

FRIDAY



**THE COMPANIES ACT 1985**  
**PUBLIC**  
**COMPANY LIMITED BY SHARES**  
**SPECIAL RESOLUTIONS**  
**OF**  
**CHURCHILL CHINA PLC**

At the Annual General Meeting of the above named Company duly convened and held at Marlborough Pottery, High Street, Sandyford, Tunstall, Stoke on Trent, on Wednesday 21st May 2008 at 12 noon the following resolutions were duly passed

**ORDINARY RESOLUTIONS**

1. That the authorised share capital of the Company be increased from £1,430,000 to £2,000,000 by the creation of a further 5,700,000 ordinary shares of 10p each
2. That the Directors of the Company be authorised in accordance with section 80 of the Companies Act 1985 ("the Act") and in substitution for any existing power to allot relevant securities, within the meaning of Section 80 of the Act, of the Company to such persons at such times and subject to such terms and conditions as the Directors may determine. The maximum aggregate nominal amount of relevant securities which may be allotted pursuant to this authority shall be £361,279 and shall be allotted during the period commencing on the date of passing this resolution and expiring on 30 March 2013 (both dates inclusive), save that the Company may make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired

**SPECIAL RESOLUTIONS**

1. That subject to the passing of the resolution no 2 in the Ordinary Resolutions ("the Section 80 Resolution") the Directors of the Company be empowered pursuant to Section 95(1) of the Act to allot equity securities (as defined in Section 94(2) of the Act) pursuant to the authority under Section 80 of the Act granted by the Section 80 Resolution, and/or to sell relevant shares (as defined in Section 94(5) of the Act) of the Company if, immediately before

such sale, such shares were held by the Company as treasury shares (within the meaning of Section 162A(3) of the Act), as if Section 89(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to:-

- (a) the allotment of equity securities and/or sale of relevant shares in connection with a rights issue (which for this purpose shall mean an offer of equity securities open for acceptance for a period fixed by the Directors in favour of the holders of ordinary shares on the register on a fixed record date where the equity securities respectively attributable to the interests of such holders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them, but subject to such exclusions or arrangements as the Directors may deem necessary or desirable to deal with fractional entitlements otherwise arising or legal or practical problems under the laws of, or the regulations or requirements of any regulatory body or authority or stock exchange in, any territory); and
- (b) the allotment of equity securities and/or sale of relevant shares (otherwise than as mentioned in sub-paragraph (a) of this resolution) up to an aggregate nominal amount of £54,739,

and shall expire at the conclusion of the next Annual General Meeting of the Company after the date of this resolution and provided that the Company may make any offer or agreement before the expiry of this power which would or might require equity securities to be allotted pursuant thereto after it has expired

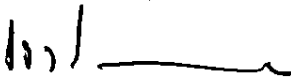
2. That, in accordance with Chapter VII of Part V of the Act, the Company be generally and unconditionally authorised for the purposes of Section 166 of the Act to make market purchases (within the meaning of Section 163(3) of the Act) of ordinary shares of 10p each in the capital of the Company ("Ordinary Shares") on such terms and in such manner as the Directors of the Company may from time to time determine, provided that
  - (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 1,094,787, representing approximately 10 per cent of the present issued share capital of the Company,
  - (b) the minimum price which may be paid for an Ordinary Share, exclusive of all expenses, shall be 10p,

- (c) the maximum price which may be paid for an Ordinary Share, exclusive of all expenses, shall not be more than 5 per cent above the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such Ordinary Share is purchased,

and, unless previously renewed, varied or revoked by special resolution of the Company in general meeting, the authority hereby conferred shall expire at the conclusion of the Company's next Annual General Meeting after the date of this resolution. The Company may prior to the expiry of the authority hereby conferred make a contract or contracts to purchase Ordinary Shares under such authority which will or may be executed wholly or partly after the expiry of such authority. Any Ordinary Shares purchased under the authority hereby conferred will be either cancelled immediately upon completion of the purchase or held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act

- 3 That the Articles of Association contained in the document produced to the meeting (a copy of which is attached hereto) be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association

Dated 21 May 2008



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Director / Secretary

Registered Office  
Marlborough Pottery  
High Street  
Tunstall  
Stoke on Trent  
ST6 5NZ

**Company No. 2709505**

**The Companies Act 1985**  
**Public Company Limited by Shares**

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**ARTICLES OF ASSOCIATION**

**of**

**CHURCHILL CHINA plc**

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**(as adopted by Special Resolution passed on**

**21st May 2008)**

**The Companies Act 1985**  
**Public Company Limited by Shares**

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**ARTICLES OF ASSOCIATION**

**of**

**CHURCHILL CHINA plc**

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**PRELIMINARY**

**1 No application of statutory regulations**

1 1 Any model articles of association promulgated under the Companies Act 2006 shall not apply to the Company

1 2 The regulations in Table A in the Companies (Table A – F) Regulations 1985 ( as amended from time to time) and in any Table A applicable to the Company under any former enactment relating to companies shall not apply to the Company

**2 Interpretation**

2 1 In these Articles, unless the context otherwise requires, the following expressions have the following meanings

**Act** means, subject to paragraph 2 3 of this Article, the Companies Act 2006 and, where the context requires, every other statute from time to time in force concerning companies and affecting the Company

**address** shall include any number or address used for the purposes of sending or receiving notices, documents or information by electronic means and/or by means of a website

**these Articles** means these Articles of Association as altered or varied from time to time (and **Article** means one of these Articles)

**Auditors** means the auditors for the time being of the Company or, in the case of joint auditors, any one of them

**Board** means the board of Directors for the time being of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present

**Chairman** means the chairman (if any) of the Board or, where the context requires, the chairman of a general meeting of the Company

**clear days** means (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** means Churchill China plc

**Companies Acts** has the meaning given in section 2 of the Act

**Company Communications Provisions** has the same meaning as in the Companies Acts

**Depository** means a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board whereby such custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder thereof to or to receive such shares, rights or interests, provided and to the extent that such arrangements have been approved by the Board for the purpose of these Articles, and shall include, where approved by the Board, the trustees (acting in their capacity as such) of any employees' share scheme established by the Company or any other scheme or arrangement principally for the benefit of employees or those in the service of the Company and/or its subsidiaries or their respective businesses, which the Board has approved

**Director** means a director for the time being of the Company

**electronic communication** means any document or information sent or supplied in electronic form within the meaning of section 1168 of the Act and **electronic form**, **electronic means** and **hard copy form** shall have the same meaning as in the Companies Communications Provisions

**execution** includes any mode of execution (and **executed** shall be construed accordingly)

**financial institution** has the meaning given to that expression by section 778 of the Act

**holder** means (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

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

**Office** means the registered office for the time being of the Company

**paid up** means paid up or credited as paid up

**qualifying person** has the meaning ascribed thereto in section 318(3) of the Act

**Register** means the register of members of the Company to be kept pursuant to section 352 of the Companies Act 1985 or section 113 of the Act, as the case may be, or any overseas branch register kept pursuant to Article 114

**Seal** means the common seal of the Company or any official seal kept by the Company by virtue of section 40 of the Companies Act 1985 or section 50 of the Act

**Secretary** means the secretary for the time being of the Company or any other person appointed to perform any of the duties of the secretary of the Company including (subject to the provisions of the Companies Acts) a joint, temporary, assistant or deputy secretary

**share** means a share of the Company

**the London Stock Exchange** means the London Stock Exchange plc

**United Kingdom** means Great Britain and Northern Ireland

**writing** or **written** shall include any way of representing or copying words legibly, but shall not ( save where the context requires otherwise) include electronic communications

**2 2** Unless the context otherwise requires

- (a) words in the singular include the plural, and vice versa,
- (b) words importing the masculine gender include the feminine gender,
- (c) a reference to a person includes a body corporate and an unincorporated body of persons

**2 3** A reference to any statute or provision of a statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re enactment of it for the time being in force

**2 4** Save as aforesaid, and unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Companies Acts

**2 5** The headings are inserted for convenience only and shall not affect the construction of these Articles

**3 Registered Office**

The Office shall be at such place in England or Wales as the Board shall from time to time appoint

**SHARE CAPITAL**

**4 Authorised share capital**

The authorised share capital of the Company at the date of the adoption of these Articles is £1,430,000 divided into 14,300,000 Ordinary Shares of 10p each

**5 Allotment**

Subject to the provisions of the Companies Act 1985 and to any relevant authority of the Company in general meeting required by the Companies Acts, unissued shares at the date of adoption of these Articles and any shares hereafter created shall be at the

disposal of the Board, which may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of them or rights to subscribe for or convert any security into shares to such persons (including the Directors themselves), at such times and generally on such terms and conditions as the Board may decide, provided that no share shall be issued at a discount

## **6 Redeemable shares**

Subject to the provisions of the Companies Acts and to any special rights for the time being attached to any existing shares, any share may be issued which is, or at the option of the Company or of the holder of such share is liable, to be redeemed on such terms and in such manner as these Articles may provide

## **7 Power to attach rights**

Subject to the provisions of the Companies Acts and to any special rights for the time being attached to any existing shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, transfer, return of capital 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 determine

## **8 Share warrants**

- 8 1 The Company may, with respect to any fully paid shares, issue a warrant (**share warrant**) stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends on the shares included in a share warrant
- 8 2 The powers referred to in Article 8 1 may be exercised by the Board, which may determine and vary the conditions on which share warrants shall be issued, and in particular on which
- (a) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out or lost (provided that no new share warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed),
  - (b) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings,
  - (c) dividends will be paid, and
  - (d) a share warrant may be surrendered and the name of the holder entered in the Register in respect of the shares specified in it Section 780 of the Act shall not apply to the Company

Subject to such conditions and to these Articles, the bearer of a share warrant shall be deemed to be a member for all purposes The bearer of a share warrant shall be subject to the conditions for the time being in force and applicable thereto, whether made before or after the issue of such share warrant



## **9 Commission and brokerage**

The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts. Subject to the provisions of the Companies Acts, any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares, the grant of an option to call for an allotment of shares or any combination of such methods.

## **10 Trusts not to be recognised**

Except as otherwise expressly provided by these Articles, as required by law or as ordered by a court of competent jurisdiction, the Company shall not recognise any person as holding any share on any trust, and (except as aforesaid) the Company shall not be bound by or recognise (even if having notice of it) any equitable, contingent, future, partial or other claim to or interest in any share except an absolute right of the holder to the whole of the share.

