Where a member fails to pay the whole or any part of any call or instalment of a call on or before the day fixed for payment, the Board may, at any time thereafter during such time as the whole or any part of such call or instalment remains unpaid, serve a notice in writing on him, or on any person entitled to the shares by transmission, requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.
- 11.2 The notice shall fix a further day (being not less than fourteen clear days from the date of the notice) and the place where the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited upon such terms and conditions as are acceptable to it and, subject to such terms and conditions, a surrendered share shall be treated as if it had been forfeited. In such case references in these Articles to forfeiture shall include surrender.
- 11.3 If the notice is not complied with, any share in respect of which the notice was given may, at any time before payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Forfeiture shall include all dividends and other money payable in respect of the forfeited shares and not paid before forfeiture.
- 11.4 Every share which shall be forfeited shall thereupon become the property of the Company. Subject to the provisions of the Statutes, a forfeited share may be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the Board determines, either to the person who was before the forfeiture the holder thereof or entitled thereto or to any other person, and at any time before sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the Board thinks fit, but including terms the payments shall be made of all calls and interest due thereon and all expenses incurred. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the share to that person and may enter the name of the transferee in respect of the transferred share in the register, notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of or the person entitled by

transmission to the share. The Company may receive the consideration (if any) given for the share on its disposal.

- 11.5 A person any of whose shares have been forfeited shall cease to be a member in respect of such forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding such forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture was then payable by him to the Company in respect of the shares, with interest on such moneys at such rate (not exceeding 15 per cent. per annum) as the Board decides from the date of forfeiture until payment, in the same manner in all respects as if the shares had not been forfeited and to satisfy all, if any, claims, demands and liabilities which the Company might have enforced in respect of the shares at the time of forfeiture, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 11.6 A statutory declaration by a Director or the secretary that a share has been duly forfeited or surrendered on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The statutory declaration shall, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof and a certificate for the share delivered to the person to whom the share is sold or disposed of (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity in or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.
- 11.7 When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry as aforesaid.
- 11.8 The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

## **12 TRANSFER OF SHARES**

- 12.1 Subject to such of the restrictions contained in these Articles as may be applicable, any member may transfer all or any of his shares by transfer in writing in any usual or

common form or in any other form acceptable to the Board or by any other manner acceptable to the Board and permitted by the Statutes and rules of the UK Listing Authority or any other relevant recognised investment exchange and any such transfer shall be registered within fourteen days of receipt of the same by the Company, subject as provided below.

- 12.2 Every written instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall remain the holder of the share concerned until the name of the transferee is entered in the register in respect of that share.
- 12.3 The Board may, in its absolute discretion refuse to register the transfer of a share (or renunciation of a renounceable letter of allotment) which is not fully paid or on which the Company has a lien provided that, where any such share is listed or admitted to trading on AIM or the London Stock Exchange or any other recognised investment exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.
- 12.4 The Board may also, in its absolute discretion, refuse to register a transfer of shares (or renunciation of a renounceable letter of allotment) unless:-
- 12.4.1 the instrument of transfer is lodged at the office or at such other place as the Board may from time to time appoint, accompanied by the certificate for the shares to which it relates and such other evidence (if any) as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so) or renounce provided that, in the case of a transfer by a stock exchange nominee or in the case of a renunciation the lodgement of share certificates shall not be necessary; and
- 12.4.2 the instrument of transfer is in respect of only one class of share; and
- 12.4.3 in the case of a transfer to joint holders, they do not exceed four in number; and
- 12.4.4 it is duly stamped (if so required).
- 12.5 If the Board refuses to register a transfer, it shall within two months after the date on which the instrument of transfer was lodged with the Company send to the transferee written notice of the refusal together with reasons for the refusal. The Board must also provide the transferee with such further information about the reasons for refusal as the transferee may reasonably request.
- 12.6 No fee shall be payable to the Company for the registration of any transfer or any other document relating to or affecting the title to any share.
- 12.7 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of and reasons for the refusal are given.

- 12.8 For the avoidance of doubt nothing in these Articles shall require shares to be transferred by a written instrument if the Statutes provide otherwise and the Directors shall be empowered to implement such arrangements (including without limitation any Relevant System) as they consider fit in accordance with and subject to the Statutes and the rules of the UK Listing Authority and any other relevant recognised investment exchange to evidence and regulate the transfer of title to shares in the Company and to approve the registration of such transfers.
- 12.9 Transfers of shares will not be registered in the circumstances referred to in Article 18.
- 12.10 Nothing in these Articles shall preclude the Board:-
- (a) from recognising a renunciation of the allotment of any share by the allottee in favour of some other person; or
  - (b) if empowered by these Articles to authorise any person to execute an instrument of transfer of a share, from authorising any person to transfer that share in accordance with any procedures implemented pursuant to Article 12.4.

### **13 TRANSMISSION OF SHARES**

- 13.1 If a member dies the survivor or survivors where he was a joint holder and his personal representatives where he was a sole holder or the only survivor of joint holders shall be the only persons recognised by the Company as having any title to his shares but nothing contained in these Articles shall release the estate of a deceased member from any liability in respect of any share held by him whether solely or jointly with other persons.
- 13.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, upon production of such evidence as to his title as the Board may properly require and subject to the other provisions of these Articles, elect either to be registered as the holder of the share or to have some person nominated by him registered as the holder. If the person elects to become the holder he shall give notice in writing to that effect to the Company. If the person shall elect to have another person registered, he shall execute an instrument of transfer of the share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if the death or bankruptcy or other event as aforesaid had not occurred and the notice or instrument of transfer were an instrument of transfer executed by a member. Where the entitlement of a person to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the Board, the Board shall within two months after proof cause the entitlement of that person to be noted in the register.

- 13.3 A person becoming entitled to a share in consequence of the death or bankruptcy of a member, or of any other event giving rise to a transmission of such entitlement by operation of law shall, subject to the requirements of these Articles and to the provisions of this Article, be entitled to receive, and may give a good discharge for, all dividends and other money payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or at any separate meeting of the holders of any class of shares of the Company or to any of the other rights or privileges of a member until he shall have become a member in respect of the share. The Board may at any time give notice in writing to any such person requiring such person to elect either to be registered or to transfer the share and if such notice is not complied with within sixty days the Board may withhold payment of all dividends and other moneys payable in respect of the share until the requirements of such notice have been complied with.

#### **14 ALTERATION OF SHARE CAPITAL**

- 14.1 The Company may exercise the powers conferred by the Statutes to:-
- 14.1.1 increase its share capital such sum to be divided into new shares of such amount as the resolution shall prescribe;
  - 14.1.2 consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
  - 14.1.3 subject to the provisions of the Statutes, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference, deference or advantage or be subject to any restriction as the Company has power to attach as compared with the others; and
  - 14.1.4 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the nominal amount of the shares so cancelled.
- 14.2 Whenever as a result of a consolidation, division or sub-division of shares any difficulty arises, the Board may settle it as it thinks fit, and in particular (but without prejudice to the generality of the foregoing) where any members would become entitled to fractions of a share the Board may:-
- (a) on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale (subject to retention by the Company of any amount otherwise due to a holder, being less than £3 or such other sum as the Board may from time to time determine) in due proportion among those members;
  - (b) provided that the necessary unissued shares are available, the Board may issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up this holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been affected prior to consolidation); and the

amount required to pay up such shares shall be appropriated at the Board's discretion from any other sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in payment per share. In relation to such capitalisation the Board may exercise all the powers conferred on it by Article 46 without an ordinary resolution of the Company

- 14.3 For the purposes of any sale pursuant to this Article the Board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 14.4 Subject to the provisions of the Statutes and to any rights for the time being attached to any share, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

## **15 PURCHASE OF OWN SHARES**

- 15.1 Subject to the provisions of the Statutes and to any rights for the time being attached to any share, the Company may purchase its own shares of any class (including any redeemable shares). Every contract providing for the purchase by the Company of shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and, if the Company has in existence any shares which entitle the holders to convert them (whether immediately or otherwise) into equity shares, a special resolution passed at a separate class meeting of the holders of such shares.
- 15.2 Neither the Company nor the Board shall be required to select the shares to be purchased rateably or in any other manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.
- 15.3 Notwithstanding anything to the contrary contained in these Articles, the rights attached to any class of shares shall be deemed not to be varied or abrogated by anything done by the Company pursuant to Article 15.1.

## **16 SHARE WARRANTS**

- 16.1 The Company may issue warrants (hereinafter called "share warrants") with respect to fully paid up shares stating that the bearer is entitled to the shares therein specified and may provide by coupons or otherwise for the payment of future dividends on the shares included in such share warrants. The Board may determine and from time to time vary the conditions upon which share warrants shall be issued and upon which a new share warrant or coupon shall be issued in the place of one worn out defaced or

destroyed. No new share warrant or coupon shall be issued to replace one that has been lost unless it is proved beyond reasonable doubt and to the satisfaction of the Board to have been destroyed.

- 16.2 The Board may determine and from time to time vary the conditions upon which the bearer of a share warrant shall be entitled to receive notices of and attend and vote and demand a poll at general meetings or to join in requisitioning general meetings and upon which a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares therein specified and upon which dividends will be paid. Subject to such conditions and to these Articles the bearer of a share warrant shall be a member to the full extent. The holder of a share warrant shall hold such warrant subject to the conditions for the time being in force with regard to share warrants whether made before or after the issue of such share warrant.

