

DRAFT

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

F&C Asset Management plc

(as amended by a special resolution passed on 25 March 2014)

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**A PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**F&C ASSET MANAGEMENT PLC**

**(as adopted by a special resolution passed on 4 October 2004 and amended by special resolutions passed on 13 May 2008, 1 July 2009 and 4 May 2010)**

**PRELIMINARY**

**1. Non-application of statutory regulations**

None of any regulations or articles for the management of a company set out in any schedule to any statute, or in any statutory instrument or other subordinated legislation made under any statute, concerning companies shall apply as regulations or articles of the Company.

**2. Definitions**

In these Articles (if not inconsistent with the subject or context and unless otherwise provided) the words in the first column of the table below shall have the meanings set opposite them respectively in the second column:-

<i>Words</i>	<i>Meanings</i>
"the Act"	the Companies Act 2006;
"address"	means a postal address or, as the case may require, a number or address used for the purpose of sending or receiving documents or information by electronic means;
"these Articles"	these Articles of Association as they may be altered from time to time by special resolution of the Company;
"auditors"	the auditors for the time being of the Company;
"business day"	any day on which the London Stock Exchange is open for business;
"clear days"	in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Companies Acts"	shall have the meaning given thereto by section 2 of the Act but shall only extend to provisions which are in force at the relevant date;
"Company"	F&C Asset Management plc or such other name by which the Company may for the time being be registered in accordance with the Statutes;
"Directors"	the directors from time to time of the Company or (as the context may require) those of such directors present at a duly convened meeting of the directors of the Company at which a quorum is present;
"electronic address"	an address or number used for the purposes of sending or receiving documents or communication by electronic means;



"electronic form" and "electronic means"	have the meanings given in section 1168 of the Act;
"employees' share scheme"	employees' share scheme as defined in the Companies Acts;
"execution"	includes any valid mode of execution (and "executed" shall be construed accordingly);
"holder" or "member"	in relation to shares, the person whose name is entered in the register of members as the holder of such shares;
"in writing"	written or produced by any visible substitute for writing, or partly one and partly another;
"London Stock Exchange"	London Stock Exchange plc;
"month"	calendar month;
"office"	the registered office for the time being of the Company;
"paid" or "paid up"	paid up or credited as paid up;
"parent undertaking"	parent undertaking as defined in section 1162 of the Act;
"recognised clearing house"	recognised clearing house as defined in section 285 of the Financial Services and Markets Act 2000 for the time being and as may from time to time be amended, replaced or re-enacted;
"recognised investment exchange"	recognised investment exchange as defined in section 285 of the Financial Services and Markets Act 2000 for the time being and as may from time to time be amended, replaced or re-enacted;
"register of members"	the register of members to be kept in accordance with the Companies Acts;
"seal"	the common seal of the Company;
"securities seal"	an official seal kept by the Company for sealing securities issued by the Company or for sealing documents creating or evidencing securities to be issued;
"Statutes"	the Companies Acts and every other Act (including any orders, regulations or other subordinate legislation made under any such Act) for the time being in force concerning companies and affecting the Company;
"subsidiary undertaking"	subsidiary undertaking as defined in section 1162 of the Act;
"transfer office"	the place where the register of members is situate for the time being;
"transmission event"	death, bankruptcy or any other event giving rise to the transmission of a person's entitlement to a share by operation of law;
"UK Listing Authority"	The Financial Services Authority in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;

"undertaking"	undertaking as defined in section 1161 of the Act;
"United Kingdom"	Great Britain and Northern Ireland; and
"year"	calendar year.

### 3. **Interpretation**

In these Articles (if not inconsistent with the subject or context and unless otherwise provided):-

the expression the "Company's bankers" means the Company's bankers or, if the Company engages more than one bank, the Company's principal bankers as may be selected by the Directors;

the expression holder or member "present in person" shall be deemed to include the presence of an authorised representative of a corporate member and cognate expressions shall be construed accordingly;

the expression "Secretary" shall (subject to the provisions of the Statutes) include any deputy secretary, assistant secretary and any other person appointed by the Directors to perform any of the duties of the company secretary of the Company and where two or more persons are appointed to act as joint secretaries shall include any one of those persons;

any reference to days of notice in relation to a meeting shall be construed as meaning clear days;

any reference to a meeting shall not be taken as requiring more than one person to be present in person if any quorum requirement can be satisfied by one person;