## **SHARE CERTIFICATES**

### **11 Right to certificates**

- 11.1 On becoming the holder of any share, every person (except a financial institution in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled, without charge, to have issued within two months after allotment or lodgment of a transfer (unless the terms of issue of the shares provide otherwise) one certificate for all the shares of each class registered in his name. Such certificate shall specify the number, class, and distinguishing numbers (if any) of the shares in respect of which it is issued and the amount or respective amounts paid up thereon and shall be issued either under the Seal (which may be affixed to it or printed on it) or in such other manner having the same effect as if issued under a seal as the Board may approve.
- 11.2 If and so long as all the issued shares of the Company or all the issued shares of a particular class are fully paid up and rank *pari passu* for all purposes then none of those shares shall bear a distinguishing number. In all other cases each share shall bear a distinguishing number.
- 11.3 The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named on the register shall be sufficient delivery to all joint holders.
- 11.4 Where a member (other than a financial institution) has transferred part only of the shares comprised in a certificate, he shall be entitled without charge to a certificate for the balance of such shares.
- 11.5 No certificate shall be issued representing shares of more than one class.

### **12 Replacement certificates**

- 12.1 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.

- 12 2 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request
- 12 3 Share certificates may be renewed or replaced on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out of pocket expenses, including those incurred by the Company in investigating such evidence and preparing such indemnity and security, as the Board may decide, and on surrender of the original certificate (where it is defaced or worn out), but without any further charge
- 12 4 In the case of shares held jointly by several persons, any such request as is mentioned in this Article 12 may be made by any one of the joint holders

### **LIEN ON SHARES**

#### **13 Lien on shares not fully paid**

The Company shall have a first and paramount lien on any of its shares which are not fully paid, to the extent and in the circumstances permitted by section 150 of the Companies Act 1985 or section 670 of the Act. The Board may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article

#### **14 Enforcement of lien by sale**

The Board may sell all or any of the shares subject to any lien at such time or times and in such manner as it may determine. However, no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on the holder or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for 14 clear days after service of such notice. For giving effect to any such sale, the Board may authorise some person to execute an instrument of transfer of the shares sold in the name and on behalf of the holder or the persons entitled by transmission in favour of the purchaser or as the purchaser may direct. The purchaser shall not be bound to see to the application of the purchase money, and 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

#### **15 Application of proceeds of sale**

- 15 1 The net proceeds of any sale of shares subject to any lien, after payment of the costs, shall be applied in or towards satisfaction of so much of the amount due to the Company, or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged. The balance (if any) shall (on 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 or engagement not liable to be presently fulfilled or discharged as existed on the shares

before the sale) be paid to the holder or the person (if any) entitled by transmission to the shares so sold (without interest)

## **CALLS ON SHARES**

### **16 Calls**

Subject to the terms of allotment of shares, the Board may from time to time make calls on the members in respect of any moneys unpaid on the shares or any class of shares held by them respectively (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the terms of issue. Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made and whether or not by instalments) be liable to pay the amount of every call so made on him as required by the notice. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed or (as the case may require) any person to whom power has been delegated pursuant to these Articles serves notice of exercise of such power. A call may be required to be paid by instalments and may, before receipt by the Company of any sum due thereunder, be either revoked or postponed in whole or part as regards all or any such members as the Board may determine. A person on whom a call is made shall remain liable notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect thereof.

### **17 Interest on calls**

If the whole of the sum payable in respect of any call is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay all costs, charges and expenses that the Company may have incurred by reason of such non payment, together with interest on the unpaid amount from the day appointed for payment thereof to the time of actual payment at the rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is so fixed, at such rate, not exceeding 15 per cent per annum (compounded on a 6 monthly basis), as the Board shall determine. The Board may waive payment of such costs, charges, expenses or interest in whole or in part.

### **18 Rights of member when call unpaid**

Unless the Board otherwise determines, no member shall be entitled to receive any dividend or to be present and vote at any general meeting either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member unless and until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

### **19 Sums due on allotment treated as calls**

Any sum payable in respect of a share on allotment or at any fixed date, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall for all purposes of these Articles be deemed to be a call duly made. If it is not paid, the provisions of these Articles shall apply as if such amount had become due and payable by virtue of a call.

**20 Power to differentiate**

The Board may make arrangements on the allotment or issue of shares for a difference as between the allottees or holders of such shares in the amount and time of payment of calls

**21 Payment in advance of calls**

The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish pro tanto the liability on the shares on which it is made. The Company may pay interest on the money paid in advance, or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, at such rate as the Board may decide. 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.

**22 Delegation of power to make calls**

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 moneys becoming due in respect of calls so made and to give valid receipts for such moneys. 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.

**23 Indemnity against claims in respect of shares**

Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment, or empowers any government or taxing authority or government official to require the Company to make any payment, in respect of any shares held either jointly or solely by any member or in respect of any dividends or other monies due or payable or accruing due or which may become due or payable to such member by the Company or in respect of any such shares or for or on account or in respect of any member, and whether in consequence of

- (a) the death of such member,
- (b) the non payment of any income tax or other tax by such member,
- (c) the non payment of any estate, probate, succession, death, stamp, or other duty by the executor or administrator of such member or by or out of his estate, or
- (d) any other act or thing,

the Company in every such case

- (i) shall be fully indemnified by such member or his executor or administrator from all liability arising by virtue of such law, and

- (ii) may recover as a debt due from such member or his executor or administrator (wherever constituted or residing) any monies paid by the Company under or in consequence of any such law, together with interest thereon at the rate of 15 per cent per annum thereon from the date of payment to the date of repayment

Nothing contained in this Article shall prejudice or affect any right or remedy which any law may confer or purport to confer on the Company and as between the Company and every such member as aforesaid, his executor, administrator, and estate wherever constituted or situated, any right or remedy which such law shall confer or purport to confer on the Company shall be enforceable by the Company

## **FORFEITURE OF SHARES**

### **24 Notice if call not paid**

If any member fails to pay the whole of any call or any instalment of any call on or before the day appointed for payment, the Board may at any time serve a notice in writing on such member or on any person entitled to the shares by transmission, requiring payment, on a date not less than 14 clear days from the date of the notice, of the amount unpaid and any interest which may have accrued thereon and any costs, charges and expenses incurred by the Company by reason of such non payment. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited

### **25 Forfeiture for non compliance**

If the notice referred to in Article 24 is not complied with, any share in respect of which it was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

### **26 Notice after forfeiture**

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

### **27 Forfeiture may be annulled**

The Board may, at any time before any share so forfeited has been cancelled or sold, re allotted or otherwise disposed of, annul the forfeiture, on the terms that payment shall be made of all calls and interest due thereon and all expenses incurred in respect of the share and on such further terms (if any) as the Board shall see fit

### **28 Surrender**

The Board may accept a surrender of any share liable to be forfeited. In such case references in these Articles to forfeiture shall include surrender

**29 Disposal of forfeited shares**

Every share which shall be forfeited shall thereupon become the property of the Company. Subject to the provisions of the Companies Acts, any such share may be sold, re allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto or to any other person, on such terms and in such manner as the Board shall determine. The Board may, for the purposes of the disposal, authorise some person to transfer the share in question 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.

**30 Effect of forfeiture**

A shareholder whose shares have been forfeited shall cease to be a member in respect of the shares forfeited and shall surrender to the Company for cancellation the certificate for such shares. He shall nevertheless be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon from the date of the forfeiture to the date of 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.

**31 Extinction of claims**

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 Companies Acts given or imposed in the case of past members.

**32 Evidence of forfeiture**

A statutory declaration by a Director or the Secretary that a share has been forfeited in pursuance of these Articles, and stating the date on which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated. The declaration, 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 under the Seal delivered to the person to whom the same is sold or disposed of, shall (subject if necessary to the execution of an instrument of transfer) constitute a good title to the share. Subject to the execution of any necessary transfer, such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share. Such person shall not (except by express agreement with the Company) become entitled to any dividend which might have accrued on the share before the completion of the sale or disposition thereof.

## **TRANSFER OF SHARES**

### **33 Form of transfer**

Each member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

### **34 Right to refuse registration**

The Board may, in its absolute discretion and without giving any reason, refuse to register any share transfer unless

- (a) it is in respect of a share which is fully paid up,
- (b) it is in respect of a share on which the Company has no lien,
- (c) it is in respect of only one class of shares,
- (d) it is in favour of a single transferee or not more than four joint transferees,
- (e) it is duly stamped (if so required), and
- (f) it is delivered for registration to the Office or such other place as the Board may from time to time determine, accompanied (except in the case of a transfer by a financial institution where a certificate has not been issued) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so.

### **35 Notice of refusal**

If the Board refuses to register a transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee together with reasons for the refusal. Any instrument of transfer which the Board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it. All instruments of transfer which are registered may be retained by the Company.

### **36 Closing of Register**

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Board may from time to time determine. Notice of closure of the Register shall be given in accordance with the requirements of the Companies Acts.

### **37 Fees on registration**

No fee shall be charged for registration of a transfer or on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, notice or other instrument relating to or affecting the title to any shares.

**38 Other powers in relation to transfers**

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 these Articles

**TRANSMISSION OF SHARES**

**39 On death**

If a member dies, the survivors or survivor, where he was a joint holder, and his executors or administrators, where he was a sole or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his shares. Nothing in these Articles shall release the estate of a deceased member from any liability in respect of any share which has been solely or jointly held by him.

**40 Election of person entitled by transmission**

Any person becoming entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, on such evidence as to his title being produced as the Board may require, elect either to become registered as a member or to have some person nominated by him registered as a member. If he elects to become registered himself, he shall give notice to the Company to that effect. If he elects to have some other person registered, he shall execute an instrument of transfer of such 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 the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event as aforesaid had not occurred. 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.

**41 Rights on transmission**

Where a person becomes entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, the rights of the holder in relation to such share shall cease. However, the person so entitled may give a good discharge for any dividends and other moneys payable in respect of it and shall have the same rights to which he would be entitled if he were the holder of the share, except that he shall not, before he is registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the Company or at any separate meeting of the holders of any class of shares of the Company. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days, the Board may thereafter withhold payment of all dividends and other moneys payable in respect of such share until the requirements of the notice have been complied with.