## **17 STOCK**

- 17.1 Subject to the provisions of the Statutes the Company may by ordinary resolution convert any paid up shares into stock, and re-convert any stock into paid up shares of any denomination.
- 17.2 The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations, as would have applied to the shares from which the stock arose if such shares had not been converted, or as near thereto as circumstances admit, but the Board may from time to time, if it thinks fit, fix the minimum amount of stock transferable, provided that such minimum shall not exceed the nominal amount of each of the shares from which the stock arose.
- 17.3 The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages in all respects as if they held the shares from which the stock arose, provided that no such rights, privileges or advantages (except participation in dividends and profits of the Company and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such rights, privilege or advantage.
- 17.4 The provisions of these Articles applicable to paid up shares shall apply to stock, and the words “share” and “member” shall include “stock” and “stockholder” respectively.

## **18 DISCLOSURE OF INTERESTS**

- 18.1 If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under Section 793 of the 2006 Act and is in default for the prescribed period in supplying to the Company the information thereby required, then at any time thereafter the Directors may in their absolute discretion by notice (a “direction notice”) to such member direct:

- 18.1.1 that in respect of the shares in relation to which the default occurred (the “default shares”) (which expression shall include any further shares which are issued in respect of such shares) the member shall not be entitled to vote either personally or by proxy at a general meeting of the Company or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to general meetings of the Company or meetings of the holders of any class of shares of the Company; and/or
- 18.1.2 where the default shares represent at least 0.25 per cent of the issued shares of any class of shares of the Company (calculated on the basis that treasury shares are ignored) that:
- 18.1.2.1 any dividend or other money which would otherwise be payable in respect of the default shares shall (in whole or any part thereof) be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member and, in circumstances where an option to elect to receive Ordinary Shares instead of cash in respect of any dividend shall be or has been given to members, any notice of election made under such an option in respect of the default shares shall not be effective; and/or
- 18.1.2.2 no transfer, other than an approved transfer, of any of the shares held by such member shall be registered unless:
- 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 a form satisfactory to the Directors, to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares; and/or
- 18.1.2.3 any shares held by such member in Uncertificated form shall forthwith be converted into certificated form (and the Directors shall be entitled to direct the operator of any Relevant System applicable to those shares to effect that conversion immediately) and that member shall not thereafter be entitled to convert all or any shares held by him into Uncertificated form (except with the authority of the Directors) unless:
- a. the member is not himself in default as regards supplying the information required; and
  - b. the member wishes to convert part only of his holding and he has issued a certificate, in a form satisfactory to the Directors, to the effect that after due and careful enquiry the

member is satisfied that none of the shares he is proposing to convert into Uncertificated form are default shares.

- 18.2 The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice. Neither the Company nor the Directors shall in any event be liable to any person as a result of the Directors having imposed any restrictions pursuant to Article 18.1 if the Directors have acted in good faith.
- 18.3 Any direction notice shall have effect in accordance with its terms until seven days (or such shorter period as the Directors may resolve) after the earlier of the date on which:
- 18.3.1 the Company is satisfied that the default in respect of which the direction notice was issued has been rectified; and
  - 18.3.2 notification shall be received by the Company that the default shares shall have been transferred to a third party by means of an approved transfer.
- 18.4 The Directors may at any time give notice cancelling a direction notice, in whole or in part or suspending, in whole or in part, the imposition of any restrictions contained in the direction notice for a given period. If dividends or other moneys payable in respect of any default shares shall be withheld as a result of any restrictions imposed by a direction notice such dividends or other money shall accrue and shall be payable (without interest) upon the relevant restrictions ceasing to apply.
- 18.5 For the purposes of this Article 18:
- 18.5.1 A person shall be treated as appearing to be interested in any shares if the member holding such shares or any other person has given to the Company a notification under the said Section 793 of the 2006 Act which either:
    - 18.5.1.1 names such person as being so interested; or
    - 18.5.1.2 fails to establish the identities of those interested in the shares and (after taking into account the said notification and any other relevant Section 793 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
  - 18.5.2 “interested” shall be construed as it is for the purpose of the said Section 793;
  - 18.5.3 the prescribed period is fourteen days from the date of service of the notice under the said Section 793;
  - 18.5.4 a transfer of shares is an approved transfer if and only if:
    - 18.5.4.1 it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take-over offer for a company (as defined in Section 974 of the 2006 Act); or
    - 18.5.4.2 the Directors are 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 other persons appearing to be interested in such shares; or

18.5.4.3 the transfer results from a sale made through a recognised investment exchange;

18.5.5 reference to a person being in default in supplying to the Company the information required by a notice under the said Section 793 includes:

18.5.5.1 reference to his having failed or refused to give all or any part of it; and

18.5.5.2 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.

18.6 Nothing in this Article shall limit the powers of the Company under Section 793 of the 2006 Act or any other powers whatsoever.

## **19 GENERAL MEETINGS**

19.1 All meetings other than annual general meetings shall be called general meetings.

19.2 The Board may call a general meeting whenever it thinks fit and, on the requisition of members in accordance with Section 303 of the 2006 Act, it shall forthwith proceed to convene a general meeting after receipt of the requisition at the office. At such a meeting no business shall be transacted except that stated by the requisitionists or proposed by the Board. If there are not within the United Kingdom sufficient members of the Board to convene a general meeting any Director may call one.

19.3 Subject to the provisions of the Statutes, annual general meetings shall be held at such time and place as the Board may determine. Except as provided by the Statutes the Company must hold an annual general meeting once in each period of six months beginning with the day following the Company's accounting reference date.

## **20 NOTICE OF GENERAL MEETINGS**

20.1 Subject to the provisions of the Statutes, an annual general meeting shall be called by at least twenty one clear days' notice in writing. All other general meetings shall be called by at least fourteen clear days' notice in writing. The notice shall specify the day, time and place of the meeting and the general nature of the business to be transacted, whether the meeting is an annual general or a general meeting, if the meeting is convened to consider a special resolution, the intention to propose the resolution as such and with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend, speak and, on a show of hands and on a poll, vote instead of him and that a proxy need not also be a member. Subject to the provisions of these Articles and to any restriction imposed on any Shareholder, notice shall be given to all members, the Directors and the Auditors.

- 20.2 The accidental omission to give notice of a meeting, or (where forms of proxy are sent out with notices) to send a form of proxy with a notice to any person entitled to receive such notice, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.
- 20.3 Subject to the provisions of the Statutes and notwithstanding that it is convened by shorter notice than that specified in this Article 20, a general meeting shall be deemed to have been duly convened if it is so agreed:-
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
  - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right.
- 20.4 If, after a notice convening a general meeting of the Company has been despatched or made available to members, the Board becomes aware of any fact, event or circumstances which, in the Board's opinion, would make it impractical or inappropriate to hold the general meeting on the date or time or at the place for which notice has been given, the Board may give notice pursuant to Article 47 to those entitled to receive the notice pursuant to Article 20.1 either cancelling such meeting or postponing such meeting to a time and date which is not less than twenty one clear days from the date of such notice, which shall also specify the place at which such postponed meeting shall be held.

## **21 PROCEEDINGS AT GENERAL MEETINGS**

- 21.1 All business shall be deemed special that is transacted at a general meeting, and also all business that is transacted at an annual general meeting with the exception of sanctioning or declaring dividends, the consideration of the accounts and balance sheet, the reports of the Directors and Auditors and any other documents required to be annexed to the accounts and balance sheet, the appointment or reappointment of Directors in the place of those retiring by rotation or otherwise, the appointment of Auditors where special notice of such appointment is not required by the Statutes, and the fixing of, or determining of the method of fixing of, the remuneration of the Auditors and the giving, variation or renewal of any authority of the Board for the purposes of Section 551 of the 2006 Act or any power pursuant to Sections 570 or 571 of the 2006 Act.
- 21.2 No business shall be transacted at any general meeting, when the meeting proceeds to business, unless a quorum is present. The absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Subject to Article 21.3 two members present in person or by proxy or being a duly authorised representative of a corporation which is a member and entitled to vote shall be a quorum for all purposes.

- 21.3 If within thirty minutes (or such longer interval as the chairman in his absolute discretion thinks fit) from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved and in any other case shall stand adjourned to such day and to such time and place (being not less than seven nor more than twenty eight days thereafter) as may be fixed by the chairman of the meeting (or, in default the Board). If at such adjourned meeting a quorum is not present within fifteen minutes from the time fixed for holding the meeting the meeting shall be dissolved. The Company shall give notice in writing of any meeting adjourned through lack of a quorum.
- 21.4 The chairman of the Board or in his absence some other Director nominated by the Board shall preside as chairman at every general meeting of the Company. If there is no such chairman or other Director or if at any meeting neither the chairman nor such other Director is present within fifteen minutes after the time fixed for holding the meeting or if neither is willing to act as chairman of the meeting, the Directors present shall elect one of themselves or if no Director is present within fifteen minutes after the time appointed for holding the meeting, 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.
- 21.5 The chairman of the meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or indefinitely) and from place to place. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for an indefinite period the time and place for the adjourned meeting shall be fixed by the Board. Whenever a meeting is adjourned for fourteen days or more or for an indefinite period, seven clear days' notice at the least, specifying the place, the day, and the hour of the adjourned meeting and the general nature of the business to be transacted shall be given in the same manner as in the case of an original meeting. Save as provided in these Articles it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 21.6 Without prejudice to any other power which he may have under these Articles or by law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the safety and security of those attending or the proper and orderly conduct of the meeting, or to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of. If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled to and wishing to attend, the meeting shall nevertheless be duly constituted and its

proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that any member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to 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 to be heard and seen by all other persons so present in the same manner.

