

Company number 03671097

**THE COMPANIES ACTS 1985 TO 2006
A PUBLIC COMPANY LIMITED BY SHARES**

NEW ARTICLES OF ASSOCIATION

of

Randall & Quilter Investment Holdings plc

(Adopted by Special Resolution passed on 23 June 2009 effective 1 October 2009)

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PRELIMINARY

1 EXCLUSION OF TABLE A

The regulations in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended from time to time shall not apply to the Company.

2 DEFINITIONS AND INTERPRETATION

2.1 In these Articles:

"Act" means the Companies Act 1985 as amended.

"2006 Act" means the Companies Act 2006 as amended from time to time.

"address" means in relation to a notice or other communication in writing, a postal address and, in relation to a notice or another communication in electronic form, a number or address used for the purposes of sending or receiving documents or information by electronic means.

"Affiliate" of a specified person means, for the purpose of Article 2 only, a person that (at the time when the determination is to be made) directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the specified person. As used in the foregoing sentence, the terms "control" (including, with correlative meaning, in terms "controlling," "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise.

"Articles" means these Articles of association, as from time to time altered.

"Associated Company" means a company or other body corporate which is associated with the Company for the purposes of section 256 of the 2006 Act.

"board" means the board of directors for the time being of the Company.

"business day" means a day (except Saturday or Sunday) on which banks in the City of London are open for business.

"certificated" means in relation to a share, that title to the share is recorded on the register as being held in certificated form.

"clear days" means in relation to the period of a notice or other communication, that period excluding the day when the notice or other communication is given or deemed to be given and the day for which it is given or on which it is to take effect.

"committee" means a committee of the board.

"Company" means Randall & Quilter Investment Holdings plc.

"Companies Acts" has the meaning in section 2 of the 2006 Act in so far as the provisions referred to therein are in force from time to time.

"director" means a director for the time being of the Company.

"DTR" means the Disclosure and Transparency Rules published by the FSA from time to time.

"electronic form" has the meaning in section 1168(3) of the 2006 Act.

"electronic means" has the meaning in section 1168(4) of the 2006 Act.

"FSA" means the Financial Services Authority.

"FSMA" means the Financial Services and Markets Act 2000.

"hard copy form" has the meaning in section 1168(2) of the 2006 Act.

"holder" means in relation to any share, the member whose name is entered in the register as the holder of that share.

"London Stock Exchange" means the London Stock Exchange plc or other principal stock exchange in the United Kingdom for the time being.

"Main Meeting Place" as defined in Article 48.4(a).

"market nominee" means a financial institution as is referred to in section 185(4B) of the Act.

"office" means the registered office for the time being of the Company.

"Ordinary Shareholders" means the persons whose names are registered as the holders of the Ordinary Shares.

"Ordinary Shares" means the ordinary shares of 2p each in the capital of the Company.

"paid up" means paid up or credited as paid up.

"person entitled by transmission" means a person whose entitlement 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 has been noted in the register.

"Preference A Shareholder" means the person whose name is registered as the holder of the Preference A Share.

“Preference A Share” means the Cumulative Redeemable Preference A Share of £1 in the capital of the Company.

“Preference B Shareholder” means the person whose name is registered as the holder of the Preference B Share.

“Preference B Share” means the Cumulative Redeemable Preference A Share of £1 in the capital of the Company.

“register” means the register of members of the Company comprising, in respect of certificated shares, the issuer register of members and, in respect of uncertificated shares, the Operator register of members.

“registered address” means in relation to a member, the most recent address of that member recorded in the register.

“Regulations” means The Uncertificated Securities Regulations 2001 (SI 2001 No 3755) including any modifications thereof and rules made thereunder or any regulations made in substitution therefor under section 207 of the Companies Act 1989 for the time being in force.

“rights issue” means an offer or issue to or in favour of ordinary shareholders on the register on a date fixed by the board where the equity securities respectively attributable to the interests of all those shareholders are proportionate (as nearly as practicable) to the respective number of ordinary shares held by them on that date subject to such exclusions or other arrangements as the board considers expedient in relation to fractional entitlements or legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange.

“seal” means any common seal of the Company or any official seal or securities seal which the Company may have or be permitted to have under the Statutes.

“secretary” means the secretary of the Company or, if there are joint secretaries, any of the joint secretaries and includes an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the secretary of the Company.

“Statutes” means the Companies Acts and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Companies Acts.

“uncertificated” means in relation to a share, that title to the share is recorded on the register as being held in uncertificated form.

“UK Listing Authority” means the competent authority for the purposes of Part VI of FSMA.

“United Kingdom” means the United Kingdom of Great Britain and Northern Ireland.

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

“year” means a period of 12 months.

- 2.2 The expressions “**Operator**”, “**participating security**”, “**properly authenticated dematerialised instruction**” and “**relevant system**” have the same meanings as are respectively ascribed to them in the Regulations.
- 2.3 Any other words or expressions defined in the Statutes (as in force on the date of adoption of these Articles) have the same meaning in these Articles and any reference elsewhere in these Articles to any statute or statutory provision includes a reference to any modification or re-enactment of it for the time being in force.
- 2.4 Words importing the singular number include the plural number and *vice versa*, words importing the masculine gender include the feminine gender and words importing persons include bodies corporate and unincorporated associations.
- 2.5 Any reference to writing includes a reference to any method of representing or reproducing words in a legible and non-transitory form.
- 2.6 Any reference to a document being sealed or executed under seal or under the common seal of any body corporate (including the Company) or any similar expression includes a reference to it being executed in any other manner which has the same effect as if it were executed under seal.
- 2.7 Subject to the provisions of the Statutes a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under these Articles.
- 2.8 Headings to these Articles are inserted for convenience only and shall not affect their construction.
- 2.9 Subject as set out above, any words or expressions defined in the Companies Acts shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

SHARE CAPITAL

3 LIABILITY OF MEMBERS

The liability of the members is limited.

4 RIGHTS ATTACHED TO SHARES

4.1 Preference A Share

- 4.1.1 The Preference A Shareholder shall be entitled as follows (and no rights shall attach to the Preference A Share other than as expressly set out in Articles 4.2 to 4.6 (inclusive)).

4.2 Preference A Share - Voting

- 4.2.1 Subject to section 334 of the 2006 Act, the Preference A Shareholder shall not be entitled to receive notice of, attend or vote at general meetings of the Company (and shall not be counted in any quorum at any general meeting of the Company).

4.3 Preference A Share - Income

- 4.3.1 The Preference A Shareholder shall be entitled, in priority to any shareholder other than the Preference B Shareholder (and, as between the Preference A Shareholder and the Preference B Shareholder, the order of priority set out in Article 4.13 shall

apply) to be paid out of any profits of the Company which are lawfully available for distribution a cumulative preferential cash dividend(s) in US dollars (the "Preference A Dividend") in an amount in aggregate equal to 50 per cent. of any sums received by the Company, any of its Affiliates or any person acting on its or their behalf (net of any Tax payable thereon) in respect of the capital stock or surplus of R&Q Reinsurance Company (previously known as ACE American Reinsurance Company), a US corporation ("AARe"), whether such sums are received as a dividend, return of capital, distribution on a winding-up or other distribution on the capital stock of AARe (but not, for the avoidance of doubt, sums received by the Company any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as payment by a third party in consideration for its acquisition of any portion of the equity interest in AARe provided that the maximum aggregate amount of the Preference A Dividend payments (including any amounts received prior to the date of adoption of these articles) shall not exceed US\$5 million. Any sums received by the Company, any of its Affiliates or any person acting on its or their behalf in a currency other than US dollars shall, for the purposes of determining the amount of the Preference A Dividend, be converted into US dollars at the noon buying rate certified by the Federal Reserve Bank of New York for customs purposes for cable transfers payable in foreign currencies as at the Business Day immediately prior to payment of the Preference A Dividend.

- 4.3.2 The Preference A Dividend shall be due and payable and, unless the Company is prevented from paying it pursuant to the Act, shall be paid (notwithstanding Article 111 or any other provision of these Articles and in particular notwithstanding that there has not been a recommendation by the Board or resolution of the Company in general meeting) by the Company within 20 Business Days of the date(s) upon which the sums referred to in Article 4.3.1 were received by the Company, its Affiliates or any person acting on its or their behalf (as the case may be).
- 4.3.3 Where the Company is precluded by the Act from paying in full any Preference A Dividend within the period specified in Article 4.3.2, then in respect of any Preference A Dividend which would otherwise require to be paid pursuant to Article 4.3.1 within that period:
- (a) the Company shall pay on or before expiry of that period to the Preference A Shareholder on account of the Preference A Dividend the maximum sum (if any) which can then, consistently with the Act (and subject always to the order of priority set out in Article 4.13), be paid by the Company; and
 - (b) as soon as the Company is no longer precluded from doing so, the Company shall in respect of the Preference A Share pay on account of the balance of the Preference A Dividend for the time being remaining outstanding and until all arrears and deficiencies of such Preference A Dividend have been paid in full, the maximum amount which can, consistently with the Act (and subject always to the order of priority set out in Article 4.13), be paid by the Company at that time.

Any Preference A Dividend not paid in full when due shall be increased by the addition of interest (calculated daily on the unpaid amount and compounded as at 31 December in each year) at a rate equal to LIBOR plus 4.5 per cent., from the due date for payment up to and including the day prior to payment. If any Preference A Dividend has not been paid in full when due (whether because such payment is precluded by the Act or otherwise), no dividend may be declared or paid on any other class of shares (other than the Preference B Share where so provided in accordance with Article 4.13) issued by the Company and the Company may not redeem, purchase or otherwise acquire in any way any other class of shares issued by the

Company until (in either case) all arrears and deficiencies of the Preference A Dividend (and any interest accruing thereon) have been paid in full.

4.3.4 Save as provided in Article 4.3.1 to 4.3.3 (inclusive) and in Article 4.13, the Preference A Shareholder shall have no right to participate in the profits of the Company.

4.4 **Preference A Share - Capital**

4.4.1 On a return of capital (whether or not on liquidation) or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in paying to the Preference A Shareholder, in priority to any other shareholder (including, without limitation, any other preference shareholder) unless the amount being returned is to be distributed to shareholders as if it were a dividend, in which case (as between the Preference A Shareholder and the Preference B Shareholder) the order of priority set out in Article 4.13 shall apply:

- (a) all unpaid arrears, accruals and deficiencies of the Preference A Dividend referred to in Article 4.3.1 and any interest accrued thereon pursuant to Article 4.3.3; and
- (b) an amount equal to the nominal value paid up on the Preference A Share held by the Preference A Shareholder.

4.4.2 Save as provided in Article 4.4.1 the Preference A Shareholder shall have no right to participate in the assets of the Company.

4.5 **Preference A Share - Redemption**

4.5.1 Upon satisfaction in full of the rights of the Preference A Shareholder as set forth in Articles 4.3.1 to 4.4.2 (inclusive) above (but not beforehand unless mutually agreed by the Company and the Preference A Shareholder), the Company shall be entitled to redeem the Preference A Share for nil consideration whereupon the Preference A Share shall be cancelled.

4.6 **Preference A Share - Miscellaneous**

4.6.1 The Preference A Share shall not be capable of transfer or assignment.

4.6.2 The rights attaching to the Preference A Share will be deemed to be varied, for the purposes of Section 630 of the 2006 Act and Article 14:

- (a) the Company seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class ranking as regards rights to participate in the profits or assets of the Company in priority to or equally (in some or all respects) with the Preference A Share;
- (b) AARe seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class to any person who is either not an Affiliate or who is an Affiliate but who will not, following that issue or allotment, be a direct parent company of AARe holding no material assets other than investments in AARe and/or BRUK (as defined below);
- (c) there is a transfer or sale by the Company (or any of its Affiliates) of all or part of the issued shares in AARe to an Affiliate which is not a direct parent company of AARe holding no material assets other than investments in AARe

and/or BRUK or to any other person where the transaction is not conducted on arms' length terms;

- (d) any resolution is passed by AARe or any Affiliate which is a direct parent of AARe to return capital to shareholders or to reduce its capital or to capitalise all or any part of any amount standing to the credit of any reserve or fund (including, without limitation, the profit and loss account and/or share premium account) or to make any other distribution where (in each case) the amount in question is either not set free for distribution among members or is so set free but is to be distributed otherwise than to the same members and in the same priority as would be the case, if it were to be distributed as a dividend;
- (e) any resolution is passed the purpose or effect of which is to vary the rights attaching to any other class of shares in the Company where that variation gives any other person rights in priority to, or which rank equally with, the rights of the Preference A Shareholder in relation to the profits or assets which generate entitlement to the Preference A Dividend;
- (f) any resolution is passed for the voluntary winding up of the Company, AARe or any Affiliate which is a direct parent of AARe; or
- (g) any resolution is passed for the amendment of the Company's memorandum and/or Articles of association where that amendment gives any other person rights in priority to, or which rank equally with, the rights of the Preference A Shareholder in relation to the profits or assets which generate entitlement to the Preference A Dividend;

4.6.3 Subject always to the requirements of the Act, if any of the Company's Affiliates or any person acting on the Company's or such Affiliates' behalf receive any sums in respect of the capital stock or surplus of AARe, whether such sums are received as a dividend, return of capital, distribution on a winding up or other distribution on the capital stock of AARe (but not, for the avoidance of doubt, sums received by the Company or any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as a payment by a third party in consideration for its acquisition of any portion of the equity interest in AARe, the Company shall:

- (a) cause its Affiliates and/or any person acting on its or their behalf to declare and pay sufficient and timely dividends, returns of capital or other distributions; and/or
- (b) take such other reasonable steps (and shall cause its Affiliates and/or any person acting on its or their behalf to take such other reasonable steps) as may be lawfully available to it or them,

to enable the Preference A Shareholder to receive the amounts to which it is entitled according to the rights attaching to the Preference A Share.

4.7 **Preference B Share**

4.7.1 The Preference B Shareholder shall be entitled as follows (and no rights shall attach to the Preference B Share other than as expressly set out in Articles 4.7 to 4.12 (inclusive)).

4.8 Preference B Share - Voting

4.8.1 Subject to section 334 of the 2006 Act, the Preference B Shareholder shall not be entitled to receive notice of, attend or vote at general meetings of the Company (and shall not be counted in any quorum at any general meeting of the Company).

4.9 Preference B Share - Income

4.9.1 The Preference B Shareholder shall be entitled, in priority to any other shareholder other than the Preference A Shareholder (and, as between the Preference B Shareholder and the Preference A Shareholder, the order of priority set out in Article 4.3 shall apply) to be paid out of any profits of the Company which are lawfully available for distribution a cumulative preferential cash dividend(s) in US dollars ("the Preference B Dividend") in an amount in aggregate equal to 50 per cent. of any sums received by the Company, any of its Affiliates or any person acting on its or their behalf (net of any Tax payable thereon) in respect of the capital stock or surplus of R&Q Reinsurance Company (UK) Limited (a company registered in England under number 01315641) and previously known as Brandywine Reinsurance Company (UK) Limited) ("BRUK"), whether such sums are received as a dividend, return of capital, distribution on a winding-up or other distribution on the capital stock of BRUK (but not, for the avoidance of doubt, sums received by the Company any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as payment by a third party in consideration for its acquisition of any portion of the equity interest in BRUK provided that the maximum aggregate amount of the Preference B Dividend payments (including any amounts received prior to the date of adoption of these articles) shall not exceed US\$10 million. Any sums received by the Company, any of its Affiliates or any person acting on its or their behalf in a currency other than US dollars shall, for the purposes of determining the amount of the Preference B Dividend, be converted into US dollars at the noon buying rate certified by the Federal Reserve Bank of New York for customs purposes for cable transfers payable in foreign currencies as at the Business Day immediately prior to payment of the Preference B Dividend.

4.9.2 The Preference B Dividend shall be due and payable and, unless the Company is prevented from paying it pursuant to the Act, shall be paid (notwithstanding Article 31 or any other provision of these Articles and in particular notwithstanding that there has not been a recommendation by the Board or resolution of the Company in general meeting) by the Company within 20 Business Days of the date(s) upon which the sums referred to in Article 4.9.1 were received by the Company, its Affiliates or any person acting on its or their behalf (as the case may be).

4.9.3 Where the Company is precluded by the Act from paying in full any Preference B Dividend within the period specified in Article 4.9.2, then in respect of any Preference B Dividend which would otherwise require to be paid pursuant to Article 4.9.1 within that period:

- (a) the Company shall pay on or before expiry of that period to the Preference B Shareholder on account of the Preference B Dividend the maximum sum (if any) which can then, consistently with the Act (and subject always to the order of priority set out in Article 4.13), be paid by the Company; and
- (b) as soon as the Company is no longer precluded from doing so, the Company shall in respect of the Preference B Share pay on account of the balance of the Preference B Dividend for the time being remaining outstanding and until all arrears and deficiencies of such Preference B Dividend have been paid in full, the maximum amount which can, consistently with the Act (and subject

always to the order of priority set out in Article 4.13), be paid by the Company at that time.