## **DESTRUCTION OF DOCUMENTS**

### **42 Destruction of documents**

42 1 The Company may destroy

- (a) any instrument of transfer, after six years from the date on which it is registered,
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address, after two years from the date on which it is recorded,
- (c) any share certificate, after one year from the date on which it is cancelled, and
- (d) any other document on the basis of which any entry in the Register is made, after six years from the date on which an entry was first made in the Register in respect of it,

Provided that the Company may destroy any such type of document after such shorter period as the Board may determine if a copy of such document is retained on microfilm or other similar means

42 2 It shall be conclusively presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was duly cancelled, that every other document so destroyed had been properly dealt with in accordance with its terms and was valid and effective in accordance with the particulars in the records of the Company, provided that

- (a) this Article 42 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant,
- (b) nothing in this Article 42 shall be construed as imposing on the Company any liability in respect of the destruction of any such document otherwise than as provided for in this Article 42 which would not attach to the Company in the absence of this Article 42, and
- (c) references in this Article 42 to the destruction of any document include references to the disposal of it in any manner

## **ALTERATION OF SHARE CAPITAL**

### **43 Increase, consolidation, cancellation and sub division**

The Company in general meeting may from time to time by ordinary resolution

- (a) increase its share capital by such sum to be divided into shares of such amount as the resolution prescribes,
- (b) consolidate and divide all or any of its share capital into shares of larger nominal amount than its existing shares,
- (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled, and

- (d) subject to the provisions of the Companies Acts, sub divide its shares or any of them into shares of smaller amount, and may by such resolution determine that, as between the shares resulting from such sub division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares

#### **44 Fractions**

44 1 Whenever as the result of any 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 the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share and as a result of such consolidation such holder would become entitled to a fraction of a consolidated share

- (a) the Board may determine which of the shares of such holder are to be treated as giving rise to such fractional entitlement and may decide that any of those shares shall be consolidated with any of the shares of any other holder or holders which are similarly determined by it to be treated as giving rise to a fractional entitlement for such other holder or holders, into a single consolidated share and the Board may, on behalf of all such holders, sell such consolidated share for the best price reasonably obtained to any person (including the Company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3 or such other sum as the Board may from time to time determine, may be retained for the benefit of the Company), or
- (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 his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation), and the amount required to pay up such shares shall be appropriated at the Board's discretion from any of the 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 paying up the share

44 2 For the purposes of any sale of consolidated shares pursuant to Article 44 1, 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, and 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

#### **45 Reduction of capital**

Subject to the provisions of the Companies Acts and to any rights for the time being attached to any shares, the Company may by special resolution reduce its share capital or any capital redemption reserve or share premium account in any manner

#### **46 Purchase of own shares**

- 46 1 Subject to the provisions of the Companies Acts and to any rights for the time being attached to any shares, the Company may purchase any of its own shares of any class (including any redeemable shares) Subject to the provisions of Article 46 2, any shares to be so purchased may be selected in any manner whatsoever and, without prejudice to the generality of the foregoing, 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
- 46 2 If on the date proposed for the granting by the Company in general meeting of any authority or approval required under the Companies Acts for any proposed purchase by the Company of any of its own shares there shall be in issue any shares of a class entitling the holders to convert into equity share capital of the Company of the class proposed to be purchased, then before the Company enters into any contract for such purchase the grant of such authority or approval must be approved or ratified by an extraordinary resolution passed at a separate general meeting (or meetings if there is more than one class) of the holders of such class of convertible shares

### **VARIATION OF CLASS RIGHTS**

#### **47 Sanction to variation**

- 47 1 If at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise)
- 47 2 The foregoing provisions of this Article shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied

#### **48 Class meetings**

All the provisions in these Articles as to general meetings shall mutatis mutandis apply to every meeting of the holders of any class of shares The quorum at every such meeting shall be not less than two persons holding or representing by proxy at least one third of the nominal amount paid up on the issued shares of the class Every holder of shares of the class, present in person or by proxy, may demand a poll Each such holder shall on a poll be entitled to one vote for every share of the class held by him If at any adjourned meeting of such holders such quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum

**49 Deemed variation**

Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares shall be deemed to be varied or abrogated by the reduction of the capital paid up on such shares or by the allotment of further shares ranking in priority thereto in any respect, 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 issued or by the purchase or redemption by the Company of its own shares in accordance with the provisions of the Companies Acts and these Articles

**GENERAL MEETINGS**

**50 Annual general meetings**

50 1 Subject to the provisions of the Companies Acts, annual general meetings shall be held at such time and place as the Board may determine

50 2 Members of the Company shall have the rights provided by the Act to have the Company circulate and give notice of a resolution which may be properly moved, and is intended to be moved, at the Company's next annual general meeting Expenses of complying with these rights shall be borne by the Company if requests sufficient to require the Company to circulate the resolution are received by the Company before the end of the financial year preceding the meeting in question, or such later date as the Directors may resolve, and otherwise shall be borne in accordance with the Companies Acts

**51 Extraordinary general meetings**

All general meetings, other than annual general meetings, shall be called extraordinary general meetings

**52 Convening of extraordinary general meeting**

The Board may convene an extraordinary general meeting whenever it thinks fit, and shall do so on requisition in accordance with the Companies Acts

**53 Notice of general meetings**

53 1 A general meeting of the Company shall be called by notice of at least such length as is required in the circumstances by the Companies Acts The Company may give such notice by any means or combination of means permitted by law consistent with these Articles

53 2 Subject to the provisions of the Companies Acts, and notwithstanding that it is convened by shorter notice than that specified in this Article 53, 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 per cent in nominal value of the shares giving a right to attend and vote at the meeting (excluding any shares in the Company held as treasury shares)

**53 3 The notice shall specify**

- (a) whether the meeting is an annual general meeting or an extraordinary general meeting,
- (b) the place, the day and the time of the meeting,
- (c) in the case of special business, the general nature of that business, and section 311(2) of the Act shall not apply to the Company,
- (d) if the meeting is convened to consider a special resolution the intention to propose the resolution as such, and
- (e) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint another person, or two or more persons in respect of different shares held by him as his proxy to exercise all or any rights, attend, speak and to vote at the meeting instead of him and that a proxy need not also be a member

**53 4 The notice shall be given to the members (other than any who, under the provisions of these Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors, to the Auditors and to all other persons as are entitled to such notice under these Articles or by law Section 310 of the Act shall not apply to the Company**

**53 5 All business that is transacted at a general meeting shall be deemed special, except the following transactions at an annual general meeting**

- (a) the declaration of dividends,
- (b) the receipt and consideration of the annual accounts and the reports of the directors and the auditors and any other document required to be annexed to the annual accounts,
- (c) the election or re-election of directors,
- (d) the appointment or re-appointment of auditors and the fixing of the remuneration of the auditors or the determination of the manner in which such remuneration is to be fixed,
- (e) the approval of a directors' remuneration report required to be prepared and approved pursuant to sections 234B and 241A of the Companies Act 1985 or sections 420, 422 and 439 of the Act

**54 Omission to send notice**

To the fullest extent permitted by law, the accidental omission to send a notice of meeting or any resolution intended to be moved at any meeting to, or to send, supply and make available any document or information relating to the meeting, or in cases where it is intended that it be sent out with the notice, an instrument of proxy to, or the non receipt of any of the same by any person entitled to receive the same shall be

disregarded for the purpose of determining whether such notice is duly given and shall not invalidate the proceedings at that meeting

## **PROCEEDINGS AT GENERAL MEETINGS**

### **55 Quorum**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two qualifying persons shall be a quorum.

### **56 If quorum not present**

If within 15 minutes (or such longer interval as the Chairman in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such time and place as the Chairman (or, in default, the Board) may determine. If at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, one person entitled to vote on the business to be transacted, being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum.

### **57 Chairman**

The Chairman of the Board shall preside at every general meeting of the Company. If there be no such Chairman or if at any meeting he shall not be present within 15 minutes after the time appointed for holding the meeting, or shall be unwilling to act as Chairman, the Deputy Chairman (if any) of the Board shall if present and willing to act preside at such meeting. If no Chairman or Deputy Chairman shall be so present and willing to act, the Directors present shall choose one of their number to act or, if there be only one Director present, he shall be Chairman if willing to act. If there be no Director present and willing to act, the members present and entitled to vote shall choose one of their number to be Chairman of the meeting. Section 319 of the Act shall not apply to the Company.

### **58 Director may attend and speak**

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 of the Company.

### **59 Power to adjourn**

The Chairman may, with the consent of a meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place as the meeting shall determine. However, without prejudice to any other power which he may have under these Articles or at common 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 proper and orderly conduct of the meeting, 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.

**60 Notice of adjourned meeting**

Where a meeting is adjourned indefinitely, the Board shall fix the time and place for the adjourned meeting. Whenever a meeting is adjourned for 14 days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time 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 aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting.

**61 Business of adjourned meeting**

No business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

**VOTING**

**62 Method of voting**

At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by

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

**63 Chairman's declaration conclusive on show of hands**

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the Chairman of the meeting that a resolution has on a show of hands 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 book containing the minutes of proceedings of the Company, shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

**64 Objection to error in voting**

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error

shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the Chairman on such matters shall be final and conclusive.

## **65 Amendment to resolutions**

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, any error in such ruling shall not invalidate the proceedings on the substantive resolution. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted on.

## **66 Procedure on a poll**

66 1 Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken forthwith. A poll duly demanded on any other matter shall be taken in such manner (including the use of ballot or voting papers or tickets or by electronic means) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman shall direct. 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 days' notice shall be given specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

66 2 The demand for a poll (other than on the election of a Chairman or any question of adjournment) shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded. If a poll is demanded before the declaration of the result on a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

66 3 The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the Chairman. A demand so withdrawn shall validate the result of a show of hands declared before the demand was made.

66 4 On a poll votes may be given in person or by proxy. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

## **67 Votes of members**

67 1 Subject to the provisions of the Companies Acts, to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to these Articles, at any general meeting every qualifying person who is present in person shall on a show of hands have one vote and every qualifying person present in person or by proxy shall on a poll have one vote for each share of which he is the holder.

67 2 If two or more persons are joint holders of a share, then in voting on any question 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. For this purpose seniority shall be determined by the order in which the names of the holders stand in the Register.



67 3 Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Board may in its absolute discretion, on or subject to production of such evidence of the appointment as the Board may require, permit such receiver or other person to vote in person or, on a poll, by proxy on behalf of such member at any general meeting. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be received by the Company by electronic means or be deposited at the Office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than 48 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.

#### **68 Casting vote**

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

#### **69 Restriction on voting rights for unpaid calls etc**

No member shall, unless the Board otherwise determines, be entitled to vote at a general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him or to exercise any right as a member unless all calls or other sums presently payable by him in respect of that share in the Company have been paid to the Company.