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

21.7.1 direct that the meeting shall be held at a place specified in the notice at which the chairman of the meeting shall preside (**principal place**); and

21.7.2 make arrangements for simultaneous attendance and participation at other places by members and proxies otherwise entitled to attend the general meeting but who cannot be accommodated in the principal place and who are excluded therefrom under the provisions of this Article or who wish to attend at any of such other places, provided that persons attending at the principal place and at any of such other places shall be able to see, and hear and be seen and heard by, persons attending at the principal place and at such other places, by any means.

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

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

21.10 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands or on the withdrawal of any other due demand for a poll a poll is duly demanded. Subject to the provisions of the Statutes, a poll may be demanded:-

21.10.1 by the chairman of the meeting; or

- 21.10.2 by at least five members present in person or by proxy and entitled to vote; or
- 21.10.3 by any member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- 21.10.4 by a member or members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; and
- 21.10.5 a demand by a person as proxy for a member shall be the same as a demand by a member.
- 21.11 Unless a poll is so demanded, and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minute book, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 21.12 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority:-
- 21.12.1 to demand or join in demanding a poll; and
- 21.12.2 to vote on a show of hands and a poll.
- 21.13 If any votes are counted which ought not to have been counted, or might have been rejected or if any votes 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 thereof, and it is in the opinion of the chairman of the meeting of sufficient magnitude to vitiate the result of the voting.
- 21.14 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in the event be considered or voted upon. In the case of a resolution duly proposed as an ordinary resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in the event be considered or voted on unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed notice in writing of the terms of the amendment and intention to move the same has been lodged at the office or the chairman of the meeting in his absolute discretion decides that it may be considered or voted upon.
- 21.15 If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct (including the use of ballot or voting papers or tickets). The

chairman may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 21.16 A poll demanded on the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs, but in any case not more than twenty-eight days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the conclusion of the meeting. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear day's notice shall be given specifying the time and place at which the poll is to be taken.
- 21.17 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 further or casting vote in addition to the votes to which he may be entitled as a member or as a representative or proxy of a member.
- 21.18 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
- 21.19 A resolution in writing executed by or on behalf of every member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

## **22 VOTES OF MEMBERS**

- 22.1 Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held and subject to the Statutes and to any suspension or abrogation of voting rights pursuant to these Articles, at any general meeting, every member who (being an individual) is present in person or by proxy, or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote on a show of hands, and on a poll every member who is present in person or by proxy shall have one vote for each share of which he is the holder.
- 22.2 On a poll votes may be given in person or by proxy. A member may appoint more than one proxy to exercise all or any of his rights to attend, speak and vote at a general meeting provided that each proxy is appointed to exercise the rights attached to a different share or different shares held by him. When or to the extent permitted by the Statutes and approved by the Board by Electronic Mail two or more valid but

differing instruments of proxy are delivered in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which instrument was last validly delivered, none of them shall be treated as valid in respect of that share.

- 22.3 In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
- 22.4 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a show of hands or on a poll, vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy or shall be sent by Electronic Mail to an Address specified in the notice of the meeting or any document sent therewith, not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 22.5 No member shall unless the Board determines otherwise be entitled to vote at any general meeting or at any separate general meeting of the holders of any class of shares in the Company, either in person or by proxy unless all calls or other sums presently payable by him in respect of shares in the Company together with interest and expenses (if any) have been paid.
- 22.6 If any objection shall be raised as to the qualification of any voter the objection shall not vitiate the decision on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered. Any objection made in due time shall be referred to the chairman of the meeting, and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the objection or allegation is justified and that the decision of the meeting may have been affected. The decision of the chairman shall be final and conclusive.
- 22.7 Any person (whether a member of the Company or not) may be appointed to act as a proxy. Deposit or delivery of an instrument of proxy shall not preclude a member from attending and voting (on a show of hands or a poll) in person at the meeting in respect of which the proxy is appointed or at any adjournments thereof.

- 22.8 Forms of instrument of proxy shall be in writing in any usual or common form or in such other form as the Board may approve. Forms of instrument of proxy shall be sent by post by the Company to all persons entitled to notice of and to attend and vote at any meeting, or to the extent that a member has pursuant to Article 47 specified an Address for the receipt of Electronic Mail the Board must, subject to Article 22.12, send by Electronic Mail such form of proxy for use at the meeting to that member. Forms of instrument of proxy shall (unless the Board otherwise determines) provide for voting both for and against all resolutions to be proposed at the meeting other than resolutions relating to the procedure of the meeting.
- 22.9 Forms of instrument of proxy;
- 20.9.1 not by Electronic Mail shall be executed by or on behalf of the appointor or his attorney authorised in writing, or in the case of a corporation a form of proxy may be executed either under its common seal or as a deed or by an attorney or under the hand of a duly authorised officer; or
- 22.9.2 by Electronic Mail shall be submitted by or on behalf of the appointor and Authenticated by the appointor or his attorney authorised in writing.
- 22.10 The instrument of proxy and (if required by the Board) the power of attorney or other written authority (if any) under which it is signed or Authenticated, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 or the Enduring Powers of Attorney Act 1986 (or any statutory modification or re-enactment thereof for the time being in force) of such power or written authority, shall
- 22.10.1 if not by Electronic Mail be deposited at the office (or at such other place in the United Kingdom as shall be specified for that purpose in the notice of meeting or in any form of proxy or other document accompanying the same); and
- 22.10.2 if by Electronic Mail, be delivered to an Address that has been specified by the Company in either the notice of any adjournment thereof or, in either case, any document sent with the notice, in any invitation in Electronic Mail, inviting the appointment of a proxy shall be delivered to that Address
- in either case:
- a not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - b in the case of a poll taken following to the conclusion of meeting or adjourned meeting, but not more than 48 hours after the poll was demanded, not less than 48 hours before the commencement of the meeting or adjourned meeting at which the poll was demanded; and
  - c in the case of a poll taken more than 48 hours after it was demanded, not less than twenty-four hours before the time appointed for taking the poll, and unless so deposited the instrument of proxy shall not be treated as valid.

- 20.11 No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months of such date. The instrument of proxy shall, unless the contrary is stated, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- 22.12 A member may terminate the authority of a person acting as his proxy by providing written notice to the Company of such termination. Such notice must be received by the Company:
- 22.12.1 up to 48 hours before the appointed time of the meeting or adjourned meeting at which the person acting as proxy was proposing to vote; or
- 22.12.2 up to 24 hours before the appointed time for taking a poll, in the case of a poll taken more than 48 hours after it was demanded; or
- 22.12.3 before the end of the meeting at which the poll was demanded, if the poll is taken after the end of the meeting or the adjourned meeting but 48 hours or less after it was demanded.

A termination of a proxy which is not received in the manner described in Article 22.10 or within the time limits so permitted in Article 22.10 shall be invalid.

The Directors may at their discretion determine that, in calculating the periods mentioned in Article 22.10, no account shall be taken of any part of any day that is not a working day (within the meaning of Section 1173 of the 2006 Act).

- 22.13 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid, notwithstanding the death or mental disorder of the principal or the revocation of the appointment or the previous determination of the authority of the person voting or demanding a poll, unless notice in writing of the determination shall have been received by the Company at the office (or other place at which the instrument of proxy was duly deposited or delivered in accordance with the notice of meeting or form of proxy or other document accompanying the same or, where the appointment of the proxy was contained in an Electronic Mail, at the Address of which such appointment was received) at least 48 hours before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used or, in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting, the time appointed for taking the poll.
- 22.14 The Board may, at the expense of the Company, send to the members, by post or otherwise, instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares of the Company either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are

issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote thereat by proxy.

- 22.15 Without limiting any other provision of Article 22 in relation to any shares which are held in Uncertificated form, the Board may from time to time permit appointments of a proxy to be made by means of an Electronic Mail in the form of a properly Authenticated Dematerialised instruction and/or other instruction or notification, which is sent by means of the Relevant System concerned and received by such participant in that system acting on behalf of the Company as the Board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Board (subject always to the facilities and requirements of the system concerned) (the "Uncertificated Proxy Instruction"); and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means. The Board may in addition prescribe the method of determining the time at which any such properly Authenticated Dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

## **23 CORPORATIONS ACTING BY REPRESENTATIVES**

- 23.1 Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall (subject to Section 323 of the 2006 Act) be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat; and all references to attendance and voting in person shall be construed accordingly. A Director, the secretary or some person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to them before permitting him to exercise his power.

## **24 POWERS OF THE BOARD**

- 24.1 Subject to the provisions of the Statutes, the memorandum of association of the Company and these Articles and to any directions given by special resolution of the Company the business of the Company shall be managed by the Board, which may exercise all the powers of the Company. No alteration of the memorandum of association of the Company or of these Articles and no such direction shall invalidate any prior act of the Board which would have been valid if such alteration had not

been made or that direction had not been given. 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. A meeting of the Board at which a quorum is present may exercise all powers exercisable by the Directors.