Any Preference B Dividend not paid in full when due shall be increased by the addition of interest (calculated daily on the unpaid amount and compounded as at 31 December in each year) at a rate equal to LIBOR plus 4.5 per cent., from the due date for payment up to and including the day prior to payment. If any Preference B Dividend has not been paid in full when due (whether because such payment is precluded by the Act or otherwise), no dividend may be declared or paid on any other class of shares (other than the Preference A Share where so provided in accordance with Article 4.13) issued by the Company and the Company may not redeem, purchase or otherwise acquire in any way any other class of shares issued by the Company until (in either case) all arrears and deficiencies of the Preference B Dividend (and any interest accruing thereon) have been paid in full.

4.9.4 Save as provided in Article 4.9.1 to 4.9.3 (inclusive) and in Article 4.13, the Preference B Shareholder shall have no right to participate in the profits of the Company.

4.10 **Preference B Share - Capital**

4.10.1 On a return of capital (whether or not on liquidation) or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in paying to the Preference B Shareholder, in priority to any other shareholder (including, without limitation, any other preference shareholder) other than the Preference A Shareholder, unless the amount being returned is to be distributed to shareholders as if it were a dividend, in which case (as between the Preference B Shareholder and the Preference A Shareholder) the order of priority set out in Article 4.13 shall apply:

- (a) all unpaid arrears, accruals and deficiencies of the Preference B Dividend referred to in Article 4.9.1 and any interest accrued thereon pursuant to Article 4.9.3; and
- (b) an amount equal to the nominal value paid up on the Preference B Share held by the Preference B Shareholder.

4.10.2 Save as provided in Article 4.10.1 the Preference B Shareholder shall have no right to participate in the assets of the Company.

4.11 **Preference B Share - Redemption**

4.11.1 Upon satisfaction in full of the rights of the Preference B Shareholder as set forth in Articles 4.9.1 to 4.10.2 (inclusive) above (but not beforehand unless mutually agreed by the Company and the Preference B Shareholder), the Company shall be entitled to redeem the Preference B Share for nil consideration whereupon the Preference B Share shall be cancelled.

4.12 **Preference B Share - Miscellaneous**

4.12.1 The Preference B Share shall not be capable of transfer or assignment.

4.12.2 The rights attaching to the Preference B Share will be deemed to be varied, for the purposes of Section 630 of the 2006 Act and Article 11, if:

- (a) the Company seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class ranking as regards rights to

participate in the profits or assets of the Company in priority to or equally (in some or all respects) with the Preference B Share;

- (b) BRUK seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class to any person who is either not an Affiliate or who is an Affiliate but who will not, following that issue or allotment, be a direct parent company of BRUK holding no material assets other than investments in AARe and/or BRUK;
 - (c) there is a transfer or sale by the Company (or any of its Affiliates) of all or part of the issued shares in BRUK to an Affiliate which is not a direct parent company of BRUK holding no material assets other than investments in AARe and/or BRUK or to any other person where the transaction is not conducted on arms' length terms;
 - (d) any resolution is passed by BRUK or any Affiliate which is a direct parent of BRUK to return capital to shareholders or to reduce its capital or to capitalise all or any part of any amount standing to the credit of any reserve or fund (including, without limitation, the profit and loss account and/or share premium account) or to make any other distribution where (in each case) the amount in question is either not set free for distribution among members or is so set free but is to be distributed otherwise than to the same members and in the same priority as would be the case, if it were to be distributed as a dividend;
 - (e) any resolution is passed the purpose or effect of which is to vary the rights attaching to any other class of shares in the Company where that variation gives any other person rights in priority to, or which rank equally with, the rights of the Preference B Shareholder in relation to the profits or assets which generate entitlement to the Preference B Dividend;
 - (f) any resolution is passed for the voluntary winding up of the Company, BRUK or any Affiliate which is a direct parent of BRUK; or
 - (h) any resolution is passed for the amendment of the Company's memorandum and/or Articles of association where that amendment gives any other person rights in priority to, or which rank equally with, the rights of the Preference B Shareholder in relation to the profits or assets which generate entitlement to the Preference B Dividend.
- 4.12.3 Subject always to the requirements of the Act, if any of the Company's Affiliates or any person acting on the Company's or such Affiliates' behalf receive any sums in respect of the capital stock or surplus of BRUK, whether such sums are received as a dividend, return of capital, distribution on a winding up or other distribution on the capital stock of BRUK (but not, for the avoidance of doubt, sums received by the Company or any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as a payment by a third party in consideration for its acquisition of any portion of the equity interest in BRUK, the Company shall:
- (a) cause its Affiliates and/or any person acting on its or their behalf to declare and pay sufficient and timely dividends, returns of capital or other distributions; and/or
 - (b) take such other reasonable steps (and shall cause its Affiliates and/or any person acting on its or their behalf to take such other reasonable steps) as may be lawfully available to it or them,

to enable the Preference B Shareholder to receive the amounts to which it is entitled according to the rights attaching to the Preference B Share.

4.13 Order of Priority of Dividend Payments as between Preference A Share and Preference B Share

4.13.1 If and to the extent that:

- (a) any profits of the Company which are lawfully available for distribution are attributable to sums received by the Company, its Affiliates or any person acting on its or their behalf in respect of the capital stock or surplus of BRUK; and
- (b) the Preference B Shareholder is at that time entitled to any Preference B Dividend in accordance with Article 4.9.1 or to any arrears of the Preference B Dividend and interest thereon in accordance with Article 4.9.3,

then the Preference B Shareholder shall be entitled to be paid the Preference B Dividend (and/or any arrears of and interest on the Preference B Dividend, as the case may be) out of such profits as are referred to in (a) above in priority to the Preference A Shareholder. For the avoidance of doubt, any profits of the Company which fall within (a) above and which are not required for payment of the Preference B Dividend (and/or any arrears of and interest on the Preference B Dividend, as the case may be) shall be payable to the Preference A Shareholder, to the extent (if any) required to discharge the Company's obligations under Article 4.3.1 to 4.3.3 (inclusive) in respect of the Preference A Dividend, in priority to any other shareholder.

4.13.2 If and to the extent that:

- (a) any profits of the Company which are lawfully available for distribution are attributable to sums received by the Company, its Affiliates or any person acting on its or their behalf in respect of the capital stock or surplus of AARe; and
- (b) the Preference A Shareholder is at that time entitled to any Preference A Dividend in accordance with Article 4.3.1 or to any arrears of the Preference A Dividend and interest thereon in accordance with Article 4.3.3,

then the Preference A Shareholder shall be entitled to be paid the Preference A Dividend (and/or any arrears of and interest on the Preference A Dividend, as the case may be) out of such profits as are referred to in (a) above in priority to the Preference B Shareholder. For the avoidance of doubt, any profits of the Company which fall within (a) above and which are not required for payment of the Preference A Dividend (and/or any arrears of and interest on the Preference A Dividend, as the case may be) shall be payable to the Preference B Shareholder, to the extent (if any) required to discharge the Company's obligations under Article 4.9.1 to 4.9.3 (inclusive) in respect of the Preference B Dividend, in priority to any other shareholder.

4.13.3 In respect of any profits of the Company which are lawfully available for distribution and which are not (or cannot be specifically identified as being) of the type referred to in either Article 4.13.1(a) or 4.13.2(a), such profits shall be applied (in priority to any other shareholder), as between the Preference A Shareholder and the Preference B Shareholder, in the following order of priority:

- (a) payment in full of all arrears of and deficiencies in (and interest on) the Preference A Dividend; then
- (b) payment in full of all arrears of and deficiencies in (and interest on) the Preference B Dividend; then
- (c) payment of any Preference A Dividend which has become due but which is not yet in arrears; then
- (d) payment of any Preference B Dividend which has become due but which is not yet in arrears.

4.13.4 For the avoidance of doubt:

- (a) nothing in Article 4.13.1 to 4.13.3 (inclusive) shall operate in any way so as to relieve the Company of its obligations to pay the Preference A Dividend and the Preference B Dividend when due in accordance with Articles 4.3.1 and 4.9.1 respectively; and
- (b) nothing in this Article 4.13.4 shall operate so as to require the Company to make any payment to the Preference A Shareholder or the Preference B Shareholder other than as expressly set out in Articles 4.2 to 4.12 (inclusive) (as the case may be).

4.13.5 Subject to the provisions of the Statutes and to any special rights conferred on the holders of any other shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the board may decide.

5 UNISSUED SHARES

Subject to the provisions of the Statutes, these Articles and any resolution of the Company, the board may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of any unissued shares to such persons, at such times and generally on such terms as the board may decide but no share may be issued at a discount.

6 AUTHORITY TO ALLOT RELEVANT SECURITIES

The Company may from time to time pass an ordinary resolution referring to this Article and authorising, in accordance with section 551 of the 2006 Act, the board to exercise all the powers of the Company to allot shares and to grant rights for or to convert any security into shares ("relevant securities") and:

- (a) on the passing of the resolution the board shall be generally and unconditionally authorised to allot relevant securities (as defined for the purposes of that section) up to the nominal amount specified in the resolution; and
- (b) unless previously revoked, the authority shall expire on the date specified in the resolution (not being more than five years after the date on which the resolution is passed),

but any authority given under this Article shall allow the Company, before the authority expires, to make an offer or agreement which would or might require relevant securities to be allotted after it expires.

7 **DISAPPLICATION OF PRE-EMPTION RIGHTS**

7.1 Subject to the board being generally authorised to allot relevant securities in accordance with section 551 of the 2006 Act, the Company may from time to time resolve by a special resolution referring to this Article that the board be given power to allot equity securities for cash and, on the passing of the resolution, the board shall have power to allot (pursuant to that authority) equity securities for cash as if section 561 of the 2006 Act did not apply to the allotment but that power shall be limited:

- (a) to the allotment of equity securities in connection with a rights issue; and
- (b) to the allotment (other than in connection with a rights issue) of equity securities having, in the case of ordinary shares, a nominal amount (or, in the case of other equity securities, giving the right to subscribe for, or to convert into, ordinary shares having a nominal amount) not exceeding in aggregate the sum specified in the special resolution;

and (unless it previously ceases to have effect) that power shall expire on the date (if any) specified in the special resolution but the Company may, before the power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires.

7.2 For the purposes of this Article:

“**equity security**” and “**ordinary share**” have the meanings given to them in section 560 of the 2006 Act.

7.3 This Article also applies to a sale of treasury shares which is treated as if it were an allotment of equity securities for the purposes of Chapter 3 of Part 17 of the 2006 Act by virtue of section 560(2)(b) of the 2006 Act.

8 **POWER TO PAY 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 Statutes.

9 **POWER TO ISSUE REDEEMABLE SHARES**

Subject to the provisions of the Statutes any share may be issued on terms that it is to be redeemed or is liable to be redeemed at the option of the Company or the shareholder, and the board may determine the terms, conditions and manner of redemption of any such shares.

10 **TRUSTS NOT RECOGNISED**

Except as required by law or these Articles or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required to recognise (even when having notice of it) any interest or other right in or in respect of any share, except the holder's absolute right to the entirety of the share.

VARIATION OF RIGHTS

11 VARIATION OF CLASS RIGHTS

- 11.1 Whenever the capital of the Company is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares in issue may from time to time (whether or not the Company is being wound up) be varied in such manner (if any) as may be provided by those rights or with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares.
- 11.2 All the provisions of these Articles relating to general meetings of the Company or to the proceedings at general meetings shall apply, *mutatis mutandis*, to every such separate general meeting, except that:
- (a) the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class (excluding any shares of that class held as treasury shares);
 - (b) at an adjourned meeting the necessary quorum shall be two persons holding shares of the class (other than treasury shares) or his proxy;
 - (c) every holder of shares of the class shall have one vote in respect of every share of the class held by him (excluding any shares of that class held as treasury shares); and
 - (d) a poll may be demanded by any one holder of shares of the class whether present in person or by proxy.
- 11.3 Unless otherwise expressly provided by the terms of their issue, the rights attached to any class of shares shall not be deemed to be varied or abrogated by:
- (a) the creation or issue of further shares ranking *pari passu* with them but in no respect in priority thereto; or
 - (b) the purchase by the Company of any of its own shares or the holding of such shares as treasury shares in accordance with the provisions of the Act.

SHARE CERTIFICATES

12 ISSUE OF CERTIFICATES

- 12.1 A person whose name is entered in the register as the holder of any certificated shares shall be entitled to receive without charge within two months after the allotment to him of those shares or five business days after the lodgement of evidence of his entitlement to shares (or within such other period as the conditions of issue may provide) one certificate for those shares, or one certificate for each class of those shares, but no certificate shall be issued to any member who is a market nominee unless it specifically requests the Company to issue one.
- 12.2 In the case of joint holders, the Company shall not be bound to issue more than one certificate for all the shares in any particular class registered in their joint names and delivery of a certificate for a share to any one of the joint holders shall be sufficient delivery to all.

- 12.3 Notwithstanding any other article the board may from time to time determine, either generally or in any particular case, the method by which any share certificate issued by the company in respect of the company's shares, stock, debentures or other securities shall be authenticated or executed by or on behalf of the company and, in particular:
- (a) the board may dispense with the need to affix the common seal, or any official seal, of the company of such certificate;
 - (b) the board may determine the manner, and by whom, any such certificate is to be signed, and may dispense with the need for such certificate to be signed or executed in any way; and
 - (c) the board may permit the signature or a facsimile of the signature of any person to be applied to such share certificate by any mechanical or electronic means in place of that person's actual signature.
- 12.4 Any certificate issued in accordance with the requirements of the board shall, as against the company, be prima facie evidence of the title of the person named in that certificate to the shares comprised in it.

13 CHARGES FOR AND REPLACEMENT OF CERTIFICATES

- 13.1 Except as expressly provided to the contrary in these Articles, no fee shall be charged for the issue of a share certificate.
- 13.2 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 issued.
- 13.3 Where a member has transferred part only of the shares comprised in a certificate, he shall be entitled without charge to a certificate for the balance of his shares.
- 13.4 If any member surrenders for cancellation a certificate representing shares held by him and requests the Company to issue two or more certificates representing those shares in such proportions as he may specify, the board may, if it thinks fit, comply with the request on payment of such fee (if any) as the board may decide.
- 13.5 In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.
- 13.6 If a certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued on compliance with such conditions as to evidence and indemnity as the board may think fit without charge (other than exceptional out of pocket expenses) and, if damaged or defaced, on delivery up of the old certificate.

LIEN ON SHARES

14 LIEN ON PARTLY PAID SHARES

- 14.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable (whether or not due) in respect of that share. The lien shall extend to every amount payable in respect of that share.
- 14.2 The board may at any time either generally or in any particular case declare any share to be wholly or partly exempt from the provisions of this Article.

14.3 Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien (if any) on that share.

15 **ENFORCEMENT OF LIEN**

15.1 The Company may sell any share subject to a lien in such manner as the board may decide if any amount payable on the share is due and is not paid within 14 clear days after a notice has been served on the holder or any person entitled by transmission to the share demanding payment of that amount and giving notice of intention to sell in default.

15.2 To give effect to any sale under this Article, the board may authorise some person to transfer the share sold 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 share be affected by any irregularity in or invalidity of the proceedings connected with the sale.

15.3 The net proceeds of the sale, after payment of the costs, shall be applied in or towards satisfaction of the amount due and any residue shall (subject to a like lien for any amounts not presently due as existed on the share before the sale), on surrender of the certificate for the shares sold, be paid to the holder or person entitled by transmission to the share immediately before the sale.

CALLS ON SHARES

16 **CALLS**

16.1 Subject to the terms of allotment, the board may make calls on the members in respect of any monies unpaid on their shares (whether in respect of nominal amount or premium) and each member shall (subject to his receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be revoked or postponed as the board may decide.

16.2 Any call may be made payable in one sum or by instalments and shall be deemed to be made at the time when the resolution of the board authorising that call is passed.

16.3 A person on whom a call is made shall remain liable for it notwithstanding the subsequent transfer of the share in respect of which the call is made.

16.4 The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of that share.

17 **INTEREST ON CALLS**

If a call is not paid before or on the due date for payment, the person from whom it is due shall pay interest on the amount unpaid from the due date for payment to the date of actual payment at such rate as the board may decide, but the board may waive payment of the interest, wholly or in part.

18 **SUMS TREATED AS CALLS**

A sum which by the terms of allotment of a share is payable on allotment, or at a fixed time, or by instalments at fixed times, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date or dates fixed for payment and, in case of non-payment, the provisions of these Articles shall apply as if that sum had become payable by virtue of a call.