#### **70 Voting by proxy**

Any person (whether a member of the Company or not) may be appointed to act as a proxy to exercise all or any of the rights of the member to attend and to speak and vote at a meeting of the Company. Deposit of an instrument of proxy or, where the appointment of the proxy was communicated by electronic means, receipt of such appointment by the Company or its agent, shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.

#### **71 Form of proxy : writing**

71 1 An instrument appointing a proxy shall

- (a) be in writing in any common form or in such other written form as the Board may approve, under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, under its common seal or under the hand of some officer or attorney duly authorised in that behalf,
- (b) be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit, but shall not confer any further right to speak at the meeting, except with the permission of the Chairman (or as otherwise determined by the Board where the relevant shares are held by a Depositary),

- (c) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, and
- (d) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings

## **72 Deposit of proxy**

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the Board, shall be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours (or such shorter time as the Board may determine) before the time of the holding of the meeting or adjourned meeting, (or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, before the time appointed for the taking of the poll), at which it is to be used, and an instrument of proxy not deposited or delivered in a manner so permitted shall be invalid. Calculation of any such 48 hour period shall take no account of any part of a day that is not a working day. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date named 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 12 months from such date.

## **73 Form of proxy. electronic communication**

- 73 1 A proxy may be appointed by electronic communication to such address as may be notified by or on behalf of the Company for that purpose, or by any other lawful means from time to time authorised by the Board. Any means of appointing a proxy which is authorised by or under this Article shall be subject to any terms, limitations, conditions or restrictions that the Board may from time to time prescribe.
- 73 2 An appointment of a proxy by electronic communication where an address has been specified for the purpose of receiving appointments by electronic communication
  - (a) in the notice convening the meeting, or
  - (b) in any instrument of proxy sent out by the Company in relation to the meeting, or
  - (c) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,

must be received at such address not less than 48 hours ( or such shorter time as the Board may determine) before the time appointed for the commencement of the meeting or adjourned meeting ( or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, before the time appointed for the taking of the poll) at which it is to be used, and in default shall not be treated as valid. Calculation of any such 48 hour period shall take no account of any part of a day that is not a working day.

#### **74 More than one proxy may be appointed**

A member may appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. When 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 provided that if the Company determines that it has insufficient evidence to decide whether or not an instrument of proxy is valid in respect of the same share it shall be entitled to determine which instrument of proxy (if any) is to be treated as valid.

#### **75 Board may supply proxy cards**

The Board may if it thinks fit but subject to the Companies Acts at the expense of the Company send hard copy forms of proxy for use at the meeting and issue invitations in electronic form to appoint a proxy in relation to the meeting in common form or in such form approved by the Board.

#### **76 Revocation of proxy**

Subject to section 330 of the Act, a vote given or poll demanded in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the instrument of proxy, or of the authority under which the instrument of proxy was executed, or the transfer of the share in respect of which the instrument of proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office, or at such other place as has been appointed for the deposit of instruments of proxy, at least 48 hours before the commencement of the meeting or adjourned meeting or the taking of the poll at which the instrument of proxy is used. Calculation of any such 48 hour period shall take no account of any part of a day that is not a working day.

#### **77 Corporate representative**

A corporation (whether or not a company within the meaning of the Act) which is a member may, by resolution of its directors or other governing body, authorise such person (or if, but only if, such corporation is a Depositary voting in its capacity as such, persons) as it thinks fit to act (so far as permitted by the Companies Acts) as its representative (or, as the case may be, representatives) at any meeting of the Company or at any separate meeting of the holders of any class of shares. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. The 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 at it, 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 before permitting him to exercise his powers.

## **78 Failure to disclose interests in shares**

- 78 1** If a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice pursuant to section 793 of the Act and has failed in relation to any shares (**default shares**) to give the Company the information thereby required within the prescribed period from the date of the notice, the following sanctions shall apply unless the Board otherwise determines
- (a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll, and
  - (b) where the default shares represent at least 0.25 per cent of their class
  - (i) any dividend or other money payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to Article 148, to receive shares instead of that dividend, and
  - (ii) no transfer, other than an excepted transfer, of any shares held by the member shall be registered unless
    - (A) the member is not himself in default as regards supplying the information required, and
    - (B) the member proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer
- 78 2** Where the sanctions under Article 78 1 apply in relation to any shares, they shall cease to have effect (and any dividends withheld under Article 78 1(b) shall become payable)
- (a) if the shares are transferred by means of an excepted transfer, or
  - (b) at the end of the period of one week (or such shorter period as the Board may determine) following receipt by the Company of the information required by the notice mentioned in that paragraph and the Board being fully satisfied that such information is full and complete
- 78 3** Where, on the basis of information obtained from a member in respect of any share held by him, the Company issues a notice pursuant to section 793 of the Act to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non receipt by the member of the copy, shall not invalidate or otherwise affect the application of Article 78 1
- 78 4** Where default shares in which a person appears to be interested are held by a Depositary, the provisions of this Article 78 shall be treated as applying only to those shares held by the Depositary in which such person appears to be interested and not (insofar as such person's apparent interest is concerned) to any other shares held by the Depositary
- 78 5** Where the member on which a notice under section 793 of the Act is served is a Depositary acting in its capacity as such, the obligations of the Depositary as a member of the Company shall be limited to disclosing to the Company such information relating

to any person appearing to be interested in the shares held by it as has been recorded by it pursuant to the arrangements entered into by the Company or approved by the Board pursuant to which it was appointed as a Depositary

78 6 For the purposes of this Article 78

- (a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a notice under section 793 of the Act, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested,
- (b) **interested** shall be construed as it is for the purpose of section 793 of the Act,
- (c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes reference
  - (i) to his having failed or refused to give all or any part of it, and
  - (ii) 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,
- (d) the **prescribed period** means
  - (i) in a case where the default shares represent at least 0.25 per cent of their class, 14 days, and
  - (ii) in any other case, 28 days,
- (e) an **excepted transfer** means, in relation to any shares held by a member
  - (i) a transfer by way of or pursuant to acceptance of a takeover offer made to all the holders of the shares or class of shares in the Company (within the meaning of section 974 of the Act), or
  - (ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded, or
  - (iii) a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares

78 7 Nothing contained in this Article 78 shall be taken to limit the powers of the Company under sections 794 and 795 of the Act

## UNTRACED MEMBERS

### 79 Power of sale

79 1 The Company shall be entitled to sell at the best price reasonably obtainable any share of a member, or any share to which a person is entitled by transmission, if and provided that

- (a) during the period of 12 years prior to the date of the publication of the advertisements referred to in sub paragraph (b) below (or, if published on different dates, the earlier or earliest thereof) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre paid envelope addressed to the member or to the person entitled by transmission to the share, at his address on the Register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of such share from such member or person, provided that during such period of 12 years the Company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the person entitled to it,
- (b) on expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisements in two newspapers of which one shall be a national daily newspaper published in the United Kingdom and the other shall be a newspaper circulating in the area of the address on the Register or other last known address of the member or the person entitled by transmission to the share,
- (c) the said advertisements, if not published on the same day, shall have been published within 30 days of each other,
- (d) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates, the later or latest thereof) and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission, and
- (e) the Company has given notice to the London Stock Exchange of its intention to make such sale, if shares of the class concerned are listed or dealt in on that exchange

79 2 To give effect to any sale of shares pursuant to this Article the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares 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 shares. The purchaser shall not be bound to see to the application of the purchase moneys, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale

79 3 If during the period of 12 years referred to in Article 79 1, or during any period ending on the date when all the requirements of paragraphs (a) to (d) of Article 79 1 have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements

of paragraphs (b) to (d) of Article 79 1 have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares

**80 Application of proceeds of sale**

The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all moneys in respect thereof to a separate account. The Company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect of such moneys. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such moneys and the Company shall not be required to account for any money earned on them.

**APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

**81 Number of Directors**

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall be not more than 12 or less than two.

**82 Power of Company to appoint Directors**

Subject to the provisions of these Articles, the Company may by ordinary resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles.

**83 Power of Board to appoint Directors**

Without prejudice to the power of the Company to appoint any person to be a Director pursuant to these Articles, the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles. Any Director so appointed shall retire at the annual general meeting of the Company next following such appointment and shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

**84 Appointment of executive Directors**

Subject to the provisions of the Act, the Board may from time to time appoint one or more of its body to hold any employment or executive office (including that of Managing Director) for such term (subject to the provisions of the Companies Acts) and subject to such other conditions as the Board thinks fit in accordance with Article 107. The Board may revoke or terminate any such appointment without prejudice to any claim for damages for breach of contract between the Director and the Company.

**85 Eligibility of new Directors**

85 1 No person, other than a Director retiring (by rotation or otherwise), shall be appointed or re-appointed a Director at any general meeting unless

(a) he is recommended by the Board, or

- (b) not less than seven nor more than 35 clear days before the date appointed for the meeting, notice duly executed or authenticated by a member (other than the person to be proposed) qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re appointment, stating the particulars which would, if he were so appointed or re appointed, be required to be included in the Company's register of directors, together with notice executed or authenticated by that person of his willingness to be appointed or re appointed, is lodged at the Office

**86 Share qualification**

A Director shall not be required to hold any shares of the Company

**87 Resolution for appointment**

A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless an ordinary resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it

**88 Retirement by rotation**

At each annual general meeting of the Company one third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, 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

**89 Directors subject to retirement by rotation**

Subject to the provisions of the Companies Acts and of these Articles, the Directors to retire by rotation at each annual general meeting shall include, so far as necessary to obtain the number required, first, any Director who wishes to retire and not offer himself for re election and secondly, those Directors who have been longest in office since their last appointment or re appointment. As between two or more Directors who have been in office an equal length of time, the Director to retire shall, in default of agreement between them, be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting notwithstanding any change in the number or identity of the Directors after that time but before the close of the meeting

**90 Position of retiring Director**

A Director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re appointed. If he is not re appointed or deemed to have been re appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting

**91 Deemed re appointment**

At any general meeting at which a Director retires by rotation the Company may fill the vacancy and, if it does not do so, the retiring Director shall, if willing, be deemed to have been re appointed unless it is expressly resolved not to fill the vacancy or a resolution for the re appointment of the Director is put to the meeting and lost



## **92 Removal by ordinary resolution**

The Company may by ordinary resolution remove any Director before the expiration of his period of office in accordance with the Companies Acts, but without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company, and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a Director in his place. Any person so appointed shall be treated, for the purposes of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he is appointed was last appointed or re appointed a Director.