- 24.2 The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board (other than the power to borrow and make calls) with power to sub-delegate.
- 24.3 The Board may from time to time by power of attorney appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such provisions as the Board may think fit for the protection or convenience of persons dealing with any such attorney and may authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 24.4 The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) for such time as it thinks fit to any committee consisting of at least one or more Directors. They may also delegate to any managing Director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of the Board so far as they are capable of applying. If any such committee determines to co-opt persons other than Directors on to such committee, the number of such co-opted persons shall be less than one half of the total number of members of the committee and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting concerned are Directors. If the powers of the Board are delegated to a committee which consists wholly of Directors no resolution of the committee shall be effective unless at least two Directors are present at the meeting.
- 24.5 The Board may exercise any of the powers conferred by the Statutes to make provision for the benefit of any persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.

## **25 BORROWING POWERS**

- 25.1 Subject as hereinafter provided, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and uncalled capital and, subject to the Statutes, to create and issue debentures, loan stock and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
- 25.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to ensure (as regards subsidiaries in so far as by such exercise the Board can ensure) that without the previous sanction of an ordinary resolution of the Company the aggregate amount for the time being outstanding of all borrowings by the Company and its subsidiaries (excluding money owed by any of the Company or any of its subsidiaries to any other of the Company or any of its subsidiaries) and deducting cash deposited, being an amount equal to the aggregate of the amounts beneficially owned by the Company or any of its subsidiaries which are deposited for the time being with any bank or other person (not being the Company or any of its subsidiaries) and which are repayable to such company on demand or within three months of such demand, subject in the case of amounts deposited by a partly owned subsidiary undertaking to the exclusion of a proportion thereof equal to the proportion of its issued equity share capital which is not attributable to the Company (directly or indirectly) shall not at any time exceed an amount equal to three times the adjusted capital and reserves whichever is the greater. For the purpose of the above restriction the “adjusted capital and reserves” means the aggregate from time to time of:-
- 25.2.1 the amount paid up or credited as paid up on the allotted or issued share capital of the Company; and
- 25.2.2 the amount standing to the credit of the capital and revenue reserves of the Company (or, if the Company has subsidiaries, the consolidated capital and revenue reserves of the Company and its subsidiaries) including any share premium account, capital redemption reserve, revaluation reserve and credit balance on profit and loss account;
- all as shown in the latest audited balance sheet of the Company or (as the case may be) the latest audited consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary to take account of:-
- 25.2.3 any variation in the paid up share capital or the share premium account or capital redemption reserve or revaluation reserve since the date of such balance sheet and so that for the purpose of making such adjustments, if any issue or proposed issue of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) 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);
- 25.2.4 the deduction of any distribution declared, recommended or made by the Company or any of its subsidiaries out of profits accrued up to and including the date of the relevant balance sheet and (otherwise than to the Company or to a subsidiary) not provided for therein;
- 25.2.5 the exclusion of any sums set aside for taxation;
- 25.2.6 the deduction of any debit balance on profit and loss account as shown in such balance sheet;
- 25.2.7 any company which has become or ceased to be a subsidiary since the date of such balance sheet and any variation in the interests of the Company in its subsidiaries since the date of such balance sheet; and
- 25.2.8 where the calculation is required for the purposes of or in connection with a transaction under or in connection with any company which is to become or cease to be a subsidiary, such adjustments as would be appropriate if such transaction had been carried into effect.
- 25.3 For the purpose of this Article 25 “borrowings” shall be deemed to include not only borrowings but also the following except in so far as otherwise taken into account:-
- 25.3.1 the nominal amount of any issued share capital and the principal amount of any debentures or borrowed money together with any fixed or minimum premium payable on redemption, the beneficial interest in which is not for the time being owned by the Company or any of its subsidiaries, of a body whether corporate or unincorporated and the redemption or repayment of which is the subject of a guarantee or indemnity by the Company or any of its subsidiaries or is secured on the assets of any such company;
- 25.3.2 the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of the Company or any of its subsidiaries other than any acceptances or acceptance credits relating to the purchase of goods and services in the ordinary course of trading and outstanding for six months or less;
- 25.3.3 the principal amount (including any premium payable on final repayment) of any debenture (whether secured or unsecured) of the Company or any of its subsidiaries owned otherwise than by the Company or any of its subsidiaries;
- 25.3.4 the principal amount of any preference share capital of any subsidiary owned otherwise than by the Company or any of its subsidiaries;
- 25.3.5 any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing (but any premium payable on final repayment of an amount not to be taken into account as monies borrowed shall not be taken into account); and
- 25.3.6 any fixed amount in respect of a hire purchase contract or of a finance lease payable in either case by the Company or any of its subsidiaries which would be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant

balance sheet (and for the purpose of this sub-paragraph 25.3.6 “finance lease” means a contract between a lessor and the Company and any of its subsidiaries as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the assets leased or sub-leased are to be borne by that company and “hire purchase agreement” means a contract of hire purchase between a hire purchase lender and the Company or any of its subsidiaries as hirer);

but shall be deemed not to include:-

25.3.7 borrowings incurred by the Company or any of its subsidiaries for the purpose of repaying the whole or any part of any borrowings by the Company or any of its subsidiaries for the time being outstanding within six months of being so borrowed, pending their application for that purpose within that period; and

25.3.8 borrowings incurred by the Company or any of its subsidiaries for the purpose of financing any contract in respect of which any part of the price receivable by the Company or any of its subsidiaries is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other governmental department fulfilling a similar function, up to an amount not exceeding that part of the price receivable under the contract which is so guaranteed or insured;

25.3.9 an amount equal to the monies borrowed of any company outstanding immediately after it becomes a subsidiary of the Company, provided that it becomes such a subsidiary during the six months preceding the calculation; and

25.3.10 notwithstanding sub-paragraphs 25.3.1 to 25.3.6 above, the proportion of monies borrowed by the Company or any of its subsidiaries (and not owing to the Company or any of its subsidiaries) which is equal to the proportion of its issued equity share capital not attributable, direct or indirectly, to the Company;

and in sub-paragraphs 25.3.5 to 25.3.10 above references to amounts of monies borrowed include references to amounts which, but for the exclusion under those sub-paragraphs, would fall to be included.

25.4 When the aggregate amount of borrowings required to be taken into account for the purposes of these Articles on any particular day is being ascertained, any money denominated or repayable (or repayable at the option of any person other than the Company) in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange used for the conversion of that currency in the relevant balance sheet if none was so used at the rate of exchange prevailing on that day in London or, if it would result in a lower sterling equivalent, at the rate of exchange prevailing in London six months before such day (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business on the day in question or, if that is not a business day, on the last business day before the date in question).

- 25.5 Subject to the provisions of the Statutes, the Company may from time to time change the accounting conventions on which the audited balance sheet or audited consolidated balance sheet is prepared.
- 25.6 A certificate or report by the Auditors as to the amount of the adjusted capital and reserves or the amount of any borrowings or to the effect that the limit imposed by these Articles has not been or will not be exceeded at any particular time or times shall be conclusive evidence of the amount or of that fact. For the purposes of their computation, the Auditors may, at their discretion, make such further or other adjustments (if any) as they think fit. Nevertheless for the purposes of these Articles the Board may act in reliance on a bona fide estimate of the amount of the adjusted capital and reserves at any time and if in consequence such limit is inadvertently exceeded an amount of moneys borrowed equal to the excess may be disregarded until the expiration of sixty days after the day on which (by reason of a determination of the auditors or otherwise) the Board becomes aware that such a situation has or may have arisen.
- 25.7 Notwithstanding the foregoing no lender or other person dealing with the Company shall be concerned to see or inquire whether the limit imposed by this Article 25 is observed and no borrowing incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the borrowing was incurred or security given that the limit had been or was thereby exceeded.

## **26 NUMBER AND QUALIFICATION OF DIRECTORS**

- 26.1 Unless and until otherwise determined by ordinary resolution of the Company, the Directors (other than alternate Directors) shall be not less than two in number but shall not be subject to any maximum.
- 26.2 A Director shall not be required to hold any shares of the Company by way of qualification.
- 26.3 If the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the Directors for the time being may act for the purpose of filling up vacancies in their number or of calling a general meeting of the Company, but not for any other purpose.

## **27 APPOINTMENT AND RETIREMENT BY ROTATION**

- 27.1 Subject to the provisions of Articles 26 and 27.2 and without prejudice to the power of the Board under Article 26.3 the Company may by ordinary resolution elect a person who is willing to act to be a Director either to fill a vacancy or as an additional Director but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.

- 27.2 No person other than a Director retiring (by rotation or otherwise) (or, if appointed by the Board, vacating office) at a meeting shall be eligible for election to the office of a Director at that general meeting, unless recommended by the Board or not less than seven nor more than forty-two clear days before the day fixed for the meeting there shall have been left at the office addressed to the secretary notice in writing by a member (other than the person to be proposed) entitled to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. The notice shall give the particulars in respect of that person which would (if he were elected) be required to be included in the Company's register of Directors.
- 27.3 A resolution for the election of two or more persons as Directors by a single resolution shall be void and shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it. For the purposes of this Article a resolution approving a person's appointment or for nominating a person for appointment shall be treated as a resolution for the election of such a person.
- 27.4 The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board but so that the total number of Directors shall not at any time exceed the maximum number, if any, fixed from time to time. Any Director so appointed shall hold office only until the conclusion of the next following annual general meeting, and shall be eligible for election, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under the provisions in that behalf contained in these Articles.
- 27.5 Subject to the provisions of these Articles at every annual general meeting of the Company one-third of the Directors who are subject to retirement by rotation or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. If there are fewer than three Directors who are subject to retirement by rotation, one Director shall retire from office.
- 27.6 Subject to the Statutes and these Articles the Directors to retire by rotation at each annual general meeting shall be, first, any Director who wishes to retire and not offer himself for rotation and secondly, those who have been longest in office since their last election; as between persons who became or were last elected Directors on the same day, those to retire by rotation shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire (both as to number and as to 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.