19 **POWER TO DIFFERENTIATE**

On any issue of shares the board may make arrangements for a difference between the allottees or holders of the shares in the amounts and times of payment of calls on their shares.

20 **PAYMENT OF CALLS IN ADVANCE**

The board may, if it thinks fit, receive all or any part of the monies payable on a share beyond the sum actually called up on it if the holder is willing to make payment in advance and, on any monies so paid in advance, may (until they would otherwise be due) pay interest at such rate as may be agreed between the board and the member paying the sum in advance but no dividend shall be payable in respect of any monies so paid in advance.

FORFEITURE OF SHARES

21 **NOTICE OF UNPAID CALLS**

21.1 If the whole or any part of any call or instalment remains unpaid on any share after the due date for payment, the board may serve a notice on the holder requiring him to pay so much of the call or instalment as remains unpaid, together with any accrued interest.

21.2 The notice shall state a further day, being not less than seven clear days from the date of the notice, on or before which, and the place where, payment is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the share in respect of which the call was made or instalment is payable will be liable to be forfeited.

21.3 The board may accept a surrender of any share liable to be forfeited.

22 **FORFEITURE FOLLOWING NON-COMPLIANCE WITH NOTICE**

22.1 If the requirements of a notice served under the preceding Article are not complied with, any share in respect of which it was given may (before the payment required by the notice is made) be forfeited by a resolution of the board. The forfeiture shall include all dividends declared and other monies payable in respect of the forfeited share and not actually paid before the forfeiture.

22.2 If a share is forfeited, notice of the forfeiture shall be given to the person who was the holder of the share or (as the case may be) the person entitled to the share by transmission and an entry that notice of the forfeiture has been given, with the relevant date, shall be made in the register; but no forfeiture shall be invalidated by any omission to give such notice or to make such entry.

23 **POWER TO ANNUL FORFEITURE OR SURRENDER**

The board may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon payment of all calls and interest due on or incurred in respect of the share and on such further conditions (if any) as it thinks fit.

24 **DISPOSAL OF FORFEITED OR SURRENDERED SHARES**

24.1 Every share which is forfeited or surrendered shall become the property of the Company and (subject to the provisions of the Statutes) may be sold, re-allotted or

otherwise disposed of, upon such terms and in such manner as the board shall decide either to the person who was before the forfeiture the holder of the share or to any other person and whether with or without all or any part of the amount previously paid up on the share being credited as so paid up. The board may for the purposes of a disposal authorise some person to transfer the forfeited or surrendered share to, or in accordance with the directions of, any person to whom the same has been sold or disposed of.

24.2 A statutory declaration by a director or the secretary that a share has been forfeited or surrendered on a specified date shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts stated in it and shall (subject to the execution of any necessary transfer) constitute a good title to the share. The new holder of the share shall not be bound to see to the application of the consideration for the disposal (if any); nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings connected with the forfeiture, surrender, sale, re-allotment or disposal of the share.

25 **ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE OR SURRENDER**

A person, any of whose shares have been forfeited or surrendered, shall cease to be a member in respect of the forfeited or surrendered share and shall surrender to the Company for cancellation the certificate for the share forfeited or surrendered, but shall remain liable (unless payment is waived in whole or in part by the board) to pay to the Company all monies payable by him on or in respect of that share at the time of forfeiture or surrender, together with interest from the time of forfeiture or surrender until payment at such rate as the board shall decide, in the same manner as if the share had not been forfeited or surrendered. He shall also be liable to satisfy all the claims and demands (if any) which the Company might have enforced in respect of the share at the time of forfeiture or surrender. No deduction or allowance shall be made for the value of the share at the time of forfeiture or surrender or for any consideration received on its disposal.

UNTRACED MEMBERS

26 **SALE OF SHARES OF UNTRACED MEMBERS**

26.1 The Company may sell any share of a member, or any share to which a person is entitled by transmission, by giving to a person authorised to conduct business on the London Stock Exchange an instruction to sell it at the best price reasonably obtainable, if:

- (a) during the relevant period at least three dividends have become payable in respect of the share to be sold and have been sent by the Company in accordance with Article 112 (*Method of Payment*);
- (b) no dividend payable during the relevant period in respect of the share has been claimed;
- (c) during the relevant period no warrant or cheque in respect of the share sent to the registered address and in the manner provided by these Articles for sending such payments has been cashed;
- (d) during the relevant period no communication has been received by the Company from the member or the person entitled by transmission to the share;

- (e) after expiry of the relevant period the Company has published advertisements in both a national newspaper and in a newspaper circulating in the area in which the registered address is located, in each case giving notice of its intention to sell the share; and
- (f) during the period of three months following the publication of those advertisements and after that period until the exercise of the power to sell the share, the Company has not received any communication from the member or the person entitled by transmission to the share.

For the purposes of this Article 26.1 the “**relevant period**” means the period of 12 years immediately preceding the date of publication of the first of any advertisement published pursuant to Article 26.1(e).

- 26.2 The Company's power of sale shall extend to any further share which on or before the date of publication of the first advertisement published pursuant to Article 26.1(e), is issued in right of a share to which Article 26.1 applies (or in right of any share to which this Article 26.2 applies) if the conditions set out in Article 26.1(a) to Article 26.1(f) (inclusive) have been satisfied in relation to the further share since the date of allotment of the further share but for this purpose the relevant period shall be deemed to be the period commencing on the date of allotment of the further share and ending immediately prior to the publication of the first advertisement published pursuant to Article 26.1(e).
- 26.3 To give effect to any sale, the board may authorise some person to transfer the share to, or in accordance with the directions of, the purchaser and the new holder of the share shall not be bound to see to the application of the purchase money; nor shall his title to the share be affected by any irregularity in, or invalidity of, the proceedings connected with the sale.

27 APPLICATION OF PROCEEDS OF SALE

- 27.1 The Company shall account to the person entitled to the share at the date of sale for a sum equal to the net proceeds of sale and shall be deemed to be his debtor, and not a trustee for him, in respect of them.
- 27.2 Pending payment of the net proceeds of sale to such person, the proceeds may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the board may from time to time decide.
- 27.3 No interest shall be payable in respect of the net proceeds and the Company shall not be required to account for any monies earned on the net proceeds.

TRANSFER OF SHARES

28 RIGHT TO TRANSFER SHARES

Subject to these Articles, a member may transfer all or any of his shares in any manner which is permitted by the Statutes or in any other manner which is from time to time approved by the board.

29 TRANSFER OF CERTIFICATED SHARES

A transfer of a certificated share shall be in writing in the usual common form or in any other form permitted by the Statutes or approved by the board. The instrument

of transfer shall be signed by or on behalf of the transferor and, if the certificated share is not fully paid, by or on behalf of the transferee.

30 **TRANSFER OF UNCERTIFICATED SHARES**

Subject to these Articles, a member may transfer an uncertificated share by means of the relevant system or in any other manner which is permitted by the Statutes and is from time to time approved by the board.

31 **POWER TO REFUSE REGISTRATION OF TRANSFERS OF CERTIFICATED SHARES**

31.1 The board may, in its absolute discretion refuse to register any transfer of a certificated share of any class which is not fully paid provided that, where any such shares are admitted to the Official List of the UK Listing Authority or to trading on AIM, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

31.2 The board may also refuse to register any transfer of a certificated share unless the transfer is in respect of one class of shares and is in favour of no more than four transferees and the instrument of transfer, duly stamped, is deposited at the office or such other place as the board may appoint, accompanied by the certificate for the shares to which it relates if it has been issued, and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer.

32 **POWER TO REFUSE REGISTRATION OF TRANSFERS OF UNCERTIFICATED SHARES**

The board may refuse to register any transfer of an uncertificated share where permitted by the Regulations.

33 **OTHER PROVISIONS ON TRANSFERS**

33.1 The transferor shall be deemed to remain the holder of the shares transferred until the name of the transferee is entered in the register in respect of those shares.

33.2 No fee shall be charged in respect of the registration of any transfer, probate, letters of administration or other document or instruction relating to or affecting the title to any shares.

33.3 Any instrument of transfer which is registered shall, subject to Article 133 (*Destruction of Documents*), be retained by the Company, but any instrument of transfer which the board refuses to register shall (except in any case of fraud) be returned to the person depositing the same.

34 **NOTICE OF REFUSAL OF TRANSFER**

If the board refuse to register a transfer they shall send to the transferee notice of the refusal together with its reasons for refusal:

(a) in the case of a certificated share, as soon as practicable and, in any event, within two months of the date on which the transfer was lodged with the Company; or

(b) in the case of an uncertificated share which is transferred by means of a relevant system to a person who is to hold it thereafter in certificated form, as soon as practicable and, in any event, within two months of the date on

which an instruction in respect of such transfer was duly received by the Company through the relevant system.

35 CLOSURE OF REGISTER

Subject to compliance with the Statutes, the register may be closed at such times and for such periods as the board in its absolute discretion may from time to time determine, provided that:

- (a) the register shall not be closed for more than 30 days in any year; and
- (b) where any class of shares is a participating security, the consent of the Operator of the relevant system shall be obtained to the closing of the register in respect of that class of security.

36 BRANCH REGISTER

36.1 Subject to Article 36.2 and to the extent permitted by the Statutes, the Company or the board on behalf of the Company may cause to be kept in any territory a branch register of members resident in such territory and the board may make and vary such regulations as it thinks fit respecting the keeping of any such register.

36.2 A member of the Company who holds a share in uncertificated form shall not be entered as the holder of that share on an overseas branch register.

37 RENUNCIATIONS OF ALLOTMENT

Nothing in these Articles shall preclude the board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

38 TRANSMISSION ON DEATH

If a member dies, the survivor, where the deceased was a joint holder, and his personal representatives where he was a sole or the only surviving holder, shall be the only person or persons recognised by the Company as having any title to his shares; but nothing in these Articles shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly.

39 ELECTION OF PERSON ENTITLED BY TRANSMISSION

39.1 A person becoming entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to a transmission by operation of law may, on producing such evidence as the board may require and subject as provided in this Article, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the holder of the share.

39.2 If he elects to be registered himself, he shall give to the Company a notice signed by him to that effect. If he elects to have another person registered, he shall execute a transfer of the share to that person.

39.3 A person entitled by transmission to a share in uncertificated form who elects to have some other person registered as the holder of the share shall either:

- (a) procure that instructions are given by means of a relevant system to effect transfer of such uncertificated share to that person; or

- (b) change the uncertificated share into certificated form and execute an instrument of transfer of that certificated share to that person.

39.4 All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer signed by the person from whom the title by transmission is derived and the death or bankruptcy of the member had not occurred.

40 **RIGHTS OF PERSON ENTITLED BY TRANSMISSION**

40.1 A person becoming entitled to a share in consequence of a death or bankruptcy of a member or of any other event giving rise to a transmission by operation of law shall have the right to receive and give a discharge for any dividends or other monies payable in respect of the share and shall have the same rights in relation to the share as he would have if he were the holder except that, until he becomes the holder, he shall not be entitled to attend or vote at any meeting of the Company or any separate general meeting of the holders of any class of shares in the Company.

40.2 The board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and, if after 90 days the notice has not been complied with, the board may withhold payment of all dividends or other monies payable in respect of the share until the requirements of the notice have been complied with.

UNCERTIFICATED SHARES

41 **UNCERTIFICATED SHARES – GENERAL POWERS**

41.1 Notwithstanding anything in these Articles to the contrary, any share may be issued, held, registered, converted to or transferred in uncertificated form and may be converted from uncertificated form to certificated form in accordance with the Regulations and the requirements and practices of the Operator of the relevant system.

41.2 In relation to any share which is for the time being held in uncertificated form:

- (a) the Company may utilise the relevant system in which it is held to the fullest extent available from time to time in the exercise of any of its powers or functions under the Statutes or these Articles or otherwise in effecting any actions and the board may from time to time determine the manner in which such powers, functions and actions shall be so exercised or effected;

- (b) any provision in these Articles which is inconsistent with:

- (i) the holding or transfer of that share in the manner prescribed or permitted by the Statutes;
- (ii) any other provision of the Statutes relating to shares held in uncertificated form; or
- (iii) the exercise of any powers or functions by the Company or the effecting by the Company of any actions by means of a relevant system,

shall not apply;

- (c) the Company may, by notice to the holder of any such share, require the holder to convert such share into certificated form within such period as may be specified in the notice or, alternatively, may, to the extent permitted by the Regulations, give notice to the Operator of the relevant system requiring such share to be converted into certificated form; and
 - (d) the Company shall not issue a certificate.
- 41.3 The Company shall enter on the issuer register of members the number of shares which are held by each member in certificated form.
- 41.4 Unless the board otherwise determines, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings.
- 41.5 References in these Articles to a requirement to execute or deliver an instrument of transfer or certificate or other document which shall not be appropriate in the case of uncertificated shares shall, in the case of uncertificated shares, be treated as references to a requirement to comply with any relevant requirements of the relevant system and any relevant arrangements or regulations which the board may make from time to time pursuant to Article 41.8.
- 41.6 A class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which applies only in respect of certificated shares or uncertificated shares.
- 41.7 References in these Articles to instruments of transfer shall, so far as may be consistent with the Regulations and the requirements of the relevant system, include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system relating to the transfer of such shares.
- 41.8 Subject to the Regulations and the requirements of the relevant system, the board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion think fit in relation to the evidencing and transfer of uncertificated shares or otherwise for the purpose of implementing and/or supplementing the provisions of this Article and the Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article.
- 41.9 The board may resolve that a class of shares is to become a participating security and may at any time determine that a class of shares shall cease to be a participating security.
- 41.10 Where any class of shares in the capital of the Company is a participating security and the Company is entitled under any provisions of the Statutes or the rules made and practices instituted by the Operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any share which is held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the Operator of the relevant system) shall include the right to:
 - (a) request or require the deletion of any entries in the Operator register of members;
 - (b) require any holder of any uncertificated share which is the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated share into

certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such share or direct the holder to take such steps, by instructions given by means of a relevant system or otherwise, as may be necessary to sell or transfer such share;

- (c) appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such share as may be required to effect a transfer of such share and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated share concerned;
- (d) otherwise rectify or change the issuer register of members in respect of that share in such manner as may be appropriate; and/or
- (e) take such other action as may be necessary to enable that share to be registered in the name of the person to whom the share has been sold or disposed of or as directed by him.

DISCLOSURE OF INTERESTS IN SHARES

42 DISCLOSURE REQUIRED BY THE COMPANY

42.1 This Article applies where the Company gives to the holder of a share or to any person appearing to be interested in a share a notice requiring any of the information mentioned in section 793 of the 2006 Act (a "**section 793 notice**").

42.2 If a section 793 notice is given by the Company to a person appearing to be interested in any share, a copy shall at the same time be given to the holder, but the accidental omission to do so or the non-receipt of the copy by the holder shall not prejudice the operation of the following provisions of this Article.

42.3 If the holder of, or any person appearing to be interested in, any share has been served with a section 793 notice and, in respect of that share (a "**default share**"), has been in default for a period of 14 days after service of the section 793 notice in supplying to the Company the information required by the section 793 notice, the restrictions referred to below shall apply. Those restrictions shall continue for the period specified by the board provided that such period shall end not later than seven days after the earliest of:

- (a) due compliance to the satisfaction of the board with the section 793 notice; or
- (b) receipt by the Company of notice that the shareholding has been sold to a third party pursuant to an arm's length transfer,

and provided further that the board may waive all or any of such restrictions.

42.4 The restrictions referred to above are as follows:

- (a) if the default shares in which any one person is interested or appears to the Company to be interested represent less than 0.25% of the issued shares of the class (calculated exclusive of treasury shares), the holders of the default shares shall not be entitled, in respect of those shares, to attend and vote at a general meeting of the Company, either personally or by proxy; or
- (b) if the default shares in which any one person is interested or appears to the Company to be interested represent at least 0.25% of the issued shares of

the class (calculated exclusive of treasury shares), the holders of the default shares shall not be entitled, in respect of those shares:

- (i) to attend and vote at a general meeting of the Company, either personally or by proxy; or
- (ii) to receive any dividend (including shares issued in lieu of dividend); or
- (iii) to transfer or agree to transfer any of those shares or any rights in them.

42.5 The restrictions in Article 42.4 shall not prejudice the right of either the member holding the default shares or, if different, any person having a power of sale over those shares to sell or agree to sell those shares under an arm's length transfer.

42.6 If any dividend is withheld under Article 42.4(b)(ii) the member shall be entitled to receive it as soon as practicable after the restriction contained in Article 42.4(b)(ii) shall cease to apply.