## **93 Vacation of office by Director**

93.1 Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these Articles, the office of a Director shall be vacated if

- (a) he resigns by notice in writing delivered to, or, if in electronic form, received by the Secretary at the Office or tendered at a Board meeting,
- (b) he ceases to be a Director by virtue of any provision of the Companies Acts, is removed from office pursuant to these Articles or becomes prohibited by law from being a Director,
- (c) he becomes bankrupt, has an interim receiving order made against him, makes any arrangement or compounds 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,
- (d) an order is made by any court of competent jurisdiction on the ground (howsoever formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person to exercise powers with respect to his affairs or he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, under the Mental Health (Scotland) Act 1984 and the Board resolves that his office be vacated,
- (e) both he and his alternate Director appointed pursuant to the provisions of these Articles (if any) are absent (other than by reason of illness), without the permission of the Board, from Board meetings for three consecutive Board meetings and the Board resolves that his office be vacated, or
- (f) he is requested to resign by notice in writing addressed to him at his address as shown in the register of Directors and signed by all the other Directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company)

## **94 Resolution as to vacancy conclusive**

A resolution of the Board declaring a Director to have vacated office under the terms of Article 93 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

## **ALTERNATE DIRECTORS**

### **95 Appointments**

- (a) Each Director (other than an alternate Director) may, by notice in writing delivered to, or, if in electronic form, received by the Secretary at the Office, or in any other manner approved by the Board, appoint any other Director or any person approved for that purpose by the Board and willing to act, to be his alternate

95 2 No appointment of an alternate Director shall be effective until his consent to act as a Director in the form prescribed by the Companies Acts has been received at the Office

95 3 An alternate Director need not hold a share qualification and shall not be counted in reckoning any maximum number of Directors allowed by these Articles

### **96 Participation in Board meetings**

Every alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notice of all meetings of the Board and all committees of the Board of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor. A Director acting as alternate Director shall have a separate vote at Board meetings for each Director for whom he acts as alternate Director, but he shall count as only one for the purpose of determining whether a quorum is present

### **97 Alternate Director responsible for own acts**

Every person acting as an alternate Director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the Director appointing him

### **98 Interests of alternate Director**

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director. However, he shall not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice in writing to the Company direct. Subject to this Article, the Company shall pay to an alternate Director such expenses as might properly have been paid to him if he had been a Director

### **99 Revocation of appointment**

99 1 An alternate Director shall cease to be an alternate Director

- (a) if his appointor revokes his appointment, or
- (b) if his appointor ceases for any reason to be a Director, provided that if any Director retires but is re appointed or deemed to be re appointed at the same meeting, any valid appointment of an alternate Director which was in force immediately before his retirement shall remain in force, or

- (c) if any event happens in relation to him which, if he were a Director otherwise appointed, would cause him to vacate office

## **DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS**

### **100 Directors' fees**

The Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine (not exceeding £100,000 per annum or such other sum as the Company in general meeting shall from time to time determine) Such sum (unless otherwise directed by the resolution of the Company by which it is voted) shall be divided among the Directors in such proportions and in such manner as the Board may determine or, in default of such determination, equally (except that in such event any Director holding office for less than the whole of the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for which he holds office) Any fees payable pursuant to this Article shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provisions of these Articles and shall accrue from day to day

### **101 Expenses**

Each Director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as Director, including any expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company

### **102 Additional remuneration**

If by arrangement with the Board any Director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may from time to time determine The Company may provide any Director with funds in circumstances as permitted by the Companies Acts to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief referred to in Part 10 of the Act and, subject to the Companies Acts, may do anything to enable him to avoid incurring any such expenditure

### **103 Remuneration of executive Directors**

The salary or remuneration of any Director appointed to hold any employment or executive office in accordance with the provisions of these Articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or in lieu of any fee payable to him for his services as Director pursuant to these Articles

#### **104 Pensions and other benefits**

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 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 on 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 Companies Acts, 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 other 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.

### **POWERS AND DUTIES OF THE BOARD**

#### **105 Powers of the Board**

Subject to the provisions of the Act, 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, whether relating to the management of the business or not. No alteration of the Memorandum of Association or of these Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in these Articles as to any specific power of the Board shall not be deemed to limit the general powers given by this Article.

#### **106 Powers of Directors being less than minimum number**

If the number of Directors is less than the minimum for the time being prescribed by these Articles, the remaining Director or Directors shall act only for the purposes of appointing an additional Director or Directors to make up such minimum or of convening a general meeting of the Company for the purpose of making such appointment. If there are no Director or Directors able or willing to act, any two members may summon a general meeting for the purpose of appointing Directors. Subject to the provisions of these Articles, any additional Director so appointed shall hold office only until the dissolution of the annual general meeting of the Company next following such appointment unless he is re-elected during such meeting.

#### **107 Powers of executive Directors**

The Board may from time to time

- (a) delegate or entrust to and confer on any Director holding executive office (including a Managing Director) such of its powers, authorities and discretions (with power to sub delegate) for such time, on such terms and subject to such conditions as it thinks fit, and
- (b) revoke, withdraw, alter or vary all or any of such powers

#### **108 Delegation to committees**

108 1 The Board may delegate any of its powers, authorities and discretions (with power to sub delegate) for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons, provided that

- (a) a majority of the members of a committee shall be Directors , and
- (b) no resolution of a committee shall be effective unless a majority of those present when it is passed are Directors or alternate Directors

108 2 The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers and discharge any such committee in whole or in part Insofar as any power, authority or discretion is so delegated, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee

#### **109 Local management**

109 1 The Board may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any specified locality, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local or divisional board, or any managers or agents, and may fix their remuneration The Board may delegate to any local or divisional board, manager or agent so appointed any of its powers, authorities and discretions (with power to sub delegate) and may authorise the members for the time being of any such local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies, and any such appointment or delegation may be made for such time, on such terms and subject to such conditions as the Board may think fit The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers Subject to any terms and conditions expressly imposed by the Board, the proceedings of any local or divisional board or agency with two or more members shall be governed by such of these Articles as regulate the proceedings of the Board, so far as they are capable of applying

#### **110 Power of attorney**

The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and subject to such conditions as it thinks fit Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with any such attorney

as the Board may think fit, may be expressed to be irrevocable and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may (subject to any restriction on its ability so to do under the provisions of section 4 of the Powers of Attorney Act 1971) from time to time revoke, withdraw, alter or vary any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected by it.

**111 Associate directors**

The Board may appoint any person (not being a Director) to any office or employment having a designation or title including the word "director" or attach to any existing office or employment with the Company such designation or title and may terminate any such appointment or the use of such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that such person is, or is deemed to be, or is empowered in any respect to act as, a Director for any of the purposes of the Companies Acts or these Articles.

**112 Exercise of voting power**

The Board may exercise or cause to be exercised the voting power conferred by the shares in any other company held or owned by the Company, or any power of appointment to be exercised by the Company, in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any Director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

**113 Provision for employees**

The Board may exercise any power conferred on the Company by the Companies Acts to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

**114 Overseas registers**

Subject to the provisions of the Companies Acts, the Board may exercise the powers conferred on the Company with regard to the keeping of an overseas branch register and may make and vary such regulations as it thinks fit respecting the keeping of any such register.

**115 Borrowing powers**

115.1 Subject as provided in this Article 115, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the provisions of the Companies Acts, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

115.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in respect of its

subsidiaries so as to procure (as regards its subsidiaries in so far as it can procure by such exercise) that the aggregate principal amount at any one time outstanding in respect of moneys borrowed by the Group (exclusive of moneys borrowed by one Group company from another and after deducting cash deposited) shall not at any time, without the previous sanction of an ordinary resolution of the Company exceed an amount equal to 3 times the Adjusted Capital and Reserves

115 3 For the purposes only of this Article 115

(a) the **Adjusted Capital and Reserves** means a sum equal to the aggregate from time to time of

- (i) the amount paid up (or credited as paid up) on the allotted or issued share capital of the Company, and
- (ii) the amount standing to the credit of the reserves, whether or not distributable (including, without limitation, any revaluation reserve, merger reserve, share premium account or capital redemption reserve), after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account,

all as shown in the relevant balance sheet, but after

(iii) making such adjustments as may be appropriate to reflect

(A) any variation in the amount of the paid up share capital, the share premium account or the capital redemption reserve since the date of the relevant balance sheet and so that for the purpose of making such adjustments, if any proposed allotment of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been allotted and the amount (including the premium) of the subscription monies payable in respect thereof (not being monies payable later than six months after the date of allotment) shall be deemed to have been paid up to the extent so underwritten on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, the date on which it became unconditional),

(B) any variation since the date of the relevant balance sheet of the companies comprising the Group,

(iv) excluding (so far as not already excluded)

(A) amounts attributable to the proportion of the issued equity share capital of any subsidiary which is not attributable, directly or indirectly, to the Company,

(B) any sum set aside for taxation (other than deferred taxation),

(v) deducting

(A) sums equivalent to the book values of goodwill and other intangible assets shown in the relevant balance sheet, and

- (B) the amount of any distribution declared, recommended or made by any Group company to a person other than a Group company out of profits accrued up to and including the date of (and not provided for in) the relevant balance sheet,
- (b) **cash deposited** means an amount equal to the aggregate of the amounts beneficially owned by Group companies which are deposited for the time being with any bank or other person (not being a Group company) and which are repayable to any Group company on demand or within three months of such demand, subject, in the case of amounts deposited by a partly owned subsidiary, to the exclusion of a proportion thereof equal to the proportion of its issued equity share capital which is not attributable, directly or indirectly, to the Company,
- (c) **Group** means the Company and its subsidiary undertakings from time to time,
- (d) **Group company** means any company in the Group,
- (e) **moneys borrowed** include not only moneys borrowed but also the following except in so far as otherwise taken into account
- (i) the nominal amount of any issued share capital and the principal amount of any debenture or borrowings of any person, the beneficial interest in which or right to repayment to which is not for the time being owned by a Group company but the payment or repayment of which is the subject of a guarantee or indemnity by a Group company or is secured on the assets of a Group company,
  - (ii) the principal amount raised by any Group company by acceptances or under any acceptance credit opened on its behalf by any bank or acceptance house (not being a Group company) other than acceptances and acceptance credits relating to the purchase of goods or services in the ordinary course of trading and outstanding for six months or less,
  - (iii) the principal amount of any debenture (whether secured or unsecured) of any Group company owned otherwise than by a Group company,
  - (iv) the principal amount of any preference share capital of any subsidiary owned otherwise than by a Group company,
  - (v) 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 moneys borrowed shall not be taken into account), and
  - (vi) any fixed amount in respect of a hire-purchase agreement or of a finance lease payable in either case by a Group company 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 (vi) **finance lease** means a contract between a lessor and a Group company as lessee or sub lessee where substantially all the risks and rewards of the ownership of the asset 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 a Group company as hirer),



but do not include

- (vii) moneys borrowed by any Group company for the purpose of repaying, within six months of being first borrowed, the whole or any part of any moneys borrowed and then outstanding (including any premium payable on final repayment) of that or any other Group company pending their application for such purpose within that period,
- (viii) moneys borrowed by any Group company for the purpose of financing any contract in respect of which any part of the price receivable under the contract by that or any other Group company is guaranteed or insured up to an amount equal to that part of the price receivable under the contract which is so guaranteed or insured,
- (ix) an amount equal to the moneys borrowed of any company outstanding immediately after it becomes a Group company, provided that it became a Group company during the six months preceding the calculation,
- (x) an amount equal to the amount secured on an asset immediately after it was acquired by a Group company, provided that it was acquired during the six months preceding the calculation,
- (xi) notwithstanding sub paragraph (i) to (vi) above, the proportion of moneys borrowed by a Group company (and not owing to another Group company) which is equal to the proportion of its issued equity share capital not attributable, directly or indirectly, to the Company,

and in sub paragraphs (vii) to (xi) above references to amounts of moneys borrowed include references to amounts which, but for the exclusion under those sub paragraphs, would fall to be included,