27.7 A retiring Director (whether retiring by rotation or otherwise) shall be eligible for re-election. If he is not re-elected or deemed to be re-elected he shall hold office until the meeting elects someone in his place, or if it does not do so, until the end of the meeting.

27.8 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

## **28 RESIGNATION AND REMOVAL OF DIRECTORS**

28.1 A Director (not being a chief executive, managing or executive Director) may resign his office by notice in writing submitted to the Board.

28.2 A chief executive, managing or executive Director may tender his resignation at a meeting of the Board; but only if the other Directors resolve to accept it shall such resignation be effective.

28.3 The Company may by ordinary resolution of which special notice has been given in accordance with Section 312 of the 2006 Act remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company.

## **29 DISQUALIFICATION OF DIRECTORS**

29.1 The office of a Director shall be vacated if the Director:-

29.1.1 becomes bankrupt or the subject of a receiving order or makes any arrangement or composition 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;

29.1.2 a registered medical practitioner who has examined him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a director and may remain so for more than three months; or by reason of his mental health a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have and, in either case, the board resolves that his office be vacated; or

29.1.3 is absent from meetings of the Board (whether or not his alternate attends) for six consecutive months without permission of the Board and the Board resolves that his office be vacated;

29.1.4 is by virtue of any provision of the Statutes or becomes prohibited by law from being a Director;

29.1.5 shall be removed from office by notice in writing served upon him at his address as shown in the register of Directors signed by all his co-Directors being not less

than two in number, but so that if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

### **30 REMUNERATION OF DIRECTORS**

- 30.1 The Directors of the Company (other than alternate Directors) shall be paid such remuneration (by way of fee) for their services as may be determined by the Board or any committee of the Board formed for the purpose of determining Directors' fees and remuneration. The Directors shall also be entitled to be repaid all travelling, hotel and other reasonable expenses of travelling to and from Board meetings, committee meetings, general meetings, or otherwise incurred while engaged on the business of the Company.
- 30.2 Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, commission, percentage of profits or otherwise as the Board may decide.

### **31 CHIEF EXECUTIVE, MANAGING AND EXECUTIVE DIRECTORS**

- 31.1 The Board may from time to time:-
- 31.1.1 appoint one or more of its body to the office of chief executive, managing Director or joint managing Director, or to any other office (except that of auditor) or employment in the Company, for such period (subject to the Statutes) and on such terms as it thinks fit, and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation);
- 31.1.2 permit any person elected or appointed to be a Director to continue in any other office or employment held by the person before he was so elected or appointed;
- A Director (other than a chief executive, managing Director or joint managing Director) holding any such other office or employment is referred to in these Articles as “an executive Director”.
- 31.2 The remuneration of any chief executive, managing Director, joint managing Director or executive Director (whether by way of salary, commission, participation in profit or otherwise) shall be decided by the Board or any committee of the Board formed for the purpose of determining Directors' fees and remuneration and may be either in addition to or in lieu of any remuneration as a Director.
- 31.3 The Board may entrust to and confer upon a chief executive, managing Director, joint managing Director or any executive Director any of the powers authorities and discretions vested in or exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and, in the case of a chief executive, managing Director or

joint managing Director, either collaterally with or to the exclusion of its own powers, authorities and discretions and may from time to time revoke, or vary all or any of them, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

### **32 ASSOCIATE AND OTHER DIRECTORS**

32.1 The Directors may from time to time, and at any time, pursuant to this Article appoint any person (not being a Director) to any office or employment with such descriptive title including that of director (whether as associate, executive, group, divisional, departmental, deputy, assistant, local, advisory director or otherwise) as the Board may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties, and subject to any contract between him and the Company may remove from such post any person so appointed. A person so appointed shall not be a Director of the Company for any of the purposes of these Articles or of the Statutes, and accordingly shall not be a member of the Board of Directors or of any committee thereof, nor shall he be entitled to be present at any meeting of the Board of Directors or of any such committee, except at the request of the Board of Directors or of such committee, and if present at such request he shall subject to Article 24.4 not be entitled to vote thereat.

### **33 DIRECTORS' GRATUITIES AND PENSIONS**

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

## **34 ALTERNATE DIRECTORS**

- 34.1 Any Director (other than an alternate Director) may appoint another Director or any other person approved by the Board and willing to act, to be an alternate Director and may at any time remove from office an alternate Director so appointed by him.
- 34.2 An alternate Director (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) shall be entitled to receive notice of all meetings of the Board and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate Director. But it shall not be necessary to give notice of such a meeting to an alternate Director who is absent from the United Kingdom.
- 34.3 An alternate Director shall cease to be an alternate Director if any event happens in relation to him which if he were a Director otherwise appointed, would cause him to vacate office or if his appointor ceases to be a Director; but, if a Director retires by rotation or otherwise vacates office but is elected or deemed to have been elected at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his election.
- 34.4 Any appointment or removal of an alternate Director shall be by notice in writing to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Board.
- 34.5 Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

## **35 PROCEEDINGS OF THE BOARD**

- 35.1 Subject to the provision of these Articles, the Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. All or any one or more of the Directors, or any of the members of a committee of Directors, may participate in a meeting of the Directors or the committee:-
- 35.1.1 by means of a conference telephone or other communications equipment allowing all persons participating in the meeting to hear and speak to each other at the same time; or
- 35.1.2 by a succession of telephone calls to Directors from the chairman of the meeting following disclosure to them of all material points or by exchange of facsimile transmission addressed to the chairman of the meeting.

Participating by such means shall constitute presence in person at a meeting.

- 35.2 Such meeting shall be deemed to have occurred in the case of Article 35.1.1 above at the place where most of the Directors participating are present or, if there is no such place where the chairman of the meeting is present and in the case of Article 35.1.2 where the chairman of the meeting is present. Questions arising at any meeting of the Board shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second casting vote. A Director who is also an alternate Director shall be entitled, in the absence of the Director whom he is representing, to a separate vote on behalf of such Director in addition to his own vote. A Director may, and the secretary on the requisition of a Director shall, at any time call a meeting of the Board. Notice of every meeting of the Board may be given orally, in writing or if in Electronic Mail to any Address given by him to the Company for that purpose, and shall be given to all the Directors from time to time provided that it shall not be necessary to give such notice to any Director absent from the United Kingdom where such Director has appointed an alternate Director and such notice is duly given to such alternate Director and further provided that such notice shall be deemed to have been given to any Director absent from the United Kingdom where bona fide and reasonable endeavours have been made to give such notice to any Director so absent.
- 35.3 The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be two. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say, as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for quorum purposes unless at least one other Director or alternate Director is also present. A meeting of the Board at which a quorum is present, shall be competent to exercise all powers and discretions for the time being exercisable by the Board.
- 35.4 The Board may from time to time appoint and remove a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they are respectively to hold office. The chairman or, in his absence, the deputy chairman (if any) shall preside at all meetings of the Board. If no such chairman or deputy chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting, or neither of them is willing to preside at such meeting the Directors present may choose one of their number to act as chairman of such meeting.
- 35.5 The Directors may from time to time appoint any Director or former Director who has rendered outstanding services to the Company to be President of the Company and may remove or replace him at any time. The President shall not by virtue of that office alone be a Director or have any powers or duties in relation to the management of the Company but if not a Director he may by invitation of the Directors attend meetings of the Directors for the purpose of giving advice. The President shall receive such remuneration, if any, as the Directors may from time to time determine.

- 35.6 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) or by all the members for the time being of a committee (not being less than the number of members required to form a quorum of the committee) shall be as valid and effective as a resolution passed at a meeting of the Board or committee duly convened and held. A resolution signed by an alternate Director need not be signed by his or her appointor and vice versa. The resolution may consist of one document or several documents in like form each signed by one or more Directors. To be effective, the resolution need not be signed by a Director who is prohibited by these Articles from voting thereon, or by his alternate.
- 35.7 All acts done bona fide by any meeting of the Board, or of a committee or sub-committee or the Board, or by any person acting as a Director or by an alternate Director, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person so acting, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or an alternate Director and had been entitled to vote.

## **36 DIRECTORS' INTERESTS**

- 36.1 The Board may authorise any matter proposed to it which would, if not so authorised, involve a breach of duty by a Director under Section 175 of the 2006 Act.
- 36.2 Any authorisation under Article 36.1 will be effective only if
- 36.1.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other Director interested in the matter under consideration; and
- 36.1.2 the matter was agreed to without such Director voting or would have been agreed to if the vote of such Director had not been counted.
- 36.3 The Board may give any authorisation under Article 36.1 upon such terms as it thinks fit. The Board may vary or terminate any such authorisation at any time.
- 36.4 For the purposes of this Article 36, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- 36.5 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person. In particular the Director shall not be in breach of the general duties he owes to the Company by virtue of Sections 171 to 177 of the 2006 Act because he:
- 36.5.1 fails to disclose any such information to the Board or to any Director or other

officer or employee of the Company; and/or

36.5.2 does not use or apply any such information in performing his duties as Director of the Company.

However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article 36.5 applies only if the existence of that relationship has been authorised by the board pursuant to Article 36.1.

36.6 Where the existence of a Director's relationship with another person has been authorised by the Board pursuant to Article 36.1 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company by virtue of Sections 171 to 177 of the 2006 Act because he:

36.6.1 absents himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or

36.6.2 makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser on his behalf, for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.