42.7 If, while any of the restrictions referred to above apply to a share, another share is allotted as of right pursuant to the rights attached to such share, the same restrictions shall apply to that other share as if it were a default share. For this purpose, shares which the Company allots, or procures to be offered, pro rata (disregarding fractional entitlements and shares not offered to certain members by reason of legal or practical problems associated with issuing or offering shares outside the United Kingdom) to holders of shares of the same class as the default share shall be treated as shares allotted in right of existing shares from the date on which the allotment is unconditional or, in the case of shares so offered, the date of the acceptance of the offer.

42.8 For the purposes of this Article:

an "**arm's length transfer**" in relation to any shares is a transfer pursuant to:

- (a) a sale of the whole of the beneficial ownership of those shares to a *bona fide* third party not connected in any respect with the member or with any person appearing to be interested in such shares including any such sale on a recognised investment exchange or on any stock exchange outside the United Kingdom on which the shares are listed or normally traded; or
- (b) a takeover offer (being an offer made to all the holders, or all the holders other than the person making the offer and his nominees, of the shares in the Company to acquire those shares or a specified proportion of them or to all the holders, or all the holders other than the person making the offer and his nominees, of a particular class of those shares to acquire the shares of that class or a specified proportion of them) which relates to those shares;

42.9 For the purpose of this Article:

- (a) the percentage of the issued shares of a class represented by a particular holding shall be calculated by reference to the shares in issue (including any shares held as treasury shares) at the time when the section 793 notice is given;
- (b) sections 820 to 825 of the 2006 Act shall apply to determine whether a person has an interest in shares for the purpose of these Articles; and

- (c) a person shall be treated as appearing to be interested in any share if the Company has given to the member holding such share a section 793 notice and either (i) the member has named the person as being interested in the share or (ii) (after taking into account any response to any section 793 notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share.

The provisions of this Article are without prejudice to the provisions of section 794 of the 2006 Act and, in particular, the Company may apply to the court under section 794(1) of the 2006 Act whether or not the provisions of this Article apply or have been applied.

43 DISCLOSURE OF SHAREHOLDERS' INTERESTS

A member shall notify the Company, pursuant to DTR 5, of the percentage of voting rights which he holds in respect of the Company's shares or through any direct or indirect holding of financial instruments (or through a combination of such holdings) where the percentage of his voting rights reaches, exceeds or falls below the thresholds of 3% and each 1% thereafter up to 100%. For this purpose "financial instruments" shall have the meaning ascribed in the glossary to the FSA's Handbook of rules and guidance. Such a notification shall include the information provided for in DTR 5 and be made within two trading days. If a member fails to comply with this Article the shares of such member shall be treated as if they were default shares for the purposes of Article 42 and the board may impose on the shares of such member all or any of the restrictions mentioned in Article 42.4 until such time as the board is satisfied that the member has fully complied with this Article 43.

44 CONTROLLERS AND AGGREGATE HOLDINGS

44.1 In this Article:

"Affected Share" means any share which shall be treated as such pursuant to Article 44.2 and includes without limitation any Relevant Share.

"Affected Share Disposal" means a disposal or disposals of or of interests in an Affected Share such that the share ceases to be an Affected Share.

"Affected Share Notice" means a notice in writing served in accordance with the provisions of Article 44.2.

"Controller" means a person who is a controller of the Company within the meaning given to that expression in section 422 of FSMA (as amended from time to time) .

"Increased Control" means an increase in the percentage of shares or voting rights in respect of any shares in the Company in which a person is interested from:

- (a) below 10% to 10% or more but less than 20%;
- (b) below 20% to 20% or more but less than 33%;
- (c) below 33% to 33% or more but less than 50%; or
- (c) below 50% to 50% or more

as expressed in Section 180 of FSMA (as amended from time to time).

"Reduced Control" means an reduction in the percentage of shares or voting rights in respect of any shares in the Company in which a person is interested from:

- (d) 50% or more to 33% or more but less than 50%;
- (e) 33% or more to 20% or more but less than 33%;
- (c) 20% or more to 10% or more but less than 20%; or
- (f) 10% or more to less than 10%,

as expressed in Section 181 of FSMA (as amended from time to time).

"Relevant Person" means any person who would, if he acquired any additional share or shares or any interest in any such share or shares, without the provision of this Article 44.1, become a Controller of the Company or have Increased Control in respect of the Company's shares after the date of adoption of these Articles.

"Relevant Share" means any share which would, if acquired by any person without the provision of this Article 44.1, result in that person becoming a Controller or having Increased Control.

44.2 The Directors in their absolute discretion may give an Affected Share Notice to the registered holder of any share which they determine to be a Relevant Share and to any other person who appears to the Directors to be interested in that share and to the operator (in the case of a share held in uncertificated form) and shall state which of the provisions of Article 44.3 (all of which shall be set out in the Affected Share Notice) are to be applied forthwith in respect of such Relevant Share being an Affected Share. The Directors shall be entitled from time to time to serve further Affected Share Notices in respect of any Affected Share applying further provisions of Article 44.3. The registered holder of a share in respect of which an Affected Share Notice has been served or any other person on whom an Affected Share Notice in respect of that share has been served (including the Operator) may make representations to the Directors as to why such share should not be treated as a Relevant Share and if, after considering such representations and such other information as seems to them relevant, the Directors consider that either the share should not be treated as a Relevant Share or they are satisfied, acting reasonably, that the Relevant Person has all approvals necessary for it to add the Relevant Shares without detriment to the Company, or its subsidiaries or their respective businesses they shall forthwith withdraw the Affected Share Notice served in respect of such share and the provisions of Article 44.3 shall no longer apply to it. For the avoidance of doubt, any share which the Directors determine to deal with as an Affected Share shall continue to be an Affected Share unless and until the Directors withdraw the Affected Share Notice relating thereto.

44.3 Rights of holder of Affected Shares and required disposal:

44.3.1 A registered holder of an Affected Share upon whom an Affected Share Notice has been served shall not (if such Affected Share Notice specified that the provisions of this Article 44.3.1 are to apply thereto) be entitled, in respect of such share, to attend or to speak at any general meeting of the Company or any meeting of the holders of any class of shares or to vote at any such meeting and the rights to attend (whether in person or by proxy), to speak and to demand and vote on a poll which, but for the provisions of this Article 44.3.1, would have attached to the Affected Share shall vest in the Chairman of such meeting. The manner in which the Chairman exercises or refrains from exercising any such rights shall be entirely at his discretion. The Chairman of any such meeting as aforesaid shall be informed by the Directors of any share becoming or being deemed to be an Affected Share.

44.3.2 On service of a notice:

- (a) The persons on whom an Affected Share Notice has been served shall (if such Affected Share Notice specified that the provisions of this Article 44.3.2 are to apply thereto), within 21 days of receiving such Affected Share Notice (or such longer period as may in such Notice be prescribed by the Directors), make an Affected Share Disposal so that no Relevant Person has an interest in that share and, upon such Affected Share Disposal being made to the satisfaction of the Directors, such Affected Share shall cease to be a Relevant Share. The provisions of Article 44.3 shall apply to any transfer in connection with an Affected Share Disposal if as a consequence of the transfer such share would continue, or be capable of continuing, to be an Affected Share.
 - (b) If after 21 days from the date of service on the registered holder of an Affected Share of an Affected Share Notice specifying that the provisions of this Article 44.3.2 are to apply (or such longer period as the Directors may have prescribed), the Directors are not satisfied that an Affected Share Disposal has been made of or in relation to the Affected Share the subject thereof, the Directors may arrange for the sale of the Affected Share on behalf of the registered holder so that it ceases to be or to be capable of being treated as an Affected Share at the best price reasonably obtainable at the relevant time. The manner, timing and terms of any such Affected Share Disposal made or sought to be made by the Directors (including but not limited to the price or prices at which the same is made) shall be such as the Directors determine, based upon advice from bankers, brokers or other appropriate persons consulted by them for the purpose, to be reasonably practicable having regard to all the circumstances (including but not limited to the number of shares to be disposed of), and the Directors shall not be liable to any person for any of the consequences of reliance on such advice.
- 44.3.3 For so long as an Affected Share is held in uncertificated form, in circumstances where the Directors are obliged, pursuant to Article 44.3.2, to arrange for the sale of the Affected Share, the Directors may make such arrangements on behalf of the registered holder of the Affected Share as they may think necessary to transfer title to that Affected Share through a relevant system.
- 44.4 For the purposes of a sale under sub-paragraph Article 44.3.2 of a share held in certificated form the Directors may appoint any person to execute as transferor an instrument of transfer in favour of the transferee and may enter in the name of the transferee in respect of the transferred share in the Register of Members notwithstanding the absence of any share certificate and such instrument of transfer shall be as effective as if it had been executed by the registered holder and title of the transferee shall not be affected by any irregularity or invalidity of proceedings relating thereto. The net proceeds of sale of an Affected Share shall be received by the Company (whose receipt shall be a good discharge for the purchase money) shall be converted into sterling (if necessary) and shall be held on trust for and paid (together with interest at such rate as the Directors deem appropriate) to the former registered holder (or in the case of joint holders the first named joint holder thereof in the Register of Members) upon surrender by him or on his behalf of any certificate in respect of the Affected Shares sold and formerly held by him. When an Affected Share has been sold as aforesaid the Directors shall notify the former registered holder of the share and inform him that the net proceeds of sale of the share will be paid to him upon surrender by him or on his behalf of any certificate in respect of the share.
- 44.5 The Directors shall not be obliged to serve any notice required under this Article upon any person if they do not know either his identity or address. The absence of service in such circumstances as aforesaid and any accidental error in or failure to give any notice to any person upon whom notice is required to be served under this Article

- shall not prevent the implementation of or invalidate any procedure under this Article.
- 44.6 The provisions of Article 124 shall apply mutatis mutandis to the service of notices upon any member pursuant to this Article. Any notice required by this Article to be served upon a person who is not a member or to a person who is a member but to whom Article 124 does not apply shall be deemed validly served if it is sent through the post in a pre-paid cover addressed to that person at the address (or if more than one, at one of the addresses), if any, at which the Directors believe him to be resident or carrying on business. Service shall in such a case be deemed to be effected on the day after the day when it was put in the post and in proving such service it shall be sufficient to prove an envelope containing the notice or document was properly addressed and put into the post as a pre-paid letter.
- 44.7 Any resolution or determination of or any decision or the exercise of any discretion or power by the Directors or any one of them or by the Chairman of the Company (including any other Director duly acting in place of the Chairman) under this Article shall be final and conclusive and neither he nor they shall be obliged to give any reasons thereof. Any disposal or transfer made, or other thing done, by or on behalf or on the authority of the Directors or any of them pursuant to the foregoing provisions of this Article shall be conclusive and binding on all persons concerned and shall not be open to challenge on any ground whatsoever. For the avoidance of doubt any powers, rights or duties conferred by this Article on the Directors can be exercised by a duly authorised committee of the Directors.
- 44.8 The Chairman and the Directors shall, so long as they act reasonably and in good faith, be under no liability to the Company or to any other person for failing to treat any share as an Affected Share or any person as a Relevant Person in accordance with the provisions of this Article and neither shall the Chairman nor any Director be liable to the Company or any other person if, having acted reasonably and in good faith they determine erroneously that any share is an Affected Share, or any person is a Relevant Person or on the basis of such determination or any other determination or resolution, they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under this Article in relation to such share.
- 44.9 Any new shares in the Company issued in right of any shares which are the subject of a Affected Share Notice shall also be subject to the Affected Share Notice and the provisions of Article 44.3 shall apply accordingly.
- 44.10 Where an Affected Share Notice has been issued in accordance with Article 44.2 the Directors shall cause an entry to be noted against the Relevant Person(s) name in the register giving details of the number of Relevant Shares and the date on which the Affected Share Notice was served. Where any such Affected Share Notice has been complied with in accordance with Article 44.3.2 the Directors shall cause the relevant entry in the register to be removed.
- 44.11 Notwithstanding the requirement in Article 43 above, a member shall notify the Company where he proposes to enter into any transaction in respect of the Company's shares (or becomes aware that he will become entitled through any direct or indirect holding of financial instruments or through a combination of such holdings) to any interest in the Company's shares, where he will, as a result of that transaction or entitlement become a Controller or result in his having Increased Control or Reduced Control.
- 44.12 Where any notice is given to the Company by a member pursuant to this Article 44 or otherwise in relation to his shareholding, the giving of such notice shall not obviate any requirement, statutory or otherwise, for the member to notify any body or organisation of his shareholding in the Company.

45 **DISCLOSURE OF DIRECTORS' INTERESTS**

45.1 A director shall notify the Company when he acquires or disposes of shares in the Company or of the entering into by him of a contract to acquire or dispose of any such shares. The notification to the Company must state the number or amount and class of shares involved and shall be made immediately following the occurrence of any such event.

GENERAL MEETINGS

46 **ANNUAL GENERAL MEETINGS**

The board shall convene and the Company shall hold annual general meetings in accordance with the requirements of the Statutes.

47 **CONVENING OF GENERAL MEETINGS**

47.1 The board may convene a general meeting whenever it thinks fit.

47.2 A general meeting may also be convened in accordance with Article 86 (*Power to Act Notwithstanding Vacancy*).

47.3 A general meeting shall also be convened by the board on the requisition of members pursuant to the provisions of the Statutes or, in default, may be convened by such requisitions, as provided by the Statutes.

47.4 The board shall comply with the provisions of the Statutes regarding the giving and circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company.

48 **ORDERLY CONDUCT OF MEETINGS**

48.1 The board may both prior to and during any general meeting make any arrangements and impose any restrictions which it considers appropriate to ensure the security and/or the orderly conduct of any such general meeting, including, without limitation, arranging for any person attending any such meeting to be searched, for items of personal property which may be taken into any such meeting to be restricted and for any person (whether or not a member of the Company) who refuses to comply with any such arrangements or restrictions to be refused entry to or excluded from any such meeting.

48.2 The chairman of any general meeting of the Company shall take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting, including, without limitation, asking any person or persons (whether or not a member or members of the Company) to leave the meeting and, if necessary, having such person or persons excluded from the meeting. The decision of the chairman on matters relating to the orderly conduct of a meeting and on any other matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination, acting in good faith, as to whether any matter is of such nature. Nothing in this Article 48.2 shall limit any other power vested in the chairman.

48.3 The board may make such arrangements as it shall in its absolute discretion consider to be appropriate for any of the following purposes:

- (a) to regulate the level of attendance at any place specified for the holding of a general meeting or any adjournment of such a meeting;
- (b) to ensure the safety of people attending at any such place; or
- (c) to facilitate attendance at such meeting or adjournment,

and may from time to time vary any such arrangements or make new arrangements in their place. Such arrangements may include, without prejudice to the generality of the foregoing, the issue of tickets or the use of some random means of selection or otherwise as the board shall consider to be appropriate.

48.4 The board may when specifying the place of the meeting:

- (a) direct that the meeting shall be held at a place specified in the notice ("**Main Meeting Place**") at which the chairman of the meeting shall preside; and
- (b) make arrangements for simultaneous attendance and participation at another place or other places by members and proxies otherwise entitled to attend the general meeting but excluded from it under the provisions of this Article 48.4 or who wish to attend at the other place or any of such other places.

48.5 Such arrangements for simultaneous attendance may include arrangements for regulating the level of attendance in the manner aforesaid at the other place or any of such other places.

48.6 The members present in person or by proxy at the other place or places pursuant to the provisions of Article 48.4(b) shall be counted in the quorum for, and entitled to vote at, the meeting in question, and that meeting shall be duly constituted and its proceedings shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending all the meeting places are able to:

- (a) participate in the business for which the meeting has been convened;
- (b) hear and see all persons who speak (whether by use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the Main Meeting Place and the other place or places for the meeting; and
- (c) be heard and seen by all other persons present in the same way.

48.7 If it appears to the chairman of the meeting that the facilities at the Main Meeting Place or at the other place or places have become inadequate for the purpose referred to in Article 48.6, then the chairman may, without the consent of the meeting, interrupt or adjourn the meeting. All business conducted at that meeting up to the time of adjournment shall be valid. The provisions of Article 55.2 shall apply to that adjournment.

48.8 For the purposes of all other provisions of these Articles (unless the context requires otherwise) the members shall be deemed to be meeting in one place, and that shall be the Main Meeting Place.

48.9 If after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board decides that it is impracticable or unreasonable to hold the meeting on the date or at the time or at the Main Meeting Place specified in the notice calling the meeting (or any of the

other places, in the case of a meeting to which Article 48.4(b) applies), it may postpone the meeting to another date, time and place. When a meeting is postponed, notice of the date, time and place of the postponed meeting shall, be placed in at least two national newspapers in the United Kingdom. No new notice of the meeting need be sent. The board must take reasonable steps to ensure that a member trying to attend the meeting at the original date, time and place is informed of the new arrangements.