- (f) **relevant balance sheet** means the latest published audited consolidated balance sheet of the Group but, where the Company has no subsidiary undertakings, it means the balance sheet and profit and loss account of the Company and, where the Company has subsidiary undertakings but there are no consolidated accounts of the Group, it means the respective balance sheets and profit and loss accounts of the companies comprising the Group,
- (g) **subsidiary undertaking** means a subsidiary undertaking (within the meaning of the Companies Acts) of the Company (except a subsidiary undertaking which is excluded from consolidation by virtue of the provisions of section 405 of the Act), and **Group** and **Group company** and references to any company which becomes a Group company or to companies comprising the Group shall, in such a case, be construed so as to include subsidiary undertakings except a subsidiary undertaking which is excluded from consolidation as aforesaid and **equity share capital** shall be construed in relation to a subsidiary undertaking without a share capital in the same manner as **shares** are defined in relation to an undertaking without a share capital under section-259(2)(b) and (c) of the Act or section 161(2)(a) and (b) of the Act

115 4 When the aggregate amount of moneys borrowed required to be taken into account for the purposes of this Article 115 on any particular day is being ascertained, any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either

- (a) at the rate of exchange used for the conversion of that currency in the relevant balance sheet, or
- (b) if no rate was so used, at the middle market rate of exchange prevailing at the close of business in London on the date of that balance sheet, or
- (c) where the repayment of such moneys is expressly covered by a forward purchase contract, currency option, back to back loan, swap or other arrangements taken out and entered into to reduce the risk associated with fluctuations in exchange rates, at the rate of exchange specified in that document,

but if the amount in sterling resulting from conversion at that rate would be greater than that resulting from conversion at the middle market rate prevailing in London at the close of business on the business day immediately preceding the day on which the calculation falls to be made, the latter rate shall apply instead

- 115 5 A report or certificate of the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of moneys borrowed falling to be taken into account for the purposes of this Article 115 or to the effect that the limit imposed by this Article 115 has not been or will not be exceeded at any particular time or times or as a result of any particular transaction or transactions shall be conclusive evidence of the amount or of that fact. Nevertheless, the Board may at any time act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves, and if in consequence the limit on borrowings set out in this Article is inadvertently exceeded, an amount borrowed equal to the excess may be disregarded until the expiration of 60 days after the date on which (by reason of a determination of the Auditors or otherwise) the Board became aware that such a situation has or may have arisen
- 115 6 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this Article 115 shall be invalid or ineffectual, except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would thereby be exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed

## **PROCEEDINGS OF DIRECTORS AND COMMITTEES**

### **116 Board meetings**

Subject to the provisions of these Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit

### **117 Notice of Board meetings**

One Director may, and the Secretary at the request of a Director shall, summon a Board meeting at any time. A Director may waive the requirement that notice be given to him of any Board meeting, either prospectively or retrospectively. It shall not be necessary to give notice of a Board meeting to a Director who is absent from the United Kingdom unless he has requested the Board in writing that notices of Board meetings shall during his absence be given to him at any address in the United Kingdom notified to the Company for this purpose, but he shall not, in such event, be entitled to a longer period of notice than if he had been present in the United Kingdom at that address

**118 Quorum**

The quorum necessary for the transaction of business may be determined by the Board and until otherwise determined shall be two persons, each being a Director or an alternate Director. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions for the time being vested in or exercisable by the Board.

**119 Chairman of Board**

The Board may appoint one or more of its body Chairman or Joint Chairman and one or more of its body Deputy Chairman of its meetings and may determine the period for which he is or they are to hold office and may at any time remove him or them from office. If no such Chairman or Deputy Chairman is elected, or if at any meeting neither a Chairman nor a Deputy Chairman is present within five minutes of the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting. In the event of two or more Joint Chairmen or, in the absence of a Chairman, two or more Deputy Chairmen being present, the Joint Chairman or Deputy Chairman to act as Chairman of the meeting shall be decided by those Directors present. Any Chairman or Deputy Chairman may also hold executive office under the Company.

**120 Voting**

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the Chairman of that meeting shall have a second or casting vote.

**121 Participation by telephone**

Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting then is.

**122 Resolution in writing and by electronic communication**

A resolution executed by all the Directors for the time being entitled to receive notice of a Board meeting and not being less than a quorum, or by all the members of a committee of the Board for the time entitled to receive notice of such committee meeting and not being less than a quorum of that committee, shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board (or committee, as the case may be). Such a resolution

- (a) may consist of one or more written instruments (including faxes) or one or more electronic communications, or a combination of them in the same form each executed or authenticated by one or more of the Directors or members of the relevant committee,
- (b) a written instrument is executed when the person executing it signs it,

- (c) an electronic communication is executed when the person executing it sends it provided that it has been authorised in such manner (if any) as the Secretary shall prescribe,
- (d) need not be executed by an alternate Director if it is executed by the Director who appointed him,
- (e) if executed by an alternate Director, need not also be executed by his appointor,
- (f) to be effective, need not be executed by a Director who is prohibited by these Articles from voting thereon, or by his alternate

### **123 Proceedings of committees**

All committees of the Board shall, in the exercise of the powers delegated to them and in the transaction of business, conform to any mode of proceedings and regulations which the Board may prescribe and subject thereto shall be governed by such of these Articles as regulate the proceedings of the Board as are capable of applying

### **124 Minutes of proceedings**

124 1 The Board shall cause minutes to be made in books kept for the purpose of recording

- (a) all appointments of officers and committees made by the Board and of any such officer's salary or remuneration, and
- (b) the names of Directors present at every meeting of the Board, of a committee of the Board, of the Company or of the holders of any class of shares or debentures of the Company, and all orders, resolutions and proceedings of such meetings

124 2 Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting or the Secretary, shall be prima facie evidence of the matters stated in such minutes without any further proof

### **125 Validity of proceedings**

All acts done by a meeting of the Board, or of a committee of the Board, or by any person acting as a Director, alternate Director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any person or persons acting as aforesaid, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office, be as valid as if every such person had been duly appointed, and was duly qualified and had continued to be a Director, alternate Director or member

## **DIRECTORS' INTERESTS**

### **126 Director may have interests**

126 1 Article 126 2 shall only apply until the commencement in force of section 177 of the Act and Article 126 3 shall only apply on and from the commencement in force of section 177 of the Act

126 2 Subject to the provisions of the Companies Acts and provided that Article 127 is complied with, a Director, notwithstanding his office

- (a) may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise directly or indirectly interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise,
- (b) may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange, either in addition to or in lieu of any remuneration provided for by any other Article,
- (c) may be a director or other officer, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the Company or in which the Company is otherwise directly or indirectly interested or as regards which the Company has any powers of appointment, and
- (d) shall not be liable to account to the Company for any profit, remuneration or other benefit which he derives from (i) any such office, employment, contract, arrangement, transaction or proposal, or, (ii) any office or employment or from any transaction or arrangement or from any interest in any body corporate, the acceptance, entry into or existence of which has been authorised by the Board pursuant to Article 127 ( subject, in any such case, to any terms, limits or conditions to which such authorisation was subject)

and no such contract, arrangement, transaction or proposal as is referred to in this Article 126 shall be avoided on the grounds of any such interest or benefit and the receipt by a director of any such remuneration or other benefit shall not constitute a breach of his duties under section 176 of the Act

#### **127 Directors' powers to authorise conflicts of interest**

127 1 This Article 127 shall only apply on and from the commencement in force of section 175 of the Act

127 2 The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law

- (a) any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest ( including a conflict of interest and duty or conflict of duties),
- (b) a Director to accept or continue in any office, employment or position in addition to his office as a director of the Company and without prejudice to the generality of subparagraph (a) of this Article 127 2 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises

provided that for this purpose the Director in question and any other interested Director are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted

127 3 If a matter, office, employment or position has been authorised by the Directors in accordance with this Article 127, then

- (a) the Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position,
- (b) the Director may absent himself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed, and
- (c) the Director may make such arrangements as such Director thinks fit for Board and committee papers to be read by a professional adviser on behalf of that Director

127 4 A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment, or position, which has been approved by the Board pursuant to this Article 127 ( subject in any such case to any limits or conditions to which such approval was granted)

127 5 This Article is without prejudice to the operation of Article 128

## **128 Disclosure of interests to Board**

128 1 A Director who, to his knowledge, is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested

128 2 For the purposes of this Article and Article 127

- (a) a general notice given to the Board by a Director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in any contract, transaction, arrangement or proposal in which a specified person or class of persons is interested shall be deemed to be a sufficient disclosure under this Article in relation to such contract, transaction, arrangement or proposal, and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

128 3 A Director need not declare an interest pursuant to Article 128 1 or in order to take advantage of Article 127, if

- (a) it cannot be reasonably regarded as likely to give rise to a conflict of interest,
- (b) 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),

- (c) 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 the Company's constitution

#### **129 Interested Director not to vote or count for quorum**

Save as provided in this Article and subject always to the provisions of Article 127, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any proposal whatsoever to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him under the meaning of section 252 of the Act) is to his knowledge materially interested unless the resolution concerns any of the following matters