36.7 The provisions of Articles 36.5 and 36.6 are without prejudice to any equitable principle or rule of law which may excuse the Director from:

36.7.1 disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or

36.7.2 attending meetings or discussions or receiving documents and information as referred to in Article 36.6, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

36.8 A Director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement.

36.9 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 as soon as is reasonably practicable, unless the interest has already been declared under Article 36.8 above.

36.10 Any declaration required by Article 36.8 or 36.9 must be made at a meeting of the Directors or by notice in writing in accordance with Section 184 of the 2006 Act or by general notice in accordance with Section 185 of the 2006 Act.

- 36.11 If a declaration made under Article 36.8 or 36.9 above proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under Article 36.8 or 36.9, as appropriate.
- 36.12 A Director need not declare an interest under this Article 36:
- 36.12.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - 36.12.2 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);
  - 36.12.3 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 purpose under these Articles; or
  - 36.12.4 if the Director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware).
- 36.13 Subject to the provisions of the Statutes and provided that he has declared to the Board the nature and extent of any direct or indirect interest of his in accordance with this Article 36 or where Article 36.12 applies and no declaration of interest is required, a Director notwithstanding his office:
- 36.13.1 may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is otherwise directly or indirectly interested;
  - 36.13.2 may act by himself or through his firm in a professional capacity for the Company (otherwise than as Auditor), and in any such case on such terms as to remuneration and otherwise as the Board may decide; and
  - 36.13.3 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is otherwise directly or indirectly interested.
- 36.14 A Director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:
- 36.14.1 the acceptance, entry into or existence of which has been authorised by the Board pursuant to Article 36.1 (subject, in any such case, to any terms upon which such authorisation was given); or
  - 36.14.2 which he is permitted to hold or enter into by virtue of Article 36.13 or otherwise pursuant to these Articles,
- nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under Section 176 of the 2006 Act. No transaction or arrangement authorised or permitted pursuant to Articles 36.1 or 36.13 or otherwise pursuant to these Articles shall be liable to be avoided on the ground of any such interest or benefit.
- 36.15 Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in

which he has a direct or indirect interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters:

- 36.15.1 the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
  - 36.15.2 the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the Director 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;
  - 36.15.3 a transaction or arrangement concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
  - 36.15.4 a transaction or arrangement to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he or any person connected with him is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "relevant company"), if he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in Sections 820 to 825 of the 2006 Act) representing one per cent. or more of either any class of the equity share capital (excluding any shares of that class held as treasury shares) in the relevant company or of the voting rights available to members of the relevant company;
  - 36.15.5 any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes; or
  - 36.15.6 a transaction or arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates; and
  - 36.15.7 a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.
- 36.16 A Director may not vote on or be counted in the quorum in relation to a resolution of the Board or committee of the Board concerning his own appointment (including, without limitation, fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including, without limitation, 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 a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each Director. In that case, each of the Directors concerned (if not otherwise debarred from voting under this Article) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- 36.17 If a question arises at a meeting as to the materiality of a Director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a Director (other than the chairman) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the Director concerned is conclusive and binding on all concerned.
- 36.18 If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.
- 36.19 For the purposes of this Article 36, in relation to an alternate Director, the interest of his appointor is treated as the interest of the alternate Director in addition to any interest which the alternate Director otherwise has. This Article 36 applies to an alternate Director as if he were a Director otherwise appointed.
- 36.20 Subject to the Statutes, the Company may by ordinary resolution suspend or relax the provisions of this Article 36 to any extent or ratify any transaction or arrangement not properly authorised by reason of a contravention of this Article 36.

### **37 SECRETARY**

- 37.1 Subject to the Statutes, the secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any secretary appointed by the Board may be removed by it.
- 37.2 Anything by the Statutes or these Articles required or authorised to be done by or to the secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by or to any assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors. 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 place of, the secretary.

## **38**      **MINUTES**

- 38.1      The Board shall cause minutes to be made in books kept for the purpose of:-
- 38.1.1    all appointments of officers and committees made by the Board and of any such officer's salary or remuneration;
  - 38.1.2    the names of the Directors present at each meeting of the Board and of any committee of the Board, of the Company or the holders of any class of shares or debenture of the Company;
  - 38.1.3    all resolutions and proceedings at all meetings of the Company or the holders of any class of shares in the Company and of the Board and of committees of the Board.
- 38.2      Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or by the chairman of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts therein stated.

## **39**      **THE SEAL**

- 39.1      The Board shall provide for the safe custody of the seal. The seal shall only be used by the authority of the Board or of a committee of the Board authorised in that behalf by the Board. The Board shall from time to time determine the persons and the number of such persons who may sign any instrument to which the seal is affixed and unless otherwise so determined every such instrument shall be signed by a Director and shall be countersigned by the secretary or by a second Director or by some other person appointed by the Board for the purposes provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical or other means to be specified in such resolution or that such certificates need not be signed by any person.
- 39.2      All forms of certificates for shares or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued under the seal or under the signatures (including facsimile signatures) of a Director and the secretary or of two Directors or in such other manner as the Board may by resolution determine either generally or in any particular case such as that any signatures may be affixed to such certificates by some mechanical or other means or that such certificates need not bear any signature
- 39.3      The Company may have an official seal kept by virtue of the Statutes and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use thereof as it may think.

- 39.4 Subject to the Statutes and to any regulations made thereunder, a document signed by a Director and the secretary or by two Directors of the Company or by a Director in the presence of a witness who attests the signature and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if it were under seal and a document so executed which:-
- 39.4.1 is intended by the person or persons making it to be a deed and so executed;
- 39.4.2 makes that fact clear upon its face (in whatever form of words) has effect, upon delivery, as a deed.

#### **40 ACCOUNTING RECORDS, BOOKS AND REGISTERS**

- 40.1 The Directors shall cause proper accounting records to be kept and such other books and registers as are necessary to comply with the provisions of the Statutes.
- 40.2 The accounting records shall be kept at the office or (subject to the provisions of the 2006 Act ) at such other place in Great Britain as the Board thinks fit, and shall always be open to inspection by the Directors of the Company. No member of the Company (other than a Director) shall have any right of inspecting any accounting record or book or document except as conferred by law, by order of the court or authorised by the Board or the Company by ordinary resolution.
- 40.3 The Board shall in accordance with the Statutes cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes. The Board shall in its report state the amount (if any) which it recommends to be paid by way of dividend.
- 40.4 A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall, at least twenty one clear days before the annual general meeting before which they are to be laid, be delivered or sent by post to the registered address of every member and every debenture holder of the Company or, in the case of joint holders of any share or debenture, to one of the joint holders and to the auditors for the time being of the Company and to every other person who is entitled to receive notice of general meetings. If and to the extent permitted by the Statutes all or any of such documents may be delivered to a member by means of Electronic Mail. If all or any of the shares in or debentures of the Company are for the time being listed on the London Stock Exchange or dealt in on AIM or any other recognised investment exchanged there shall at the same time be forwarded to The London Stock Exchange such number of copies of each of these documents as may be required by the regulations for the time being of the London Stock Exchange or the AIM rules. This Article shall not require a copy of these documents to be sent to any person to whom copies need not be sent under the

Statutes. The requirements of this Article shall be deemed satisfied in relation to members by sending to each member instead of the documents referred to above, where permitted by the Statutes, a summary financial statement derived from the Company's annual accounts and the Directors' report and prepared in the form and containing the information prescribe by the Statutes and any regulations made thereunder. Where it does so, the statement shall be delivered or sent by post to the member not less than twenty one (21) days before the annual general meeting before which those documents are to be laid.

#### **41 AUDIT**

41.1 Auditors of the Company shall be appointed and their duties, powers and rights regulated in accordance with the Statutes.

41.2 The Auditors' report to the members made pursuant to the statutory provisions as to audit shall be read before the Company in general meeting and shall be open to inspection by any member; and in accordance with the Statutes every member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and Auditors' report.

#### **42 AUTHENTICATION OF DOCUMENTS**

42.1 Any Director or the secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Board or any committee and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the office the officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.

42.2 A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the Board or of any committee which is certified as such in accordance with Article 42.1 shall be conclusive evidence in favour of all persons dealing with the Company on the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of proceedings at a duly constituted meeting.

#### **43 RECORD DATES**

43.1 Notwithstanding any other provision of these Articles but without prejudice to the rights attached to any shares and subject always to the Statutes, the Company or the Board may by resolution fix a date as the record date for any dividend, distribution, allotment issue notice, information document or circular and such record date may be

on or at any time within six months before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

#### **44 DIVIDENDS**

- 44.1 Subject to the Statutes and these Articles the Company may by ordinary resolution declare that out of profits available for distribution there be paid dividends to members in accordance with their respective rights and priorities; but no dividend shall exceed the amount recommended by the Board.
- 44.2 Except as otherwise provided by the rights (if any) attached to shares with preferential or other special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or the next following Article as paid up on the share.
- 44.3 All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Ordinary shares during any portion or portions of the period in respect of which the dividend is paid; but, if any Ordinary share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such Ordinary share shall rank (subject to the provisions of the Statutes) for or be entitled to dividend accordingly.
- 44.4 Any general meeting declaring a dividend may, upon the recommendation of the Board, by ordinary resolution direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and, in particular, of fully paid up shares or debentures of any other company or in any one or more of such ways. The Board shall give effect to such direction so far as they are able. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular but without limitation may issue fractional certificates or ignore fractions and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the persons entitled to the dividend, as may seem expedient to the Board and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates, or any part thereof, and otherwise as they think fit.
- 44.5 Subject to the provisions of the Statutes and of these Articles the Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the distributable profits of the Company and the position of the Company. The Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates whenever such profits in the opinion of the

Board justify that course. In particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes the Board may pay interim dividends on shares in the capital of the Company which confer deferred or non-preferential rights as well as in respect of shares which confer preferential rights with regard to dividend but no interim dividend shall be paid on shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrear. Provided the Board acts in good faith the Board shall not incur any liability to the holders of shares conferring any preferential rights for any loss that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.