- 48.10 A proxy appointed in relation to a postponed meeting may, if by means of an instrument in hard copy form, be delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 67.1(a) or, if in electronic form, be received at the address (if any) specified by or on behalf of the Company in accordance with Article 67.1(b), at any time not less than 48 hours before any postponed time appointed for holding the meeting.

NOTICE OF GENERAL MEETINGS

49 LENGTH AND FORM OF NOTICE

- 49.1 An annual general meeting shall be called by not less than 21 clear days' notice. All other general meetings shall be called by not less than 14 clear days' notice.
- 49.2 A general meeting may be called by shorter notice if 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 a general meeting by a majority in number of the members having a right to attend and vote at the meeting who together hold not less than 95 per cent. in nominal value of the shares giving that right.
- 49.3 The notice shall specify the place, day and time of the meeting and the general nature of the business to be transacted.
- 49.4 Notice of every general meeting shall be given to all members other than any who, under the provisions of these Articles or the terms of issue of the shares which they hold, are not entitled to receive such notices from the Company, and also to the auditors (or, if more than one, each of them) and to each director.
- 49.5 Every notice of meeting shall state with reasonable prominence that a member entitled to attend, speak and vote at the meeting may appoint one or more proxies to attend, speak and vote at that meeting instead of him and that a proxy need not be a member of the Company.

50 AMENDMENTS TO RESOLUTIONS

- 50.1 No amendment to a resolution duly proposed as a special resolution (other than a mere clerical amendment to correct an obvious error) may be considered.
- 50.2 No amendment to a resolution duly proposed as an ordinary resolution may be considered or voted on (other than a mere clerical amendment to correct an obvious error) unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed, notice in writing of the terms of the amendment has been lodged by means of an instrument in hard copy form at the office, or received in electronic form at such

address (if any) as may for the time being have been specified by or on behalf of the Company for that purpose.

- 50.3 If an amendment shall be proposed to any resolution but shall be ruled out of order by the chairman, acting in good faith, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

51 **OMISSION OR NON-RECEIPT OF NOTICE**

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

PROCEEDINGS AT GENERAL MEETINGS

52 **QUORUM**

- 52.1 No business, other than the appointment of a chairman, shall be transacted at any general meeting unless the requisite quorum is present when the meeting proceeds to business.

- 52.2 Except as otherwise provided by these Articles two persons entitled to attend and to vote on the business to be transacted, each being a member present in person or by proxy or a duly authorised representative of a corporation which is a member, shall be a quorum.

- 52.3 If within 15 minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or, if that day is not a business day, to the next business day) and at the same time and place, as the original meeting, or to such other day, and at such other time and place, as the board may decide and in the latter case not less than seven clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being. If at an adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, the meeting shall be dissolved.

53 **CHAIRMAN**

At each general meeting, the chairman of the board or, if he is absent or unwilling, the deputy chairman (if any) of the board or (if more than one deputy chairman is present and willing) the deputy chairman who has been longest in such office or, if no deputy chairman is present and willing, then one of the other directors who is appointed for the purpose by the board or (failing appointment by the board), by the members present, shall preside as chairman of the meeting, but if no director is present within 15 minutes after the time fixed for holding the meeting or, if none of the directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

54 **DIRECTORS ENTITLED TO ATTEND AND SPEAK**

Whether or not he is a member, a director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares of the Company.

55 **ADJOURNMENT**

55.1 With the consent of any meeting at which a quorum is present the chairman of the meeting may (and if so directed by the meeting shall) adjourn the meeting from time to time or sine die and from place to place.

55.2 In addition, the chairman of the meeting may at any time without the consent of the meeting adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place if, in his opinion, it would facilitate the conduct of the business of the meeting to do so, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless appoint a proxy for the adjourned meeting in accordance with Article 67.1.

55.3 Nothing in this Article shall limit any other power vested in the chairman to adjourn the meeting.

55.4 Whenever a meeting is adjourned for 30 days or more, at least seven clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being but otherwise no person shall be entitled to any notice of any adjourned meeting or of the business to be transacted at an adjourned meeting.

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

56 **METHOD OF VOTING AND DEMAND FOR POLL**

56.1 At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (a) the chairman of the meeting;
- (b) at least three members present in person or by proxy having the right to vote on the resolution;
- (c) a member or members present in person or by proxy representing in aggregate not less than 10 per cent. 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 the right to vote on the resolution on which an aggregate sum has been paid up equal to not less than 10 per cent. of the total sum paid up on all the shares conferring that right (excluding any shares in the Company conferring a right to vote at the meeting which are held as treasury shares),

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

- 56.2 No poll may be demanded on the appointment of a chairman of the meeting.
- 56.3 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 56.4 Unless a poll is demanded (and the demand is not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or has been carried by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of that fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution or withheld.

57 **TAKING A POLL**

- 57.1 If a poll is demanded (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days after the meeting), at such place and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).
- 57.2 A poll demanded on a question of adjournment shall be taken at the meeting without adjournment.
- 57.3 It shall not be necessary (unless the chairman of the meeting otherwise directs) for notice to be given of a poll whether taken at or after the meeting at which it was demanded.
- 57.4 On a poll votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 57.5 The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

58 **CONTINUANCE OF BUSINESS AFTER DEMAND FOR POLL**

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS

59 **VOTING RIGHTS**

Subject to the provisions of these Articles and to any special rights or restrictions as to voting for the time being attached to any shares:

- (a) on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote;

- (b) on a show of hands, every proxy appointed by a member shall have one vote; and
- (c) on a poll, every member who is present in person or by proxy shall have one vote for every share in the Company held by him.

Where a duly authorised representative or proxy is himself a member in his own right, he may only vote once on a show of hands and such vote shall represent a vote by him in his capacity as a member and not in his capacity as a corporate representative or proxy.

60 **REPRESENTATION OF CORPORATIONS**

Any corporation which is a member of the Company may, by resolution of its board or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company or of any class of members of the Company; and if a corporation authorises more than one person, any one of them shall, subject to section 323 of the 2006 Act, be entitled to exercise the same powers on behalf of the corporation as that corporation could exercise if it were an individual member present at the meeting in person, including (without limitation) power to vote on a show of hands or on a poll and to demand or concur in demanding a poll, save that a director, the secretary or other person authorised for the purpose by the secretary may require such person to produce a certified copy of the resolution authorising him to act as the Company's representative.

61 **VOTING RIGHTS OF JOINT HOLDERS**

If more than one of the joint holders of a share tenders a vote on the same resolution, whether personally or by proxy, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote(s) of the other joint holder(s); and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the relevant share.

62 **VOTING RIGHTS OF MEMBERS INCAPABLE OF MANAGING THEIR AFFAIRS**

A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person in the nature of a receiver or curator bonis appointed by that court, and the receiver, curator bonis or other person may vote by proxy. Evidence to the satisfaction of the board of the authority of the person claiming the right to vote shall be produced at the office (or at such other place as may be specified for the deposit of instruments appointing a proxy) not later than the last time by which an instrument appointing a proxy must be deposited in order to be valid for use at the meeting or adjourned meeting or on the holding of the poll at or on which that person proposes to vote and, in default, the right to vote shall not be exercisable.

63 **VOTING RIGHTS SUSPENDED WHERE SUMS OVERDUE**

Unless the board otherwise decides, a member shall not be entitled to vote, either in person or by proxy, at any general meeting or at any separate general meeting of the holders of any class of shares in the Company in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid.

64 **OBJECTIONS TO ADMISSIBILITY OF VOTES**

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

PROXIES

65 **PROXIES**

- 65.1 A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting to attend on the same occasion.
- 65.2 Deposit of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting or on the poll concerned.
- 65.3 Without prejudice to Article 67.8, no instrument of proxy shall be valid except for the meeting or meetings mentioned in it (including on any poll demanded at any such meeting).

66 **FORM OF PROXY**

- 66.1 An instrument appointing a proxy shall be:
 - (a) in hard copy in any usual form or in any other form which the board may approve, signed by the appointor or his agent duly authorised in writing, or, if the appointor is a corporation, shall either be executed under its common seal or be signed by some agent or officer authorised for that purpose; or
 - (b) in electronic form.
- 66.2 The signature on an instrument appointing a proxy need not be witnessed.

67 **DEPOSIT OF PROXY**

- 67.1 The appointment of a proxy shall:
 - (a) in the case of an appointment in hard copy form, be delivered personally or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose in the notice convening the meeting or in any form of proxy sent by or on behalf of the Company in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or any postponed time appointed for holding the meeting pursuant to Article 48.9) to which it relates; or
 - (b) in the case of an appointment in electronic form, be received at an address specified (or is deemed by a provision in the 2006 Act to have been specified) by or on behalf of the Company for the purpose of receiving documents or information in electronic form:
 - (i) in, or by way of note to, the notice convening the meeting;
 - (ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting; or

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

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or any postponed time appointed for holding the meeting pursuant to Article 48.9) to which it relates; or

- (c) in the case of a poll which is taken more than 48 hours after it is demanded, be delivered or received as aforesaid not less than 24 hours before the time appointed for the taking of the poll; or
- (d) in the case of a poll which is not taken at the meeting at which it is demanded but is taken not more than 48 hours after it was demanded, be delivered in hard copy form at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

For the purpose of this Article 67.1 and Article 68.2 "address", in relation to a proxy in electronic form includes a number or address (*including in the case of any Uncertificated Proxy Instruction permitted pursuant to Article 67.2, an identification number of a participant in the relevant system concerned*) used for those purposes.

67.2 In calculating the periods mentioned in this Article, no account shall be taken of any part of a day that is not a working day as defined in section 1173 of the 2006 Act.

67.3 Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the board may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the board (subject always to the facilities and requirements of the relevant system concerned)); and may in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made by like means. The board may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The board may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

67.4 An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so received for the purposes of any meeting shall not be required to be received again for the purposes of any subsequent meeting to which it relates.

67.5 Where the appointment of a proxy is expressed to have been or purports to have been executed by a person on behalf of the holder of a share:

- (a) the Company may treat the appointment as sufficient evidence of the authority of that person to execute the appointment on behalf of that holder; and
- (b) that holder shall, if requested by or on behalf of the Company at any time, send or procure the sending of any written authority under which the appointment has been executed, or a copy of such authority certified

notarially or in some other way approved by the board, to such address and by such time as may be specified in the request and, if the request is not complied with in any respect, the appointment may be treated as invalid.

- 67.6 A proxy appointment which is not delivered or received in accordance with Article 67.1, or in respect of which Article 67.5 has not been complied with, shall be invalid.
- 67.7 No proxy appointment shall be valid more than twelve months from the date of execution.
- 67.8 A proxy appointment shall be deemed to include the right to demand, or join in demanding a poll. The proxy appointment shall also be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The proxy appointment shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates, subject to Article 67.7.
- 67.9 If two or more valid but differing instruments of proxy in hard copy form are received in respect of the same share for use at the same meeting or poll, the one which is last delivered or received (regardless of its date or of the date or time of its execution or transmission) shall be treated as replacing and revoking the others.
- 67.10 The board may determine at its discretion when a proxy appointment shall be treated as delivered or received for the purposes of these Articles.

68 NOTICE OF REVOCATION OF PROXY

- 68.1 Notice of the revocation of the appointment of a proxy may be given in any lawful manner which complies with the regulations (if any) made by the board to govern the revocation of a proxy.
- 68.2 A vote cast or a poll demanded by a proxy or by the duly authorised representative of a corporation shall not be rendered invalid by reason of the death or mental disorder of the appointor or by the revocation of the proxy or the authority under which the proxy was executed or, pending registration thereof, by the transfer of the share in respect of which the vote is cast or the poll is demanded unless notice of such death, mental disorder or revocation or of the transfer shall have been received by the Company not later than the latest time at which the proxy would need to have been delivered to or received by the Company in order to be valid for use at the meeting or adjourned meeting at which the proxy is used, or in the case of a poll, not later than the latest time at which the proxy would need to have been delivered to or received by the Company to enable the proxy to vote on the poll. Such notice of determination shall be either by means of an instrument in hard copy form, delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 67.1(a) or in electronic form received at the address (if any) specified by or on behalf of the Company in accordance with Article 67.1(b), regardless of whether any relevant proxy appointment was effected by means of an instrument in hard copy or electronic form.

DIRECTORS

69 NUMBER OF DIRECTORS

The directors (other than alternate directors) shall not, unless otherwise determined by an ordinary resolution of the Company, be less than two but there shall be no maximum number of directors.

70 **DIRECTORS NEED NOT BE MEMBERS**

A director need not be a member of the Company. A director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

71 **AGE OF DIRECTORS**

Subject to the Statutes, no person shall be disqualified from being appointed a director, and no director shall be required to vacate that office, by reason only of his age; nor shall it be necessary by reason of his age to give special notice of any resolution.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

72 **APPOINTMENT OF DIRECTORS BY THE COMPANY IN GENERAL MEETING**

72.1 Subject to the provisions of these Articles, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.

72.2 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 42 clear days before the date appointed for the meeting there has been given to the Company, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment of that person, stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors and a notice executed by that person of his willingness to be appointed.

73 **SEPARATE RESOLUTIONS FOR APPOINTMENT OF EACH DIRECTOR**

Every resolution of a general meeting for the appointment of a director shall relate to one named person and a single resolution for the appointment of two or more persons shall be void, unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being cast against it.

74 **THE BOARD'S POWER TO APPOINT DIRECTORS**

The board may appoint any person who is willing to act to be a director, either to fill a vacancy or by way of addition to their number.

75 **RETIREMENT OF DIRECTORS**

75.1 At each annual general meeting any director who has been appointed by the board since the previous annual general meeting and any director selected to retire by rotation pursuant to Article 76 (*Selection of Directors to Retire by Rotation*) shall retire from office.

75.2 A retiring director shall be eligible for re-appointment and (unless he is removed from office or his office is vacated in accordance with these Articles) shall retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed

at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.

- 75.3 If at any meeting at which the appointment of a director ought to take place the office vacated by a retiring director is not filled, the retiring director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.

76 SELECTION OF DIRECTORS TO RETIRE BY ROTATION

76.1 At each annual general meeting:

- (a) one-third of the directors (excluding any director who has been appointed by the board since the previous annual general meeting) or, if their number is not an integral multiple of three, the number nearest to one-third but not exceeding one-third shall retire from office (but so that if there are fewer than three directors who are subject to retirement by rotation under this Article one shall retire); and
- (b) any director who is not required to retire by rotation in accordance with Article 76.1(a) but who has been in office for three years or more since his appointment or his last re-appointment or who would (but for the operation of this Article 76.1(a) have held office at not less than three consecutive annual general meetings of the Company without retiring shall retire from office.

76.2 The directors to retire by rotation at each annual general meeting in accordance with Article 76.1(a) shall be the directors who, at the date of the notice of the meeting, have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

76.3 The names of the directors to retire by rotation shall be stated in the notice of the annual general meeting or in any document accompanying the notice. The directors to retire on each occasion (both as to number or 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 and no directors shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the directors after that time but before the close of the meeting.

77 REMOVAL OF DIRECTORS

77.1 The Company may by ordinary resolution of which special notice has been given in accordance with the Statutes, remove any director before his period of office has expired notwithstanding anything in these Articles or in any agreement between him and the Company.

77.2 A director may also be removed from office by the service on him of a notice to that effect signed by all the other directors.

77.3 Any removal of a director under this Article shall be without prejudice to any claim which such director may have for damages for breach of any agreement between him and the Company.

78 **VACATION OF OFFICE OF DIRECTOR**

Without prejudice to the provisions of these Articles for retirement or removal, the office of a director shall be vacated:

- (a) if he is prohibited by law from being a director;
- (b) if he becomes bankrupt or he makes any arrangement or composition with his creditors generally;
- (c) if he is, or may be, suffering from mental disorder and in relation to that disorder either he is admitted to hospital for treatment or an order is made by a court (whether in the United Kingdom or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs;
- (d) if for more than six months he is absent (whether or not an alternate director attends in his place), without special leave of absence from the board, from meetings of the board held during that period and the board resolves that his office be vacated; or
- (e) if he serves on the Company notice of his wish to resign, in which event he shall vacate office on the service of that notice on the Company or at such later time as is specified in the notice.

79 **EXECUTIVE DIRECTORS**

- 79.1 The board may appoint one or more directors to hold any executive office or employment under the Company (including that of chairman, chief executive or managing director) for such period (subject to the provisions of the Statutes) and on such terms as it may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract of service between the director and the Company.
- 79.2 The remuneration of a director appointed to any executive office or employment shall be fixed by the board and may be by way of salary, commission, participation in profits or otherwise and either in addition to or inclusive of his remuneration as a director.
- 79.3 A director appointed to any executive office or employment shall automatically cease to hold that office if he ceases to be a director.