- (a) the giving to him of any guarantee, security or indemnity in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries,
- (b) the giving to a third party of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security,
- (c) the subscription or purchase by him of any shares, debentures or other securities of the Company or any of its subsidiaries pursuant to any offer or invitation or the underwriting or sub underwriting by him of any such shares, debentures or other securities or any other contract, arrangement, transaction or proposal in which he may be interested by virtue of his interest in shares, debentures or other securities of the Company or any of its subsidiaries or otherwise in or through the Company,
- (d) any contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning any other company (including any subsidiary of the Company) (a **relevant company**) in which he is interested, directly or indirectly (and whether as an officer or shareholder, creditor or otherwise) provided that he is not directly or indirectly the holder of or beneficially interested in one per cent or more of either a relevant company or an intermediate company (any such interest being deemed for the purposes of this Article to be a material interest in all circumstances), for the purposes of this paragraph (d)
  - (i) an intermediate company means a company having an interest in a relevant company which would be material if held by a Director,
  - (ii) a Director shall be deemed to have an interest in one per cent or more of a relevant company or an intermediate company if directly or indirectly he is the holder of or beneficially interested in one per cent or more of any class of equity share capital or of the voting rights available to members of either such company, and
  - (iii) there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or is in remainder (if and so long as some other person is entitled to receive the income from the trust) and any shares comprised

in any authorised unit trust scheme in which the Director is interested only as a unit holder,

- (e) any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a pension fund, retirement, death or disability benefits scheme or personal pension plan under which he may benefit and which either
  - (i) has been approved by or is subject to and conditional on approval by the Board of Inland Revenue for taxation purposes, or
  - (ii) relates to both employees and Directors of the Company (or any of its subsidiaries) and does not accord to any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates,
- (f) any contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiaries under which the Director benefits in a similar manner to employees and which does not accord to any Director as such any privilege or advantage not accorded to the employees to whom it relates, and
- (g) any contract, arrangement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy pursuant to Article 165,
- (h) any proposal for the Company (i) to provide him with an indemnity permitted by the Companies Acts, (ii) to provide him with funds in circumstances permitted by the Companies Acts to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief referred to in Part 10 of the Act, or (iii) to do anything to enable him to avoid incurring any such expenditure

#### **130 Director's interest in own appointment**

A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any 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 fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

#### **131 Chairman's ruling conclusive on Director's interest**

If any question arises at any meeting as to the materiality of a Director's interest (other than the Chairman's interest) or as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive.



### **132 Directors' resolution conclusive on Chairman's interest**

If any question arises at any meeting as to the materiality of the Chairman's interest or as to the entitlement of the Chairman to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman), whose majority vote shall be final and conclusive

### **133 Company may suspend or relax provisions**

Subject to the provisions of the Companies Acts, the Company may by ordinary resolution suspend or relax the provisions of Articles 127 to 132, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of these Articles

### **134 Definitions**

For the purposes of Articles 126 to 134

- (a) an interest of a person who is for the purposes of the Act connected (which word shall have the meaning given to it by section 252 of the Act) with a Director shall be treated as an interest of the Director, and
- (b) in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director in addition to any interest which the alternate Director otherwise has

## **THE SEAL**

### **135 Application of Seal**

135 1 In addition to its powers under section 44 of the Act, the Company may have a seal and the Board shall provide for the safe custody of such seal. The Seal shall be used only by the authority of a resolution of the Board or of a committee of the Board so authorised. The Board may determine whether any instrument to which the Seal is affixed shall be signed and, if it is to be signed, who shall sign it. Unless otherwise so determined

- (a) share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under the Seal in respect of any debentures or other securities need not be signed and any signature may be affixed to or printed on any such certificate by any means approved by the Board, and
- (b) every other instrument to which the Seal is affixed shall be signed by one Director and by the Secretary or by two Directors

135 2 Every certificate or share warrant shall be issued under the Seal or in such other manner as the Board, having regard to the terms of issue, the Act and the regulations of the London Stock Exchange, may authorise, all references in these Articles to the Seal shall be construed accordingly

**136 Deed without sealing**

A document signed by a Director and by the Secretary or by two Directors and expressed (in whatever form of words) to be executed by the Company as a deed shall have the same effect as if it were executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of a resolution of the Board or of a committee of the Board authorised in that behalf. An instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.

**137 Official seal for use abroad**

Subject to the provisions of the Companies Acts, the Company may have an official seal for use in any place abroad.

**THE SECRETARY**

**138 The Secretary**

138 1 Subject to the provisions of the Companies Acts, the Board shall appoint a Secretary or Joint Secretaries and shall have power to appoint one or more persons to be an Assistant or Deputy Secretary at such remuneration and on such terms and conditions as it thinks fit.

138 2 Any provision of the Companies Acts or of 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.

**DIVIDENDS AND OTHER PAYMENTS**

**139 Declaration of dividends**

Subject to the provisions of the Companies Acts and of these Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

**140 Interim dividends**

Subject to the provisions of the Companies Acts, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrear. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

#### **141 Entitlement to dividends**

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

#### **142 Calls or debts may be deducted from dividends**

The Board may deduct from any dividend or other money payable to any person on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to the shares of the Company.

#### **143 Distribution in specie**

The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks fit. In particular, the Board may

- (a) issue fractional certificates (or ignore fractions),
- (b) fix the value for distribution of such assets or any part thereof and determine that cash payments may be made to any members on the footing of the value so fixed, in order to adjust the rights of members, and
- (c) vest any such assets in trustees on trust for the persons entitled to the dividend.

#### **144 Dividends not to bear interest**

Unless otherwise provided by the rights attached to the share, no dividend or other moneys payable by the Company or in respect of a share shall bear interest as against the Company.

#### **145 Method of payment**

- 145.1 The Company may pay any dividend, interest or other sum payable in respect of a share in cash or by direct debit, bank transfer, cheque, dividend warrant, or money order and may send the same by post or other delivery service to the registered address (or in the case of a Depositary, subject to the approval of the Board, such persons and addresses) of the member or person entitled to it (or, if two or more persons are holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the member or otherwise by operation of law, to the registered address of such of those persons as is first named in the Register) or to such person and such address as such member or person or persons may direct in writing. Every cheque, warrant or order is sent at the risk of the person entitled to the money represented by it and shall be made payable to the order of the person or persons entitled, or to such other person as the person or persons entitled may direct in writing. Payment of the cheque, warrant or order shall be a good discharge to the Company. If any such cheque, warrant or order has or shall be alleged to have been lost, stolen or destroyed,

the Board may, at the request of the person entitled thereto, issue a replacement cheque or warrant or order, subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Board may think fit. Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other moneys payable in respect of such share. Any such dividend, interest or other sum may also be paid by any other method as the Board considers appropriate.

145.2 The Board may, at its discretion, make provisions to enable such Depository and/or member as the Board shall from time to time determine to receive dividends duly declared in a currency or currencies other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such market rate selected by the Board as it shall consider appropriate ruling at the close of business in London on the date which is the business day last preceding.

- (a) in the case of a dividend to be declared by the Company in general meeting, the date on which the Board publicly announces its intention to recommend that specific dividend, and
- (b) in the case of any other dividend, the date on which the Board publicly announces its intention to pay that specific dividend,

Provided that where the Board considers the circumstances to be appropriate it shall determine such foreign currency equivalent by reference to such market rate or rates or the mean of such market rates prevailing at such time or times or on such other date or dates, in each case falling before the time of the relevant announcement, as the Board may select.

#### **146      Uncashed dividends**

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled thereto are returned to the Company or left uncashed on two consecutive occasions, the Company shall not be obliged to send any dividends or other moneys payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

#### **147      Unclaimed dividends**

All dividends, interest, or other sum payable and unclaimed for 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 in respect thereof. All dividends unclaimed for a period of 12 years after having become due for payment shall (if the Board so resolves) be forfeited and shall cease to remain owing by the Company.

#### **148      Payment of scrip dividends**

The Board may, with the prior authority of an ordinary resolution of the Company and subject to such conditions as the Board may determine, offer to any holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution. The following provisions shall apply.

- (a) the said resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period or periods,
- (b) 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) of the dividend that such holder 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 Ordinary Shares on the London Stock Exchange, as derived from the Daily Official List, for 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 the Board may determine on such basis as it considers to be fair and reasonable. 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,
- (c) no fractions of a share shall be allotted,
- (d) the Board shall, after determining the basis of allotment, notify the holders of Ordinary Shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective,
- (e) the Board may exclude from any offer any holders of Ordinary Shares or any Ordinary Shares held by a Depositary or any Ordinary Shares on which dividends are payable in foreign currency where the Board considers that the making of the offer to them or in respect of such shares 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 or in respect of such shares,
- (f) the Board may determine that every duly effected election in respect of any Ordinary Shares shall be binding on every successor in title to the holder thereof,
- (g) 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 (**elected Ordinary Shares**) and instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Board may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or of any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that basis. 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 150 and in relation to any such capitalisation the Board may exercise all the powers conferred on them by Article 150 without need of such ordinary resolution,
- (h) the additional Ordinary Shares so allotted shall rank *pari passu* in all respects with each other and with the fully paid Ordinary Shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date, and

- (i) the Board may terminate, suspend or amend any offer of the right to elect to receive Ordinary Shares in lieu of any cash dividend at any time

#### **149 Reserves**

The Board may, before recommending any dividend (whether preferential or otherwise) but having regard to section 842 of the Income and Corporation Taxes Act 1988, carry to reserve out of the profits of the Company such sums as it thinks fit. All sums standing to reserve may be applied from time to time, at the discretion of the Board, for any other purpose to which the profits of the Company may properly be applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Board thinks fit. The Board may divide the reserve into such special funds as it thinks fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as it thinks fit. Any sum which the Board may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to distribute.

#### **150 Capitalisation of reserves**

The Board may, with the authority of an ordinary resolution of the Company

- (a) subject as provided in this Article, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the Company which is available for distribution or standing to the credit of share premium account or capital redemption reserve or other undistributable reserve,
- (b) appropriate the sum resolved to be capitalised to the holders of Ordinary Shares in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those holders of Ordinary Shares or as they may direct, in those proportions, or partly in one way and partly in the other, provided that
  - (i) the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to holders of Ordinary Shares credited as fully paid, and
  - (ii) in a case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up in full debentures of the Company, the amount of the net assets of the Company at that time is not less than the aggregate of the called up share capital of the Company and its undistributable reserves as shown in the latest audited accounts of the Company or such other accounts

as may be relevant and would not be reduced below that aggregate by the payment thereof,

- (c) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends,
- (d) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit thereof to the Company rather than to the holders of Ordinary Shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions,
- (e) authorise any person to enter on behalf of all the holders of Ordinary Shares concerned into an agreement with the Company providing for either
  - (i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation, or
  - (ii) the payment up by the Company on behalf of such holders by the application thereto of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares

(any agreement made under such authority being effective and binding on all such holders), and

- (f) generally do all acts and things required to give effect to such resolution

#### **151 Record dates**

Notwithstanding any other provision of these Articles, but without prejudice to the rights attached to any shares, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue. Such record date may be on or at any time before any date on which such dividend, distribution, allotment or issue is paid or made and on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared.