- 44.6 The Board may deduct from any dividend payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company and may apply the monies so deducted in satisfaction of such amounts payable by such member to the Company.
- 44.7 All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution of the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
- 44.8 The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.
- 44.9 No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise expressly provided by the rights attached to the share. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company absolutely. All dividends, interest or other sum payable and unclaimed for twelve (12) months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof.
- 44.10 Any dividend or other moneys payable on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the person entitled thereto or by any other method (including by electronic media) as the Board may consider appropriate and in case of joint holders to any one of such joint holders, or to such person and to such address as the holder or joint holders may in writing direct. If any such dividend or other sum is payable in respect of an Uncertificated share and payment is to be made using a Relevant System, the Company shall comply with the requirements of and shall make payment by means of the Relevant System. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such

other person as the holder or joint holders may in writing direct, and shall be sent at the risk of the member or other person entitled thereto, and payment of the cheque or warrant shall be a good discharge to the Company. Where an authority in that behalf shall have been received by the Company in such form as the Company shall consider sufficient the Company may pay the amount distributable to such member or person to his bankers or other agents and payment in accordance with such authority shall constitute a good discharge therefor and the Company shall have no responsibility for any sums lost or delayed in the course of any transfer by any of the above methods or where a payment has been made by the correct use of a Relevant System or when it has acted on any relevant directions given by the holder or the holders of the shares.

44.11 If several persons are entered in the register as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

44.12 The Board may, if authorised by an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to any holders of Ordinary shares the right to elect to receive additional Ordinary shares, credited as fully paid, in lieu of cash in respect of any dividend or any part of any dividend specified by the ordinary resolution. The following provisions shall apply:-

44.12.1 the ordinary resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the annual general meeting next following the date of the meeting at which the ordinary resolution is passed;

44.12.2 the entitlement of each holder of Ordinary shares to new Ordinary shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) that the shareholder would have received by way of dividend. For this purpose “relevant value” shall be calculated by reference to the average of the middle market quotations for the Company’s Ordinary shares on AIM or any successor thereto on the day on which the Ordinary shares are first quoted “ex” the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution or as the Board may determine on such basis as it considers fair and reasonable, but shall never be less than the par value of the new Ordinary share. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;

44.12.3 the Board, after determining the basis of allotment, may notify the relevant shareholders in writing of the right of election offered to them and shall send with or following such notification forms of election and specify the procedure to be followed and place at which, and the latest time by which, duly completed forms of election must be lodged in order to be effective;

- 44.12.4 no fractions of a shares shall be allotted. The Board may make such provisions as it thinks fit for any fractional entitlement including provisions whereby, in whole or in part, the benefits thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any member and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such member of fully paid Ordinary shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements;
- 44.12.5 the Board may exclude from any offer any holders of Ordinary shares where the Board believe that the making of the offer of them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them;
- 44.12.6 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary shares in respect of which an election has been duly made (“the elected shares”) and instead additional Ordinary shares shall be allotted to the holders of the elected shares on the basis of allotment calculated as aforesaid. For such purpose the Board shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including share premium account, any capital redemption reserve or otherwise available for distribution as the Board may determine), a sum equal to the aggregate nominal amount of the additional Ordinary shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued Ordinary shares for allotment and distribution to and amongst the holders of the elected shares on that basis;
- 44.12.7 a Board resolution capitalising any part of such reserve or fund or profits shall have the same effect as if such capitalisation had been declared by ordinary resolution of the Company in accordance with Article 46 and in relation to any such capitalisation the Board may exercise all the powers conferred on them by Article 46 without need of such ordinary resolution;
- 44.12.8 the Board may establish or vary from time to time a procedure for election mandates in respect of future rights of election and may determine that every duly affected election in respect of any Ordinary shares shall be binding on every successor in title to the holder thereof;
- 44.12.9 the additional Ordinary shares when allotted shall rank pari passu in all respects with each other and with the fully paid Ordinary shares then in issue except that they will not be entitled to participate in the relevant dividend (including the share election in lieu of dividend);
- 44.12.10 in relation to any particular proposed dividend the Directors may in their absolute discretion withdraw the offer previously made to Ordinary shareholders to elect to receive additional Ordinary shares in lieu of cash dividend (or part thereof) at any time prior to the allotment of the additional Ordinary shares.

45.1 The Board may, before recommending any dividend (whether preferential or otherwise), set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied. Pending such application such reserves may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to distribute.

#### **46 CAPITALISATION OF PROFITS**

46.1 The Board may with the authority of the Company in general meeting resolve that it is desirable to capitalise all or any part of the profits of the Company to which this Article applies and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the members on the record date specified in the relevant resolution or determined as therein provided who would have been entitled thereto if distributed by way of dividend and in the same proportions.

46.2 Subject to any direction given by the Company, the Board shall appropriate the profits resolved to be capitalised by any such resolution, and apply such profits on behalf of the members entitled thereto either:-

46.2.1 in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively; or

46.2.2 in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution, credited as fully paid, to and amongst such members in the proportions referred to above;

46.2.3 or partly in one way and partly in the other; provided that no unrealised profit shall be applied in paying up amounts unpaid on any issued shares and the only purpose to which sums standing to capital redemption reserve or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed to members credited as fully paid.

46.3 The Board shall have power after the passing of any such resolution:-

46.3.1 to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of shares, debentures or obligations becoming distributable in fractions such power to include the right for the Company to retain small amounts the cost of distribution of which would be disproportionate to the amounts involved;

- 46.3.2 to authorise any person, on behalf of all the members entitled thereto, to enter into an agreement with the Company providing (as the case may require) either for the payment up by the Company on behalf of such members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing shares; or for the allotment to such members respectively, credited as fully paid, of any further shares, debentures or obligations to which they may be entitled upon such capitalisation; and any agreement made under such authority shall be effective and binding on all such members.
- 46.3.3 The Company in general meeting may resolve that any shares allotted pursuant to this Article to holders of any partly paid Ordinary shares shall, so long as such Ordinary shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends.
- 46.4 The profits of the Company to which this Article applies shall be any profits of the Company not required for paying the fixed dividends on any preference shares or other shares issued on special conditions and shall also be deemed to include:-
- 46.4.1 any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- 46.4.2 any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve or to share premium or other special account.

#### **47 NOTICES**

- 47.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing, except that a notice convening a board or board committee meeting need not be in writing.
- 47.2 Subject to the Statutes, any notice or document may be given or served by the Company on any member either personally or by sending it by post or other delivery service in a prepaid envelope addressed to such member at his address as appearing in the register or by any other means authorised in writing by the member concerned including using electronic communication to an address which the member shall have given to the Company for that purpose or by posting the notice or document on a website where the member has been notified of the publication of the notice or document on the website, the address of the website, the place where the notice or document can be accessed, how to access the notice or document and the period of time for which the notice or document is available on the website. In this Article an address in relation to electronic communication includes any number or address used for the purpose of such communication.
- 47.3 Subject to the Statutes , a member will be deemed to have agreed to any notice or other document being sent to the member by making it available on a website if:

- 47.3.1 the member has been asked individually by the Company to agree that the Company may send or supply documents or information generally, or the documents or information in question, to him by means of a website; and
- 47.3.2 the Company has not received a response within the period of 28 days beginning with the date on which the Company's request was sent.
- 47.4 Any notice or document posted on a website in accordance with Article 47.2 must be available on a website for a period of not less than 21 days from the date of notification or, if later, until the conclusion of any general meeting to which the notice or document relates. If the notice or document is published on a website for part only of this period, it will be treated as being published for the 21 day period if the failure to publish the notice or document for the 21 day period is wholly attributable to circumstances which it would not be reasonable to expect the Company to prevent or avoid.
- 47.5 Any notice sent by electronic communication must be made available to members in printed form and free of charge on request during normal business hours for a period of 21 days from the date of communication or, if later, until the conclusion of the general meeting to which the notice or document relates. The printed copies must be made available in sufficient numbers to satisfy demand from its members and be made available at the Company's registered office and at the offices of the Company's paying agents, if any.
- 47.6 In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders. In the case of a member registered on an overseas branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained.
- 47.7 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of twenty-four hours after the envelope containing it was posted (if it was posted first class) or forty eight hours after the envelope containing it was posted (if it was posted second class). A notice contained in an electronic communication shall be deemed served at the expiration of forty eight hours after the time it was sent. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that notice was given.
- 47.8 Any notice, certificate or other document not sent by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day on which it was so delivered or left.