ALTERNATE DIRECTORS

80 **POWER TO APPOINT ALTERNATE DIRECTORS**

- 80.1 Each director may appoint another director or any other person who is willing to act as his alternate and may remove him from that office. The appointment as an alternate director of any person who is not himself a director shall be subject to the approval of a majority of the directors or a resolution of the board.
- 80.2 An alternate director shall be entitled to receive notice of all meetings of the board and of all meetings of committees of which the director appointing him is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointor as a director and for the purposes of the

proceedings at the meeting the provisions of these Articles shall apply as if he were a director.

- 80.3 Every person acting as an alternate director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these Articles relating to directors and shall alone be responsible to the Company for his acts and defaults and shall be entitled to be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director.
- 80.4 Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director, but he shall count as only one for the purpose of determining whether a quorum is present.
- 80.5 Any person appointed as an alternate director shall vacate his office as alternate director if the director by whom he has been appointed vacates his office as director (otherwise than by retirement at a general meeting of the Company at which he is re-elected) or removes him by notice to the Company or on the happening of any event which, if he is or were a director, causes or would cause him to vacate that office.
- 80.6 Every appointment or removal of an alternate director shall be by notice in hard copy form signed by the appointor (or in any other manner approved by the board) and shall be effective (subject to Article 80.1) upon delivery to, or, if in electronic form, receipt by the secretary or at a meeting of the board.

REMUNERATION, EXPENSES AND PENSIONS

81 REMUNERATION OF DIRECTORS

The directors (other than any director who for the time being holds an executive office of employment with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as directors such fees not exceeding in aggregate £500,000 per annum (or such larger sum as the Company may, by ordinary resolution, determine) as the directors may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally. Any fee payable under this Article shall be distinct from any remuneration or other amounts payable to a director under other provisions of these Articles and shall accrue from day to day.

82 SPECIAL REMUNERATION

- 82.1 The board may grant special remuneration to any director who performs any special or extra services to or at the request of the Company.
- 82.2 Such extra or special remuneration may be paid by way of lump sum, salary, commission, participation in profits or otherwise as the board may decide in addition to any remuneration provided for by or pursuant to any other Article.

83 EXPENSES

A director shall be paid out of the funds of the Company all travelling, hotel and other expenses properly incurred by him in and about the discharge of his duties, including his expenses of travelling to and from meetings of the board, committee meetings, general meetings and separate meetings of the holders of any class of securities of the Company.

84 **PENSIONS AND OTHER BENEFITS**

The board may exercise all the powers of the Company to pay, provide or procure the grant of pensions or other retirement or superannuation benefits and death, disability or other benefits, allowances or gratuities to any person who is or has been at any time a director of the Company or in the employment or service of the Company or of any Associated Company or of the predecessors in business of the Company or any Associated Company or the relatives or dependants of any such person. For that purpose the board may procure the establishment and maintenance of, or participate in or contribute to, any non-contributory or contributory pension or superannuation fund, scheme or arrangement and pay insurance premiums.

POWERS OF THE BOARD

85 **GENERAL POWERS OF THE BOARD TO MANAGE COMPANY'S BUSINESS**

85.1 The business of the Company shall be managed by the board which may exercise all the powers of the Company, subject to the provisions of the Statutes, the Memorandum of Association of the Company, these Articles and any special resolution of the Company. No special resolution or alteration of the Memorandum of Association of the Company or these Articles shall invalidate any prior act of the board which would have been valid if the resolution had not been passed or the alteration had not been made.

85.2 The powers given by this Article shall not be limited by any special authority or power given to the board by any other Article or any resolution of the Company.

86 **POWER TO ACT NOTWITHSTANDING VACANCY**

The continuing directors or the sole continuing director at any time may act notwithstanding any vacancy in their number; but, if the number of directors is less than the minimum number fixed by or in accordance with these Articles, they or he may act for the purpose of filling up vacancies or calling a general meeting of the Company, but not for any other purpose. If no director is able to act, then any two members may summon a general meeting for the purpose of appointing directors.

87 **PROVISIONS FOR EMPLOYEES**

The board may exercise any of the powers conferred by the Statutes to make provision for the benefit of any persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.

88 **POWER TO BORROW MONEY**

88.1 Subject to the provisions of the Statutes and to Article 88.2, the board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (both present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

88.2 The board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (but as regards subsidiary undertakings only so far as by such exercise it can secure) that the aggregate

principal amount outstanding at any time in respect of all borrowings by the Group (exclusive of any Group Company's borrowings which are owed to another Group Company) will not, without the previous sanction of the Company in general meeting, exceed:

- (a) £100,000,000; or
- (b) any higher limit fixed by ordinary resolution of the Company which is applicable at the relevant time.

88.3 In this Article:

"borrowings" include the following except insofar as otherwise taken into account:

- (a) the principal amount (together with any fixed or minimum premium payable on final repayment) of a debenture of a Group Company, whether issued for cash or not;
- (b) the outstanding amount raised by acceptances under an acceptance credit or bills facility opened by a bank or acceptance house on behalf of or in favour of a Group Company, excluding acceptances of trade bills relating to goods purchased in the ordinary course of trading;
- (c) the nominal or principal amount of any share capital, debenture or borrowing of any person (together, in each case, with any fixed or minimum premium payable on final repayment) to the extent that a Group Company has guaranteed their payment or repayment or entered into any indemnity against their non-payment or non-repayment or has given a mortgage or charge on the undertaking or any asset or any uncalled share capital of a Group Company which secures their payment or repayment;
- (d) the nominal amount of any allotted or issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company, being a body corporate, where such capital is not for the time being beneficially owned by other members of the Group;
- (e) the aggregate amount owing by any member of the Group under finance leases (as determined in accordance with United Kingdom generally accepted accounting principles but excluding leaseholds of immovable property);
- (f) the principal amount of any book debts of any member of the Group which have been sold or agreed to be sold, to the extent that any member of the Group is for the time being liable to indemnify or reimburse the purchaser in respect of any non-payment in respect of such book debts; and
- (g) any part of the purchase price of any movable or immovable assets acquired by any member of the Group, the payment of which is deferred beyond the date of completion of the conveyance, assignment or transfer of the legal estate to such assets or, if no such conveyance, assignment or transfer is to take place within six months after the date on which the contract for such purchase is entered into or (if later) becomes unconditional, beyond that date,

but exclude the following:

- (h) borrowings made or incurred by a Group Company to repay within six months all or part of other borrowings made by it or another Group

Company, but only pending their application for that purpose during that period;

- (i) a proportionate amount of the borrowings of a partly-owned subsidiary undertaking of the Company corresponding to the minority interest, that is to say, the proportion of the undertaking's equity share capital not directly or indirectly attributable to the Company; and
- (j) the amount of an undertaking's borrowings outstanding on the date when it became a Group Company and the amount of the borrowings of any person other than a Group Company which were secured by any mortgage or other security over an asset acquired by a Group Company and which were outstanding on the date of the acquisition, but only until six months after the date on which the undertaking became a Group Company or the asset was acquired.

"Group" means the Company and its subsidiary undertakings from time to time.

"Group Company" means any company in the Group.

For the purpose of any calculation under this Article, a borrowing denominated or repayable in a currency other than sterling shall be translated into sterling at the London exchange rate for the date as at which the calculation is being made.

In this Article **"currency"** includes a unit of account defined by reference to several currencies; and **"the London exchange rate"** for any date is the spot rate of exchange quoted by a first class bank selected by the board in London at or about 11.00 am on the business day before that date.

88.4 The limit imposed under this Article shall be deemed not to have been breached until the amount of borrowings has exceeded that limit for 30 consecutive days. This provision overrides all other provisions of this Article.

88.5 A certificate or report by the Company's auditors:

- (a) as to the amount of the amount of borrowings; or
- (b) to the effect that the limit imposed under this Article was not exceeded or breached at a particular date,

shall be conclusive evidence as to that amount or fact.

88.6 If the Company has joint auditors, references in this Article to the Company's auditors are to any of the joint auditors.

88.7 No lender or other person dealing with any Group Company need enquire whether the limit imposed under Article 88.2 has been or will be complied with.

88.8 A borrowing or security resulting in a breach of the limit shall not be void; nor shall it be voidable at the instance of the Company or any other Group Company.

DELEGATION OF BOARD'S POWERS

89 DELEGATION TO INDIVIDUAL DIRECTORS

The board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions as it

thinks fit and may revoke or vary all or any of them, but no person dealing in good faith shall be affected by any revocation or variation.

90 COMMITTEES

- 90.1 The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) including without prejudice to the generality of the foregoing all powers, authorities and discretions whose exercise involves or may involve the payment of remuneration to, or the conferring of any other benefit on, all or any of the directors to any committee consisting of such person or persons (whether directors or not) as it thinks fit, provided that the majority of the members of the committee are directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are directors. The board may make any such delegation on such terms and conditions as it thinks fit and may revoke or vary any such delegation and discharge any committee wholly or in part, but no person dealing in good faith shall be affected by any revocation or variation. Insofar as any such power or discretion is delegated to a committee, any reference in these Articles to the exercise by the directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may be imposed on it by the board.
- 90.2 The proceedings of a committee with two or more members shall be governed by any regulations imposed on it by the board and (subject to such regulations) by the provisions of these Articles regulating the proceedings of the board so far as they are capable of applying.

91 LOCAL BOARDS

- 91.1 The board may establish any local or divisional board or agency for managing any of the affairs of the Company whether in the United Kingdom or elsewhere and may appoint any persons to be members of a local or divisional board, or to be managers or agents, and may fix their remuneration.
- 91.2 The board may delegate to any local or divisional board, manager or agent any of its powers, authorities and discretions, other than its power to make calls, forfeit shares, borrow money or issue shares or other securities, and may authorise the members of any local or divisional board (with power to sub-delegate) or any of them to fill any vacancies and to act notwithstanding vacancies.
- 91.3 Any appointment or delegation under this Article may be made on such terms and subject to such conditions as the board thinks fit and the board may remove any person so appointed, and may revoke or vary any delegation, but no person dealing in good faith shall be affected by the revocation or variation.

92 POWERS OF ATTORNEY

The board may by power of attorney or otherwise appoint any person to be the agent of the Company on such terms (including terms as to remuneration) as it may decide and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate). The board may remove any person appointed under this Article and may revoke or vary the delegation, but no person dealing in good faith shall be affected by the revocation or variation.

93 **PRESIDENT**

- 93.1 The board may appoint any person who, in its opinion, has rendered outstanding services to the Company to be president to the Company.
- 93.2 The appointment may be made for a fixed or ascertainable term or for life and a president so appointed may be removed from his appointment only by ordinary resolution of the Company in general meeting or the appointment may be made without specifying its term and a president so appointed may be removed from his appointment either by ordinary resolution or by the board.
- 93.3 The president need not be a director of the Company and shall not by reason only of his being president be deemed to be a director or an officer of the Company for the purposes of the Statutes, but may, if invited to do so by the board, attend and speak at any meeting of the board and any general meeting. The president shall not, unless he is also a director, be entitled to vote at any meeting of the board.
- 93.4 The remuneration and other terms and conditions of any such appointment shall be fixed by the board.

94 **DESIGNATION AS "DIRECTOR"**

The board may, at any time and from time to time, appoint any person (not being a director) to any executive position or employment under the Company having a title or designation which includes the word "director" and may terminate any such appointment. The inclusion of the word "director" in the title or designation of any such position or employment shall not imply that the holder is a director of the Company or that he is authorised or empowered to act as, or is liable as, a director of the Company in any respect and he shall not be deemed to be a director for any purpose.

DIRECTORS' INTERESTS

95 **DIRECTORS' INTERESTS AND VOTING**

- 95.1 Subject to the provisions of the Statutes a director shall not be disqualified by his office from entering into any contract with the Company, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Company or as vendor, purchaser or otherwise. Subject to the interest of the director being duly declared or authorised by the directors pursuant to Article 95.13, a contract entered into by or on behalf of the Company in which any director is in any way interested shall not be liable to be avoided; nor shall any director so interested be liable to account to the Company for any benefit resulting from the contract by reason of the director holding that office or of the fiduciary relationship established by his holding that office.
- 95.2 A director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the Statutes) and upon such terms as the board may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board may decide, either in addition to or in lieu of any remuneration under any other provision of these Articles.
- 95.3 A director may be or become a member or director of, or hold any other office or place of profit under, or otherwise be interested in, any other Company in which the Company may be interested and shall not be liable to account to the Company for

any benefit received by him as a member or director of, or holder of any other office or place of profit under, or his other interest in, that Company.

95.4 The board may cause the voting rights conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of that other company to be exercised in such manner in all respects as it thinks fit (including the exercise of voting rights in favour of any resolution appointing the directors or any of them as directors or officers of the other company or voting or providing for the payment of any benefit to the directors or officers of the other company).

95.5 A director may act by himself or his firm in a professional capacity for the Company (except as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.

95.6 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract with the Company shall before the Company enters into any such contract declare the nature of his interest at the meeting of the board at which the question of entering into the contract is first taken into consideration, 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. For the purposes of this Article a general notice given to the board by a director to the effect that:

(a) he is a member of a specified company or firm and is to be regarded as interested in any other contract which may after the date of the notice be made with that company or firm; or

(b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him within the meaning of section 346 of the Act,

shall be deemed to be a sufficient declaration of interest under this Article 95.6 in relation to any such contract but no such notice shall be effective unless either it is given at a meeting of the board or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given.

95.7 If a declaration of interests made under Article 95.6 proves to be, or becomes, inaccurate or incomplete, the Director making such declaration must, in accordance with s177(3) of the 2006 Act, make a further declaration in relation to his interest.

95.8 A director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, those proposals may be divided and a separate resolution may be put in relation to each director and in that case each of the directors concerned (if not otherwise debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment.

95.9 A director shall also not vote (or be counted in the quorum at a meeting) on any resolution relating to any contract or arrangement or any other proposal whatsoever in which he knows he (together with any interest of any person connected with him within the meaning of sections 252 to 255 of the 2006 Act) has a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall

not apply and a director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

- (a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (b) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any contract concerning an offer of shares, debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (d) any contract in which he is interested by virtue of his interest in shares, debentures or other securities of the Company or otherwise in or through the Company;
- (e) any contract concerning any other company in which he is interested, directly or indirectly and whether as an officer, shareholder, creditor or otherwise, unless the company is one in which he has a relevant interest and for this purpose:
 - (i) a company shall be deemed to be one in which a director has a relevant interest if and so long as he (together with persons connected with him within the meaning of sections 252 to 255 of the 2006 Act) to his knowledge holds an interest in shares (as determined pursuant to sections 820 to 825 of the 2006 Act) representing 1% or more of any class of the equity share capital of that company or of the voting rights available to members of that company or if he can cause 1% or more of those voting rights to be exercised at his direction; and
 - (ii) where a company in which a director is deemed for the purposes of this Article to have a relevant interest is materially interested in a contract, he shall also be deemed to be materially interested in that contract;
- (f) any contract relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; and
- (g) any proposal concerning the purchase or maintenance of insurance for the benefit of persons including directors.

95.10 In the case of an alternate director, an interest of his appointor shall be treated as an interest of the alternate in addition to any interest which the alternate otherwise has.

95.11 If any question arises at any meeting as to the materiality of an interest of a director (other than the chairman of the meeting) or as to the entitlement of any director (other than the chairman of the meeting) to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the

chairman of the meeting and his ruling in relation to the director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned, so far as known to him, has not been fairly disclosed. If any question shall arise in respect of the chairman of the meeting and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be decided by a resolution of the board (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman, so far as known to him, has not been fairly disclosed.

95.12 In this Article references to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.

DIRECTORS' POWERS TO AUTHORISE CONFLICTS OF INTERESTS

95.13 For the purposes of s175 of the 2006 Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that section 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.

95.14 Authorisation of a matter under Article 95.13 shall be effective only if:

- (a) the matter in question shall have been proposed in writing for consideration at a meeting of the Directors, in accordance with the Board's normal procedures or in such other manner as the Directors may approve;
- (b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "Interested Directors"); and
- (c) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

95.15 Any authorisation of a matter pursuant Article 95.13 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.

95.16 Any authorisation of a matter under Article 95.13 shall be subject to such conditions or limitations as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.

95.17 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under this Article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

95.18 The provisions of Articles 95.13 to 95.17 (inclusive) shall apply on and from the commencement in force of s175 of the 2006 Act.

PROCEEDINGS OF THE BOARD

96 BOARD MEETINGS

The board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A director at any time may, and the secretary at the request of a director at any time shall, summon a board meeting.

97 NOTICE OF BOARD MEETINGS

Notice of a board meeting shall be deemed to be properly given to a director if it is given to him personally or by word or mouth or sent in hard copy form to him at his last known address or any other address given by him to the Company for this purpose or sent in electronic form to him at an address given by him to the Company for this purpose. A director absent or intending to be absent from the United Kingdom may request to the board that notices of board meetings shall during his absence be sent in hard copy or electronic form to him (or to his alternate) at an address given by him to the Company for this purpose, but if no such request is made it shall not be necessary to give notice of a board meeting to any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively.