#### **152 Employees' Share Schemes - Use of reserves**

Notwithstanding any other provisions contained in these Articles, if an adjustment is made to the option price payable by an option holder under any employees' share scheme operated by the Company which results in the adjusted price per share payable on the exercise of any option in respect of any share being less than the nominal value of such share (**adjusted price**), the Directors may upon the allotment of any share in respect of and following the exercise of the relevant option (**New Share**) capitalise any sum standing to the credit of any of the Company's reserve accounts which is available for distribution (excluding any share premium account, capital redemption reserve or other undistributable reserve) by appropriating such sum to the option holders concerned and applying such sum on their behalf in paying up in full an amount equal to the difference between the adjusted price and the nominal value of the New Share. The Directors may take such steps as they consider necessary to ensure that the Company has sufficient reserves available for such application. No further authority of the Company in general meeting shall be required.

## **ACCOUNTS**

### **153 Accounting records**

The Board shall cause accounting records to be kept in accordance with the Companies Acts

### **154 Inspection of records**

No member (other than a Director) shall have any right to inspect any accounting record or other document of the Company unless he is authorised to do so by statute, by order of the court, by the Board or by ordinary resolution of the Company

### **155 Accounts to be sent to members**

To the extent required by the Companies Acts, a printed copy of the Directors' and Auditors' reports accompanied by printed copies of the annual accounts shall, not less than 21 clear days before the annual general meeting before which they are to be laid, be delivered or sent by post to every member and holder of debentures of the Company and to the Auditors and to every other person who is entitled to receive notice of general meetings. However, this Article shall not require a copy of those documents to be sent to any person who under the provisions of these Articles is not entitled to receive notices from the Company or of whose postal address or address for electronic communication the Company is unaware or to any holder of debentures of whose address the Company is unaware or to more than one of the joint holders of any shares or debentures. So long as and whenever any of the shares or debentures of the Company are for the time being listed or dealt in on the London stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice. Where permitted by the Companies Acts, any document or copy referred to in this Article 154 may be sent by electronic communication

### **155 Summary financial statements**

The Company may, in accordance with section 426 of the Act and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in Article 154. Where it does so, the statement shall be delivered in any manner permitted by the Companies Acts or sent by post to the member not less than 21 clear days before the annual general meeting before which those documents are to be laid

## **NOTICES**

### **156 Service of notice on members**

156 1 The Company may give any notice or document in writing (including a share certificate) to a member, either personally or by sending it by post or other delivery service in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. 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

156 2 Where a member (or, in the case of joint holders, the person first named in the Register) has a registered address outside the United Kingdom but has notified the Company of an address within the United Kingdom at which notices or other documents



may be given to him, he shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice or document from the Company

156 3 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 the service of notices or, subject to the Companies acts, an address to which notices or other documents may be sent in electronic form For these purposes, any notice, document or other information served, sent or supplied in electronic form shall be treated as returned undelivered if the Company ( or its agents) receives notification that the notice, document or other information was not delivered to the address to which it was sent

156 4 The Company is generally and unconditionally authorised to use electronic communications with its shareholders and in particular to send or supply documents or information to its shareholders by electronic means and/or by making them available on a website Accordingly the Company may subject to the provisions of the Companies Acts, give or send to any members any notice or other document (excluding a share certificate) by electronic communication where

- (a) the Company and that member have agreed to the use of electronic communication for sending copies of documents to the members and
  - (i) the documents are documents to which the agreement applies, and
  - (ii) copies of the documents are sent using electronic communication to such address ( or to one of such addresses if more than one) as may for the time being be notified by the member to the Company for that purpose, or
- (b) the Company and that member have agreed to that member having access to documents on a website ( instead of the documents being sent to him) and
  - (i) the documents are documents to which the agreement applies, and
  - (ii) the text and the images in the document can be ( as appropriate) read or seen using the naked eye,
  - (iii) the member is notified in a manner for the time being agreed for the purpose between the member and the Company of
    - (1) the presence of the documents on a website,
    - (2) the address of that website,
    - (3) the place on that website where the documents may be accessed and how they may be accessed, and
    - (4) the period of time for which the documents will be available on the website which must be the period specified in any applicable provision of the Companies Acts or, if there is no such period specified, for a period of not less than 28 days from the date of notification or, if later, until the conclusion of any annual general meeting to which the documents relate, and

- (iv) the documents are published on that website throughout the period referred to in sub-paragraph (b)(iii)(4) above, provided that, if the documents are published on that website for a part but not all of such period, the documents will be treated as published throughout that period if the failure to publish those documents throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid

156 5 A member of the Company which is itself a company shall be deemed to have agreed that the Company may send a notice or other document in accordance with paragraph 156 5 above if that member is deemed by a provision in the Companies Acts to have agreed that the notice or document may be so sent

156 6 Where a notice or other document is given or sent by electronic communication, it shall be deemed to have been given or sent at the expiration of 2 hours from the time it was sent to an address supplied by the member or of notification to the member of its publication on a website Proof that a notice or other document given or sent by electronic communication was given or sent in accordance with current guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice or document was given or sent

156 7 Where the Articles require a notice or other document to be signed or authenticated by a member or other person then any notice or other document sent or supplied in electronic form is sufficiently authenticated in any manner authorised by the Company Communications Provisions or in such other manner as may be approved by the Board The Board may designate mechanisms for validating any such notice or other document, and any such notice or other document not so validated by use of such mechanisms shall be deemed not to have been received by the Company

## **157 Notices to joint shareholders**

157 1 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the Register in respect of the joint holding Notice so given shall be sufficient notice to all the joint holders

157 2 Save where prohibited by law, in any case where ( but for this paragraph 157 2) the agreement or consent of all the joint holders of a share is required for notice to be served, or documents or information to be sent, in a particular manner, then the agreement or consent of that one of the joint holders of the share whose name stands first in the Register of Members in respect of the share shall be sufficient agreement or consent for the purpose in question

## **158 Notice in case of death, bankruptcy or mental disorder**

The Company may give notice to the person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred The provisions of this Article shall

have effect in place of the Company Communications Provisions regarding the death or bankruptcy of a member of the Company

**159 Evidence of service**

- 159 1 Any member present, in person or by proxy, at any meeting of the Company or of the holders of any class of shares of the Company shall be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was called
- 159 2 Any notice, certificate or other document which is sent or supplied by the Company in hard copy or electronic form but to be delivered other than by electronic means, addressed to a member at his registered address or address for service in the United Kingdom shall, if sent by post, be deemed to have been served or delivered on the day after the day when it was put in the post (or, where second class mail is employed, on the second day after the day when it was put in the post) In proving such service or delivery it shall be sufficient to prove that the envelope containing the notice or document was properly addressed and put into the post as a prepaid letter 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
- 159 3 Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient 24 hours after it was transmitted and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed
- 159 4 Any notice, document or information which is sent or supplied by the Company by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient receives ( or is deemed to receive) notice of the fact that the material was available on a website
- 159 5 The accidental failure to send, or the non-receipt by any person entitled to, any notice or other documents or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding
- 159 6 For the purposes of calculating the time when any notice, document or information sent or supplied by the company is deemed to have been received by the intended recipient for the purposes of these Articles ( regardless of whether the period is expressed in hours or days) full account shall be taken of any day and any part of a day that is not a working day This Article shall have effect in place of the Company Communications Provisions regarding the calculation of time when any such notice, documents or information is deemed to have been received by the intended recipient

**160 Notice binding on transferees**

Every person who, by operation of law, transfers or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice given by the Company under section 793 of the Act) which, before his name is entered in the Register, has been duly given to a person from whom he derives his title

## **161 Notice by advertisement**

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 leading daily newspaper published in the United Kingdom and, where the Company keeps an overseas branch register, in at least one leading 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.

## **162 Suspension of postal services**

- 162 1 If at any time by reason of the threat of or of the suspension, interruption or curtailment of postal services or electronic form of communications within the United Kingdom the Company is or would be unable effectively to convene a general meeting by notices sent through the post or by electronic means, a general meeting may be convened by a notice advertised in at least one national newspaper published in the United Kingdom and, where the Company keeps an overseas branch register, in at least one leading daily newspaper published in the territory in which such register is maintained. Such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day on which the first of such advertisements appears. In any such case the Company shall (i) send confirmatory copies of the notice by post or by electronic means if, at least seven days prior to the meeting, the posting of notices to addresses throughout the United Kingdom or, as the case may be, the sending of such notices by electronic means again becomes practicable, and (ii) make such notice available on the website from the date of such advertisement until the conclusion of the meeting or any adjournment.
- 162 2 Nothing in Articles 140 to 162 inclusive shall affect any provisions of the Companies Acts that requires or permits any particular notice, document or information to be sent or supplied in any particular manner.

## **WINDING UP**

### **163 Division of assets**

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 law, divide among the members in specie the whole or any part of the assets of the Company 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. The liquidator may, with the like sanction, 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, but no member shall be compelled to accept any assets on which there is a liability.

### **164 Transfer or sale under section 110 Insolvency Act 1986**

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 among 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

## **INDEMNITY**

### **165 Right to indemnity**

Subject to and insofar as permitted by the Companies Acts the Company may

- (a) indemnify any Director of the Company or any associated company against any liability pursuant to any qualifying third party indemnity provision or any qualifying pension scheme indemnity provision, or on any other basis as is then lawful, in each case on such terms as the Directors may decide, and
- (b) purchase and maintain for any Director of the Company or of any associated company insurance against any liability

In this Article "qualifying third party indemnity provision" and "qualifying pension scheme indemnity provision" and "associated company" shall have the meaning that they have in Part 10 of the Act

## **AUTHENTICATION OF DOCUMENTS**

### **166 Authentication of documents**

- 166 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 of any committee of the Board 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
- 166 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 of the Board which is certified as such in accordance with Article 166 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