- 47.9 Any member (or, in the case of joint holders, the person first named in the register) whose address in the register is not within the United Kingdom, who gives to the Company an address within the United Kingdom at which notices may be served upon him, or an Address to which notices may be sent using electronic communication, shall be entitled to have notices served upon him at such address; but, otherwise, no member other than a member whose address in the register is within the United Kingdom shall be entitled to receive any notice from the Company.
- 47.10 Every person who by operation of law, transfer or other means whatsoever becomes entitled to a share shall be bound by any notice in respect of such share which, before his name is entered in the register of members, has been duly given to the person from whom he derives his title provided that such person shall not be bound by any notice given by the Company under Section 793 of the 2006 Act or under Article 18.
- 47.11 Any notice to be given by the Company to the members or any of them, and not otherwise provided for by these Articles, shall be sufficiently given if given by advertisement in at least one national newspaper published in the United Kingdom and, where the Company keeps an overseas branch register, in at least one daily newspaper published in the territory in which such register is maintained. Any notice given by advertisement shall be deemed to have been served at noon on the day on which the advertisement first appears.
- 47.12 Subject to the Statutes, Articles 47.2 to 47.9 shall apply mutatis mutandis to the service by members of notices and documents on the Company, save that any notice, certificate (but not a share certificate) or document sent by Electronic Mail to the Company shall be deemed to have been served or delivered at the time it is received by the Company.
- 47.13 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting or a meeting of the holders of any class of shares by notices sent through the post a general meeting may be convened by a notice advertised on the same date in at least two national daily newspapers with appropriate circulations (at least one of which shall be published in London) and, where the Company keeps an overseas branch register, in at least one daily newspaper published in the territory in which such register is maintained and such notice shall be deemed to have been duly served on all members entitled thereto 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 forty-eight hours prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
- 47.14 Any member present, either personally or by proxy, at any general meeting of the Company or of the holders of any class of shares in the Company shall for all purposes

be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was called.

- 47.15 Any notice or document delivered in pursuance of these Articles shall, notwithstanding that such member is then dead, bankrupt, of unsound mind or (being a corporation) in liquidation, and whether or not the Company has notice of the death, bankruptcy, insanity or liquidation of such member, be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder unless his name has at the time of the service of the notice or document been removed from the register of members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- 47.16 If on three consecutive occasions notices or other documents have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for service of notices.

#### **48 UNTRACED MEMBERS**

- 48.1 The Company shall be entitled to sell at the best price reasonably obtainable the shares or stock of a member or the shares or stock to which a person is entitled by transmission on death or bankruptcy if and provided that:-
- 48.1.1 during a period of twelve years all dividends, warrants and cheques in respect of the shares in question sent in the manner authorised by these Articles have remained uncashed and during such period at least three dividends in respect of the shares in question have been paid by the Company;
- 48.1.2 on or after expiry of the period of twelve years mentioned in Article 48.1.1 the Company shall have inserted advertisements in one national daily newspaper and one newspaper circulating in the area in which the registered or last known address of the member is located giving notice of its intention to sell the said shares;
- 48.1.3 the said advertisements, if not published on the same day, shall be published within thirty days of each other;
- 48.1.4 during the period of twelve years mentioned in Article 48.1.1 and a further period of three months following the date of publication of the advertisements mentioned in Article 48.1.2 (or, if published on different dates, the later or latest thereof) and prior to the exercise of the power of sale the Company shall not have received any communication that would enable the Company to trace such member or person entitled by transmission; and

- 48.1.5 the Company shall have given notice to the Quotations Department of the London Stock Exchange (if relevant) in accordance with its requirements of its intention to make such sale.
- 48.2 To give effect to any such sale the Board may appoint any person to execute as transferor an instrument of transfer of the said shares or stock. Such instrument of transfer (or a Dematerialised Instruction given by such person) shall be as effective as if it had been executed by the holder of or person entitled by transmission to any such shares or stock. The title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto including without limitation absence of a share certificate.
- 48.3 The net proceeds of sale shall belong to the Company which (unless the Board shall resolve otherwise) shall not:-
- 48.3.1 be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds; and
- 48.3.2 (until the Company has so accounted) enter the name of such former member or other person in the books of the Company as a creditor for such amount.
- 48.4 If the Board resolves that the said net proceeds of sale shall belong to such former member or other person previously entitled, no trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Board may think fit. If during the period of twelve years referred to in this Article 48 or during any period ending on the date when all the requirements of Articles 48.1 to 48.3 have been satisfied any additional shares or stock have been issued in right of those held at the beginning of, or previously similarly issued during, those periods and all the requirements of Articles 48.1 to 48.3 have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.
- 48.5 A person entitled to any share or stock in consequence of the death, mental disorder or bankruptcy of a member, on supplying to the Company such evidence as the Board may reasonably require to show his title to that share and an address within the United Kingdom for the service of notices, shall be entitled to have served on or delivered to him at such address any notice or document to which the member but for his death, mental disorder or bankruptcy would have been entitled, and such service or delivery shall be deemed a sufficient service or delivery of such notice or document for all purposes on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the last registered address of any member pursuant to these Articles shall (notwithstanding that such member be then dead or bankrupt or in liquidation or that a receiver has been appointed for him under the Mental Health Act

1983 or the Mental Health (Scotland) Act 1984) be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first named joint holder.

#### **49 DESTRUCTION OF DOCUMENTS**

49.1 The Company shall be entitled to destroy all instruments of transfer of shares of the Company which shall have been registered and all letters of request, renounced allotment letters, renounceable share certificates, forms of acceptance and transfer and records similar to any of the foregoing applications for allotment in respect of which an entry in the register shall have been made at any time after the expiration of six years from the date of registration thereof or on which an entry in respect thereof shall have been made (as the case may be) and all registered certificates for shares of the Company (being certificates for shares in the name of a transferor and in particular respect whereof the Company has registered a transfer) after one year from the date on which it is cancelled and all mandates and other written directions as to the payment of dividends (being mandates or directions which have been cancelled) and all notifications of change of name or address at any time after the expiration of two years from the date of cancellation or the recording thereof (as the case may be).

49.2 It shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned was in accordance with the recorded particulars thereof in the books or records of the Company provided always that:-

49.2.1 the foregoing provisions shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

49.2.2 nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;

49.2.3 references herein to the destruction of any document include references to its disposal in any manner;

49.2.4 any document referred to in Article 49.1 above may be destroyed at a date earlier than that authorised by this Article provided that a permanent copy of such document shall have been made on microfiche or electronically or by other similar means which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Board shall take adequate precautions for guarding against falsification and for facilitating its production.

## **50**      **WINDING UP**

- 50.1      The power of sale of a liquidator shall include a power to sell wholly or partially for shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.
- 50.2      If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Statutes:-
- 50.2.1    divide among the members in specie the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or properties of different kinds, and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members, but if any division is resolved otherwise than in accordance with such rights, the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to Section 110 of the Insolvency Act 1986;
- 50.2.2    vest the whole or any part of the whole of the assets in trustees on such trusts for the benefit of the members as he with the like sanction shall determine and the liquidation of the Company may be closed and the Company dissolved.
- 50.3      No member shall be compelled to accept any assets on which there is a liability.
- 50.4      A special resolution sanctioning a transfer or sale to another company duly passed pursuant to Section 110 of the Insolvency Act 1986 may, in the like manner, authorise the distribution of any shares or other consideration receivable by the liquidator amongst the members otherwise than in accordance with their existing rights, and any such determination shall be binding on all the members, subject to the right of dissent and consequential rights conferred by the said section.

## **51**      **INDEMNITY**

- 51.1      So far as the law allows, but without prejudice to any indemnity to which he may otherwise be entitled, any person who is or was at any time a Director, alternate Director, officer or employee of the Company shall be entitled to be indemnified and, if the board so determines, any other Relevant Person shall be entitled to be indemnified, out of the assets of the Company against any Relevant Liability
- 51.2      For the purposes of this Article:
- (a)      **Relevant Person** means any person who is or was at any time a Director, alternate Director, officer or employee of:

- (i) the Company, or any body corporate which is or was at any time a holding company of the Company
  - (ii) any body corporate in which the Company, or any body corporate which is or was at any time a holding company of the Company, has any kind of direct or indirect interest
  - (iii) any body corporate in which any of the predecessors of the Company, or of any body corporate which is or was at any time a holding company of the Company, has any kind of direct or indirect interest
  - (iv) any body corporate with which the Company is or was at any time allied, or associated; or
  - (v) any body corporate which is or was at any time a subsidiary undertaking of any body corporate referred to in this paragraph (a);
- (b) **Relevant Liability** means any cost, charge, loss, damage, expense or liability which any person may suffer or incur:
- (i) as a result of anything he does, or does not do, in carrying out or trying to carry out his duties, or using or trying to use his powers in relation to the Company, or in relation to any of the other bodies corporate which are referred to in paragraph (a) above or, in the case of any current or past trustee of any pension fund, in relation to that pension fund; or
  - (ii) in any other way in connection with his duties, powers or posts in relation to the Company or in relation to any of the other bodies corporate which are referred to in paragraph (a) above or, in the case of any current or past trustee of any pension fund, in relation to that pension fund,
- including (without prejudice to the generality of the foregoing) any liability incurred in connection with defending any proceedings (whether civil or criminal) which relate to any of the matters referred to in sub-paragraphs (b)(i) or (b)(ii) above.

51.3 So far as the law allows, the board may take out, maintain, renew, establish, participate in, and/or contribute to the cost of, insurance for, or for the benefit of any Relevant Person or any person who is or was at any time a trustee of any pension fund in which any employee or former employee of the Company or any of the other bodies corporate which are referred to in paragraph (a) of Article 51.1 are interested, including insurance against any Relevant Liability and, so far as the law allows, may indemnify or exempt any such person from or against any such Relevant Liability