98 QUORUM

The quorum necessary for the transaction of the business of the board may be fixed by the board and, unless so fixed at any other number, shall be two. Subject to the provisions of these Articles, any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no other director objects and if otherwise a quorum of directors would not be present.

99 CHAIRMAN OR DEPUTY CHAIRMAN TO PRESIDE

The chairman, or failing him any deputy chairman (the senior in office taking precedence, if more than one is present), shall, if present and willing, preside at all meetings of the board but, if no chairman or deputy chairman has been appointed or if he is not present within five minutes after the time fixed for holding the meeting or is unwilling to act as chairman of the meeting, the directors present shall choose one of their number to act as chairman of the meeting.

100 COMPETENCE OF MEETINGS

A meeting of the board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the board.

101 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 the meeting shall have a second or casting vote.

102 TELEPHONE AND VIDEO CONFERENCE MEETINGS

102.1 A meeting of the board may consist of a conference between directors some or all of whom are in different places provided that each director who participates is able:

- (a) to hear each of the other participating directors addressing the meeting; and
- (b) if he wishes, to address all of the other participating directors simultaneously, whether by conference telephone or by video conference or by any other form of communications equipment (whether in use when these Articles are adopted or developed subsequently) or by a combination of any such methods.

102.2 A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of directors required to form a quorum, subject to the provisions of Article 98 (*Quorum*).

102.3 A meeting held in this way is deemed to take place at the place where the largest group of participating directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

103 **RESOLUTIONS IN WRITING**

A resolution in writing signed or approved by all the directors entitled to notice of a meeting of the board shall be as valid and effectual as if it had been passed at a meeting of the board duly called and constituted. The resolution may be contained in one document or in several documents in like form, each signed or approved by one or more of the directors concerned. For the purpose of this Article:

- (a) a resolution may be by means of an instrument in hard copy or electronic form sent to such address (if any) as may for the time being be notified by the Company for that purpose;
- (b) a resolution may consist of several instruments each executed by one or more directors or several electronic forms, each sent by one or more directors, or a combination of both; and
- (c) a resolution executed by an alternate director need not also be executed by his appointor.

104 **VALIDITY OF ACTS OF DIRECTORS IN SPITE OF FORMAL DEFECT**

All acts *bona fide* done by the board, or of a committee, or by any person acting as a director or member of a committee, shall notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the board or committee or of the person so acting, or that they or any of them were disqualified or had vacated office or were not entitled to vote be as valid as if every such person had been duly appointed and qualified to be a director and had continued to be a director or member of the committee and had been entitled to vote.

105 **MINUTES**

105.1 The board shall cause minutes to be recorded in writing for the purpose:

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

meetings held in accordance with Article 102 (*Telephone and Video Conference Meetings*).

- 105.2 The secretary must ensure that all records of proceedings at meetings and resolutions passed otherwise than at meetings are kept for at least ten years from the date of the meeting.

SECRETARY

106 SECRETARY

The secretary shall be appointed by the board for such term, at such remuneration and on such conditions as it thinks fit, and the board may remove from office any person so appointed (without prejudice to any claim for damages for breach of any contract between him and the Company). If thought fit two or more persons may be appointed as joint secretaries. The board may also appoint from time to time on such terms as it may think fit one or more deputy and/or assistant secretaries.

SEAL

107 SEAL

- 107.1 The Company may exercise the powers conferred by the Statutes with regard to having official seals and those powers shall be vested in the board.
- 107.2 The board shall provide for the safe custody of every seal of the Company.
- 107.3 A seal shall be used only by the authority of the board or a duly authorised committee. The board may determine who shall sign any instrument to which a seal is applied, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with or affixed by some mechanical means.
- 107.4 Unless otherwise decided by the board:
- (a) certificates for shares, debentures or other securities of the Company need not be signed; and
 - (b) every other instrument to which a seal is applied shall be signed by at least one director and the secretary or by at least two directors.

AUTHENTICATION OF DOCUMENTS

108 AUTHENTICATION OF DOCUMENTS

Any director or the secretary or any person appointed by the board for the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolution passed at a general meeting or at a meeting of the board or any committee, and any book, record, document or account relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any book, record, document or account is elsewhere than at the office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the board as aforesaid. A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof

that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS

109 DECLARATION OF DIVIDENDS BY THE COMPANY

The Company may, by ordinary resolution, declare a dividend to be paid to the members, according to their respective rights and interest in the profits, and may fix the time for payment of such dividend, but no dividend shall exceed the amount recommended by the board.

110 FIXED AND INTERIM DIVIDENDS

The board may pay such interim dividends as appear to the board to be justified by the financial position of the Company and may also pay any dividend payable at a fixed rate at intervals settled by the board, whenever the financial position of the Company, in the opinion of the board, justifies its payment. If the board acts in good faith, none of the directors shall incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

111 CALCULATION AND CURRENCY OF DIVIDENDS

111.1 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share;
- (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; and
- (c) dividends may be declared or paid in any currency.

111.2 The board may agree with any member that dividends which may at any time or from time to time be declared or become due on his shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.

112 METHOD OF PAYMENT

112.1 The Company may pay any dividend or other sum payable in respect of a share in cash or by cheque, dividend warrant, or money order and may send the same by post to the registered address of the holder or in the case of joint holders to the registered address of that person whose name stands first in the register, or to such person and address as the holder or joint holders 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 and the payment of the cheque, warrant or order shall be a good discharge to the Company.

- 112.2 In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or by means of a relevant system and to or through such person as the holder or joint holders may direct in writing, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or when it has acted on any such direction.
- 112.3 Any joint holder or other person jointly entitled to any share may give an effective receipt for all dividends and other monies paid in respect of the share.
- 112.4 Any dividend or other sum payable in respect of a share may be paid to a person or persons entitled by transmission to that share as if he or they were the holder or joint holders of that share and his address (or the address of the first named of two or more persons jointly entitled) noted in the register were the registered address.
- 112.5 Any payment in the case of an uncertificated share, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, may be made by means of the relevant system (subject always to the facilities and requirements of the relevant system) and without prejudice to the generality of the foregoing such payment may be made by the sending by the Company or any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account (being an account so designated by the Operator of the relevant system) of the holder or joint holders of such shares; and the making of a payment by means of the relevant system shall be a good discharge to the Company.
- 112.6 Any dividend or other sum payable in respect of a share may be paid to a person or persons entitled by transmission to that share as if he or they were the holder or joint holders of that share and his address (or the address of the first named of two or more persons jointly entitled) noted in the register were the registered address.

113 **DIVIDENDS NOT TO BEAR INTEREST**

No dividend or other monies payable by the Company on or in respect of any share shall bear interest as against the Company unless otherwise provided by the rights attached to the share.

114 **CALLS OR DEBTS MAY BE DEDUCTED FROM DIVIDENDS**

The board may deduct from any dividend or other monies payable to any person (either alone or jointly with another) on or in respect of a share all such sums as may be due from him (either alone or jointly with another) to the Company on account of calls or otherwise in relation to shares or other securities of the Company.

115 **UNCLAIMED DIVIDENDS ETC**

All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the board for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years after having been declared or become due for payment shall be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee in respect of it.

116 **UNCASHED DIVIDENDS**

If:

- (a) a payment for a dividend or other sum payable in respect of a share sent by the Company to the person entitled to it in accordance with Article 112 (*Method of Payment*) is left uncashed or is returned to the Company and, after reasonable enquiries, the Company is unable to establish any new address or, with respect to a payment to be made by a funds transfer system (including, without limitation, the relevant system), a new account for that person; or
- (b) such payment is left uncashed or returned to the Company on two consecutive occasions,

the Company shall not be obliged to send any dividends or other sums payable in respect of that share to that person until he notifies the Company of an address or, where the payment is to be made by a funds transfer system (including, without limitation, the relevant system), details of the account, to be used for the purpose.

117 **DIVIDENDS IN SPECIE**

- 117.1 With the sanction of an ordinary resolution of the Company and on the recommendation of the board, payment of any dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other Company.
- 117.2 Where any difficulty arises in regard to the distribution, the board may settle the difficulty as it thinks fit and in particular may issue fractional certificates or ignore fractions, and may fix the value for distribution of the specific assets or any part of them, and may determine that cash payments be made to any members upon the footing of the value so fixed in order to secure equality of distribution, and may vest any of the specific assets in trustees upon such trusts for the persons entitled to the dividend as the board may think fit.

118 **SCRIP DIVIDENDS**

- 118.1 The board may, if authorised by an ordinary resolution of the Company, offer any holders of any particular class of shares the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution (a "**scrip dividend**") in accordance with the following provisions of this Article.
- 118.2 The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth annual general meeting of the Company to be held following the date of the meeting at which the ordinary resolution is passed.
- 118.3 The basis of allotment shall be decided by the board so that, as nearly as may be considered convenient, the value of the further shares, including any fractional entitlement, is equal to the amount of the cash dividend which would otherwise have been paid.
- 118.4 For the purposes of Article 118.3 the value of the further shares shall be calculated by reference to the average of the middle-market quotations for a fully paid share of the relevant class, as shown in the Daily Official List of the London Stock Exchange, for the day on which such shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as the board may decide.

- 118.5 The board shall give notice to the shareholders of their rights of election in respect of the scrip dividend and shall specify the procedure to be followed in order to make an election.
- 118.6 The dividend or that part of it in respect of which an election for the scrip dividend is made shall not be paid and instead further shares of the relevant class shall be allotted in accordance with elections duly made and the board shall capitalise a sum to the aggregate nominal amount of the shares to be allotted out of such sums available for the purpose as the board may consider appropriate.
- 118.7 The further shares so allotted shall rank *pari passu* in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.
- 118.8 The board may decide that the right to elect for any scrip dividend shall not be made available to shareholders resident in any territory, where in the opinion of the board, compliance with local laws or regulations would be impossible or unduly onerous.
- 118.9 The board may do all acts and things considered necessary or expedient to give effect to the provisions of a scrip dividend election and the issue of any shares in accordance with the provisions of this Article, and may make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of fractional entitlements accrues to the company rather than to the members concerned).
- 118.10 The board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election pursuant to this Article is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.
- 118.11 The board shall not make a scrip dividend available unless the Company has sufficient unissued shares and undistributed profits or reserves to give effect to elections which could be made to receive that scrip dividend.

CAPITALISATION OF RESERVES

119 CAPITALISATION OF RESERVES

- 119.1 The board may, with the authority of an ordinary resolution of the Company:
- (a) resolve to capitalise any sum standing to the credit of any reserve account of the Company (including share premium account capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account not required for the payment of any preferential dividend (whether or not it is available for distribution); and
 - (b) appropriate that sum as capital to the ordinary shareholders in proportion to the nominal amount of the ordinary share capital held by them respectively and apply that sum on their behalf in paying up in full any 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 members, or as they may direct, in those proportions or in paying up the whole or part of any amounts which are unpaid in respect of any issued shares in the Company held by them respectively, or otherwise deal with such sum as directed by the resolution provided that the share premium account and the capital redemption reserve and any sum not available for distribution in accordance

with the Statutes may only be applied in paying up unissued shares to be allotted credited as fully paid up.

119.2 Where any difficulty arises in respect of any distribution of any capitalised reserve or other sum, the board may settle the difficulty as it thinks fit and in particular may make such provisions as it thinks fit in the case of shares or debentures becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of fractional entitlements accrues to the Company rather than the members concerned) or ignore fractions and may fix the value for distribution of any fully paid up shares or debentures and may determine that cash payments be made to any members on the footing of the value so fixed in order to secure equality of distribution, and may vest any shares or debentures in trustees upon such trusts for the persons entitled to share in the distribution as the board may think fit.

119.3 The board may also authorise any person to sign on behalf of the persons entitled to share in the distribution a contract for the acceptance by those persons of the shares or debentures to be allotted to them credited as fully paid under a capitalisation and any such contract shall be binding on all those persons.

120 CAPITALISATION OF RESERVES AND EMPLOYEES' SHARE SCHEMES

120.1 This Article (which is without prejudice to the generality of the provisions of Article 119 (*Capitalisation of Reserves*)) applies:

- (a) where a person is granted pursuant to an employees' share scheme a right to subscribe for shares in the Company in cash at a subscription price less than their nominal value; and
- (b) where, pursuant to an employees' share scheme, the terms on which any person is entitled to subscribe in cash for shares in the Company are adjusted as a result of a capitalisation issue, rights issue or other variation of capital so that the subscription price is less than their nominal value.

120.2 In any such case the board:

- (a) shall transfer to a reserve account a sum equal to the deficiency between the subscription price and the nominal value of the shares (the "**cash deficiency**") from the profits or reserves of the Company which are available for distribution and not required for the payment of any preferential dividend; and
- (b) (subject to Article 120.4) shall not apply that reserve account for any purpose other than paying up the cash deficiency upon the allotment of those shares.

120.3 Whenever the Company is required to allot shares pursuant to such a right to subscribe, the board shall (subject to the Statutes) appropriate to capital out of the reserve account an amount equal to the cash deficiency applicable to those shares, apply that amount in paying up the deficiency on the nominal value of those shares and allot those shares credited as fully paid to the person entitled to them.

120.4 If any person ceases to be entitled to subscribe for shares as described above, the restrictions on the reserve account shall cease to apply in relation to such part of the account as is equal to the amount of the cash deficiency applicable to those shares.

120.5 No right shall be granted under any employees' share scheme under Article 120.1(a) and no adjustment shall be made as mentioned in Article 120.1(b) unless there are

sufficient profits or reserves of the Company available for distribution and not required for the payment of any preferential dividend to permit the transfer to a reserve account in accordance with this Article of an amount sufficient to pay up the cash deficiency applicable to the shares concerned.

RECORD DATES

121 FIXING OF RECORD DATES

121.1 Notwithstanding any other provision of these Articles, but without prejudice to any rights attached to any shares, the Company or the board may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared.

121.2 In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made.

ACCOUNTS

122 ACCOUNTING RECORDS

122.1 The board shall cause accounting records of the Company to be kept in accordance with the provisions of the Statutes.

122.2 No member (as such) shall have any right of inspecting any account, book or document of the Company, except as conferred by law or authorised by the board or by any ordinary resolution of the Company.

123 SUMMARY FINANCIAL STATEMENTS

The Company may, in accordance with the Statutes, send a summary financial statement to any member and to any debenture holder instead of or in addition to the documents referred to in section 423 of the 2006 Act and where it does so the statement shall be sent to the member not less than 21 clear days before the date of the general meeting before which the documents are to be laid.

NOTICES

124 FORM OF NOTICES

124.1 Notwithstanding anything to the contrary in these Articles, any notice or other document or information sent or supplied by or to the Company (whether authorised or required to be sent or supplied by the Statutes or otherwise) to or by a member, or to or by any person entitled to enjoy or exercise all or any specified rights of a member in relation to the Company, may be sent or supplied in any way in which the 2006 Act provides for documents or information to be sent or supplied by or to the Company for the purposes of any provision of the Statutes, including in particular by the Company making them available on a website.

124.2 A notice or other document or information sent in electronic form shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

125 **SERVICE OF NOTICES**

125.1 The Company may send or supply any notice or other document or information pursuant to these Articles to a member by whichever of the following methods it may in its absolute discretion determine:

- (a) personally;
- (b) by posting the notice or other document or information in a prepaid envelope addressed to the member at his registered address;
- (c) by leaving the notice or other document or information at that address;
- (d) by sending or supplying the notice or other document or information by electronic means to such address (if any) as may for the time being be notified to the Company by or on behalf of the member for that purpose generally or specifically (or as may be deemed by a provision in the 2006 Act to have been specified for that purpose); or
- (e) by making it available on a website.

125.2 In the case of joint holders of a share, the Company shall treat as the only member entitled to receive notices or other documents or information from the Company in respect of the joint holding (whether such documents or information are required to be sent or supplied by the Statutes or otherwise) the joint holder whose name appears first in the register in respect of the joint holding.

125.3 Anything to be agreed or specified by the holder of a share which is held in joint names must be agreed or specified by the holder whose name appears first in the register in respect of the joint holding and the other joint holder or holders shall be deemed to be bound thereby.

126 **SUSPENSION OF POSTAL SERVICES**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting in the manner required by the Statutes, the Company shall be entitled to convene the general meeting by a notice advertised in at least one national newspaper and in that event it shall not be obliged to send a notice of the general meeting to any member or to any director.

127 **NOTICE BY ADVERTISEMENT**

Save as otherwise provided by these Articles, any notice or other document or information required to be sent or supplied by the Company to members otherwise than by the Statutes shall be validly sent or supplied if sent or supplied by advertisement in at least one national newspaper.

128 **EVIDENCE OF SERVICE**

128.1 A notice or other document or information which is sent by the Company by post (whether in hard copy or electronic form) shall be deemed to have been given or sent on the business day after the day when it was put in the post (or, where second-class post is employed, on the second business day after the day when it was put in the post). Proof that an envelope containing the notice or other document or information was properly addressed, prepaid and posted shall be conclusive evidence that the notice or other document or information was given or sent.

- 128.2 Any notice or other document or information not sent by post but left at a registered address or address for service in the United Kingdom shall be deemed to have been served on the day on which it was left.
- 128.3 A notice or other document or information which is sent by the Company by electronic means and which the Company is able to show was properly addressed shall be deemed to have been given or sent on the day on which it was so sent.
- 128.4 A notice or other document or information which is supplied by the Company by means of a website shall be deemed to have been given or sent when it was first made available on the website or, if later, when the recipient was given or was deemed to have been given notice of the fact that the relevant notice, document or information was available on the website.
- 128.5 Proof that a notice or other document or information sent or supplied by electronic means or by means of a website was sent or supplied in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators current at the date of adoption of these Articles, or, if the directors so resolve, any subsequent guidance so issued shall be conclusive evidence that the notice or other document or information was sent or supplied.
- 128.6 A notice or other document or information which is sent by the Company shall, unless the contrary can be shown, be deemed to have been received by the recipient:
- (a) if sent by post, on the business day following the day it was put in the post;
 - (b) if sent by second-class post, on the second business day following the day it was put in the post; or
 - (c) if by electronic means, at the same time as it is deemed to have been given or sent or supplied to him.
- 128.7 Where a notice or other document or information is given by way of newspaper advertisement in accordance with these Articles, such notice or other document or information shall be deemed to have been duly served on each member or person entitled to receive it at noon on the day when the advertisement appears.
- 128.8 A member present, either in person or by proxy, at any meeting of the Company or class of members of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which the meeting was convened.
- 128.9 Every person who becomes entitled to a share shall be bound by every notice (other than a section 793 notice) in respect of that share which before his name is entered in the register was given to the person from whom he derives his title to the share.
- 128.10 The board may from time to time issue or adopt terms and conditions relating to the use of communications by electronic means or by means of a website for the sending or supply of notices, other documents or information by or to the Company (whether authorised or required to be sent or supplied by the Statutes or otherwise) to or by a member, or to or by any person entitled to enjoy or exercise all or any specified rights of a member in relation to the Company.

129 **RECORD DATE FOR SERVICE**

- 129.1 For the purpose of serving notices of meetings or other documents or information, the board may determine that the persons entitled to be sent to receive such notices or other documents or information are those persons who are entered on the register

at any time not more than 21 days before the date of the despatch of the notice or other document or information.

- 129.2 For the purpose of determining which persons are entitled to attend or vote at a meeting, and how many votes such persons may cast, the board may specify in the notice of the meeting a time not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register in order to have the right to attend or vote at the meeting.

130 ADDRESSES OF MEMBERS

- 130.1 A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices or other documents or information may be served on him or an address for the service of notices by electronic means shall be entitled to have notices served on him at that address (provided that, in the case of notices or other documents or information in electronic form, the Company so agrees, which agreement the Company shall be entitled to withhold in its absolute discretion including, without limitation, in circumstances in which the Company considers that the sending of the notice or other documents or information to such address in electronic form would or might infringe the laws of any other jurisdiction) but otherwise:

- (a) no member whose registered address is not within the United Kingdom shall be entitled to receive from the Company any notice or, subject to any contrary provision of the Statutes, other documents or information; and
- (b) without prejudice to the generality of the foregoing, any notice of a general meeting of the Company which is in fact sent or purports to be sent to such a member shall be ignored for the purpose of determining the validity of the proceedings at such meeting.

- 130.2 The provisions of Article 130.1 shall apply to a rights issue as if there were substituted for each reference to the "United Kingdom" a reference to the European Economic Area.

- 130.3 If on two consecutive occasions the Company has attempted to send or supply notices or other documents or information by electronic means to an address for the time being notified to the Company by a member for that purpose but the Company is aware that there has been a failure of delivery of such notice or other document or information, then the Company shall within two business days from the first attempt send or supply the notice or other document or information through the post to such member at his registered address. For this purpose a failure of delivery is when a notice or other document or information sent by electronic means is returned undelivered to the Company or its agent with a message stating that delivery was unsuccessful from the address to which it was sent.

- 130.4 If on two consecutive occasions a notice or other document or information sent or supplied through the post to a member at his registered address shall be returned undelivered, such member shall not thereafter be entitled to receive notices or other documents or information from the Company until he shall have given notice in writing to the Company of a new registered address or a postal address within the United Kingdom for the service of notices or other documents or information or shall have informed the Company in such manner as shall be specified by the Company of an address for the service of notices by electronic means. For this purpose a notice or other document or information sent by post shall be treated as returned undelivered if the notice or other document or information is sent back to the Company or its agent.

131 **SERVICE OF NOTICE ON PERSON ENTITLED BY TRANSMISSION**

A person entitled to a share by reason of transmission upon supplying to the Company such evidence as the board may require to show his title to the share and upon also supplying a postal address within the United Kingdom for the service and delivery of notices and other documents or information and, if he so elects, an address for the sending of notices in electronic form shall be entitled to have served upon or delivered to him at any address given by him any notice or other document or information to which he would be entitled if he were the holder of that share (or, in the case of joint holders of a share, the joint holder whose name appears first in the register in respect of the joint holding) and any such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document or information on all persons interested in the share. Otherwise, any notice or other document or information served on or delivered or sent to any member pursuant to these Articles shall, notwithstanding that such member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law shall have occurred and whether or not the Company has notice of such death, bankruptcy or other such event, be deemed to have been duly served, delivered or sent in respect of any share registered in the name of such member as sole or first named joint holder.

132 **AUTHENTICATION OF DOCUMENTS SENT BY ELECTRONIC MEANS**

A document or information sent or supplied in electronic form by electronic means by a member or other person to the Company is sufficiently authenticated in any manner authorised by the Statutes or in such other manner approved by the board.

DESTRUCTION OF DOCUMENTS

133 **DESTRUCTION OF DOCUMENTS**

133.1 The board may authorise or arrange the destruction of documents held by the Company as follows:

- (a) at any time after the expiration of six years from the date of registration, all instruments of transfer of shares and all other documents transferring or purporting to transfer shares or representing or purporting to represent the right to be registered as the holder of shares on the faith of which entries have been made in the register;
- (b) at any time after the expiration of one year from the date of cancellation, all registered share certificates which have been cancelled;
- (c) at any time after the expiration of two years from the date of recording them, all dividend mandates and notifications of change of address; and
- (d) at any time after the expiration of one year from the date of actual payment, all paid dividend warrants and cheques.

133.2 It shall conclusively be presumed in favour of the Company that:

- (a) every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;
- (b) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

- (c) every share certificate so destroyed was a valid certificate duly and properly cancelled;
 - (d) every other document mentioned in Article 133.1 so destroyed was a valid and effective document in accordance with the particulars of it recorded in the books and records of the Company; and
 - (e) every paid dividend warrant and cheque so destroyed was duly paid.
- 133.3 The provisions of Article 133.2 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.
- 133.4 Nothing in this Article shall be construed as imposing on the Company or the board any liability in respect of the destruction of any document earlier than as stated in Article 133.1 or in any other circumstances in which liability would not attach to the Company or the board in the absence of this Article.
- 133.5 References in this Article to the destruction of any document include references to its disposal in any manner.

WINDING-UP

134 DIRECTORS' POWER TO WIND UP

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

135 POWERS TO DISTRIBUTE IN SPECIE

If the Company is in liquidation, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Statutes:

- (a) divide among the members in specie the whole or any part of the assets of the Company and, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members; or
- (b) vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit but no member shall be compelled to accept any assets upon which there is any liability.

INDEMNITY AND FUNDING OF DEFENCE PROCEEDINGS AND LIABILITY INSURANCE

136 INDEMNITY OF OFFICERS

Subject to the provisions of and so far as may be permitted by and consistent with the Statutes, each current or former director or other officer (other than an auditor) of the Company or any Associated Company shall be indemnified out of the assets of the Company against:

- (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company other than, in the case of a current or former director:
 - (i) any liability to the Company or any Associated Company; and

- (ii) any liability of the kind referred to in section 234(3) of the 2006 Act; and
- (b) any liability incurred by or attaching to him in connection with the activities of the Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act) other than a liability of the kind referred to in section 235(3) of the 2006 Act; and
- (c) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers.

For the purpose of this Article, references to "**liability**" shall include all costs and expenses incurred by the current or former director or other officer (other than an auditor) in relation thereto.

137 **FUNDING OF DEFENCE PROCEEDINGS**

Subject to the provisions of and so far as may be permitted by the Statutes, the board may exercise all the powers of the Company to:

- (a) provide any current or former director or other officer (other than an auditor) of the Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company, or in connection with any application for relief under the provisions mentioned in section 205(5) of the 2006 Act; and
- (b) do anything to enable any such person to avoid incurring such expenditure,

but so that the terms set out in section 205(2) of the 2006 Act shall apply to any such provision of funds or other things so done. For the purpose of this Article references to "**director**" in section 205(2) of the 2006 Act shall be deemed to include references to a former director or other officer (other than an auditor) of the Company.

138 **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

Without prejudice to the provisions of Article 136(a), the board may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office insurance against any liability or expense incurred by him in relation to the Company or any Associated Company or any third party in respect of any act or omission in the actual or purported discharge of the duties of the relevant office concerned or otherwise in connection with the holding of that relevant office and for this purpose "**relevant office**" means that of director or other officer (other than an auditor) of the Company or any company which is or was an Associated Company or any predecessor in business of the Company or of any Associated Company or that of trustee of any pension fund or retirement, death or disability scheme or other trust for the benefit of any officer or former officer (other than an auditor) of the Company or any Associated Company or of any such predecessor in business or their respective dependants.

No. 03671097

**THE COMPANIES ACTS 1985 TO 1989
COMPANY LIMITED BY SHARES**

MEMORANDUM OF ASSOCIATION

of

RANDALL & QUILTER INVESTMENT HOLDINGS PLC

Amended by Written Resolution on 3 December 2007

1. The name of the Company is **RANDALL & QUILTER INVESTMENT HOLDINGS PLC**¹.
2. The Company is to be a public company.
3. The registered office of the Company will be situate in England and Wales.
4. The object of the Company is to carry on business as a general commercial company. Without prejudice to the generality of the object and powers of the Company derived from section 3A of the Act, the Company has power to do all or any of the following things:
 - (a) to acquire by any means any property or rights whatsoever;
 - (b) to pay for any property or rights acquired by the Company and to remunerate any person either in cash or by the allotment of shares, debentures or other securities of the Company credited as fully or partly paid up, or otherwise;
 - (c) to apply for or otherwise obtain, and to protect (by registration or otherwise), extend and renew (in each case in any part of the world), disclaim and modify any patents, copyright, trade marks, designs and other intellectual property of the Company; to experiment upon, test or improve any such property; and to carry out research and development in connection with any business or proposed business of the Company or any other person;
 - (d) to maintain, manage, improve, develop, turn to account, grant rights and privileges in respect of and otherwise deal with all or any part of the property and rights of the Company;
 - (e) to dispose by any means of the whole or any part of the undertaking, property and rights of the Company;

¹ Name changed from Law 1005 Limited on 6 January 1999

For Information Purposes

- (f) to lend money or give credit to such persons and on such terms as may seem expedient and otherwise to invest and deal with the moneys of the Company;
- (g) to borrow money and to secure by mortgage, charge or lien upon the whole or any part of the Company's undertaking and property (whether present or future), including its uncalled capital, the discharge of any obligation of the Company or any other person, including (without prejudice to the generality of the foregoing) any associated company of the Company;
- (h) to give such indemnities as may seem expedient and to guarantee the performance of any obligation of any person, including (without prejudice to the generality of the foregoing) any associated company of the Company;
- (i) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments;
- (j) to establish and maintain any non-contributory or contributory pension or superannuation funds for the benefit of, and to give donations, gratuities, pensions and allowances to, present and former directors and employees of the Company or of any other company which is an associated company of the Company or a predecessor in business of the Company or any such associated company, or any other persons in whose welfare the Company or any such other company is or has been interested, and the wives, widows, families and dependants of any such persons; and to make payments for or towards the insurance of any such persons and the provision of pensions and allowances for any of them;
- (k) to establish and subsidise or support any institutions, associations, clubs, funds, trusts or schemes for the benefit of any such persons as are mentioned in the last preceding paragraph; and to subscribe or guarantee money or make payments for, or otherwise support, any charitable, benevolent, public, general or useful object;
- (l) to purchase and maintain for any present or former officer or auditor of the Company or any associated company of the Company insurance against any such liability as is mentioned in sections 309A or 310(1) of the Act;
- (m) to control, manage or otherwise assist any associated company of the Company, to provide services and facilities of all kinds to any such associated company and to make payments by way of subvention or otherwise to any such associated company or in connection with it or its business or operations;
- (n) to enter into any arrangements with any governments or authorities (supreme, municipal, local or otherwise) or any person or company, and to obtain from any such government, authority, person or company any rights, privileges, charters, contracts, licences and concessions and to carry out, exercise and comply with the same;

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- (o) to pay out of the funds of the Company all expenses which it may lawfully pay with respect to its formation and registration or the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company;
- (p) to enter into any partnership or arrangement for sharing profits, co-operation or union of interests with any other company or person, and to establish or promote, or join in the establishment or promotion of, any other company;
- (q) to acquire and undertake the whole or any part of the business, property and liabilities of any other company or person, and to amalgamate with any other company;
- (r) to distribute any of the property of the Company in kind among its members;
- (s) to cause the Company to be registered or recognised in any part of the world;
- (t) to do all or any of the above things in any part of the world, and either as principal, agent, trustee, contractor or otherwise, and either alone or in conjunction with others, and by or through agents, trustees, subcontractors or otherwise;
- (u) while the Company remains a private company, and subject to the provisions of the Act, to give financial assistance (within the meaning of section 152(1)(a) of the Act) for any such purpose as is specified in section 151 of the Act; and
- (v) to do all such other things as are or may be deemed incidental or conducive to the attainment of the above objects (or any of them) and the exercise of the powers (whether express or implied) of the Company;

And so that:

- (i) in this clause the word '**company**', except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere;
- (ii) in this clause the expression '**associated company**' means, in reference to the Company, any company in which the Company has any direct or indirect interest;
- (iii) in this clause the expression '**the Act**' means the Companies Act 1985, including any statutory modification or amendment thereof for the time being in force; and
- (iv) the widest interpretation shall be given to each of the provisions of this clause, and none of them shall be restrictively construed or (except where the context expressly so requires) be in any way limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

5. The liability of the members is limited.

6. The authorised share capital of the Company at the date of adoption of these Articles is £870,752 made up as follows:
- (a) £870,750 divided into 43,537,500 Ordinary Shares of £0.02 each;
 - (b) £1 represented by 1 Preference A Share; and
 - (c) £1 represented by 1 Preference B Share².

The shares in the original or any increased capital may be divided into several classes, and have attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

² The Company was incorporated with an authorised share capital of £1,000 divided into 1,000 ordinary shares of £1.00 each. By a written resolution passed on 18 December 1998 the authorised share capital was sub-divided into 100,000 ordinary shares of £0.01 each. By a written resolution passed on 16 June 2005 the authorised share capital was increased to £121,000 by the creation of 120,000 Cumulative Redeemable Preference C Shares of £1.00 each. By a written resolution passed on 28 September 2005 the authorised share capital was increased to £371,000 by the creation of 250,000 Cumulative Redeemable Convertible Preference D Shares of £1.00 each. By Written Resolution passed on 28 June 2006 the authorised share capital was increased to £371,002 by the creation of 1 Cumulative Redeemable Preference A Share of £1.00 and 1 Cumulative Redeemable Preference B share of £1.00. By a resolution passed on 31 October 2007, the authorised share capital was increased to £870,752 by the creation of an additional 49,975,000 ordinary shares of £0.01 each. By a resolution passed on 20 November October 2007 every two of the ordinary shares in the capital of the Company was consolidated into one ordinary share of 2 pence each. By a resolution passed on 7 December 2007 the authorised share capital was increased to £1,260,002 by the creation of 19,462,500 ordinary shares of £0.02p each.

For Information Purposes

I the person whose name, address and description are subscribed, are desirous of being formed into a Company in pursuance of this memorandum of association and I respectively agree to take the number of shares in the capital of the Company set opposite my name.

NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBER	Number of Shares taken by each Subscriber (in words)
Huntsmoor Nominees Limited, Carmelite 50 Victoria Embankment LONDON EC4Y 0DX Limited company	One