words denoting the singular shall include the plural and *vice versa* and words denoting the masculine gender shall include the feminine and neuter genders;

any reference to a person shall be construed as including a reference to an undertaking;

references to any statute or statutory provision shall (if not inconsistent with the subject or context) include any statutory modification or re-enactment thereof for the time being in force;

where any of the provisions of these Articles are stated to apply to an Article referred to by its principal number only, those provisions shall apply (where relevant) to all and any Articles designated by that number and a further number;

save as aforesaid any words or expressions defined in the Companies Acts shall (if not inconsistent with the subject or context) bear the same meaning in these Articles;

where for any purpose an ordinary resolution of the Company is expressed to be required under the provisions of these Articles, a special resolution shall also be effective; and

the table of contents and the headings and sub-headings to Articles are inserted for convenience only and do not affect the construction of these Articles.

## **REGISTERED OFFICE AND COMPANY NAME**

### 4. **Registered office**

The office shall be at such place in Scotland as the Directors shall from time to time appoint.

### 4A. **Company name**

The name of the Company may be changed by a resolution of the Directors.

## **BUSINESS**

### 5. **Business activities**

Any activity or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance, whether such activity or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with the same.

## **LIABILITY OF MEMBERS**

### **5A. Liability of members**

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

## **CAPITAL**

### **6. Share capital**

6.1 The Company may from time to time by ordinary resolution increase its share capital by the allotment and issue of new shares in the Company subject to and in accordance with the provisions of the Statutes and these Articles.

6.2 Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise, of any resolution of the Company in general meeting passed pursuant thereto and of these Articles, the Directors shall have unconditional authority:-

- (i) to allot (with or without conferring a right of renunciation), grant options over, offer or otherwise deal with or dispose of any shares in the Company; and
- (ii) to sell, transfer or cancel any treasury shares held by the Company, in accordance with the provisions of the Statutes,

to such persons (including Directors) at such times and generally on such terms and conditions as the Directors may determine.

6.3 The profits of the Company available for distribution and resolved to be distributed in respect of each financial year for which the Company's accounts are, or are to be, made *which the Company may determine* to distribute by way of dividend shall be paid to the holders of the ordinary shares rateably according to the amounts paid up on such shares held by them respectively.

6.4 On a return of assets on liquidation or otherwise the assets of the Company available for distribution among the members shall belong to and be distributed among the holders of the ordinary shares rateably according to the amounts paid up or credited as paid up on such shares held by them respectively.

### **7. Redeemable shares and shares with special rights**

Subject to the provisions of the Statutes:-

- (i) shares in the Company may be issued on the terms that they are, or are to be liable at the option of the Company or the holder and the Directors may decide the terms, conditions and the manner of redemption of any such shares; and
- (ii) without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether relating to dividend, return of capital, transfer, voting, conversion or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine). Where the capital of the Company includes shares with different voting rights, the designation of each class of shares other than those with the most favourable voting rights shall include the words "restricted voting" or "limited voting" and where the capital of the

Company includes shares which do not carry voting rights the designation of such shares shall include the word "non-voting".

8. **Warrants to subscribe for shares**

The Company may, subject to the provisions of the Statutes and of these Articles, issue warrants to subscribe for shares in the Company. Such warrants shall be issued upon such terms and subject to such conditions as may be resolved upon by the Directors including, without prejudice to the foregoing generality, terms and conditions which provide that, on a winding up of the Company, a holder of warrants may be entitled to receive out of the assets of the Company available in the liquidation *pari passu* with the holders of shares of the same class as the shares in respect of which the subscription rights conferred by the warrants can be exercised such a sum as he would have received had he exercised the subscription rights conferred by his warrants prior to the winding up but under deduction of the price (if any) payable on exercise of such subscription rights.

8A. **Article 8A deleted**

**VARIATION OF CLASS RIGHTS**

9. **Method of varying class rights**

Whenever the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of not less than 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 the shares of that class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate general meeting all the provisions of the Statutes and of these Articles relating to general meetings of the Company and to the proceedings thereat shall, so far as applicable, apply *mutatis mutandis*, except that:-

- (i) the necessary quorum at any such meeting other than an adjourned meeting shall be two persons entitled to vote together holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (excluding any shares of that class held as treasury shares) and at an adjourned meeting shall be one person holding shares of the class in question and entitled to vote or his proxy;
- (ii) any holder of shares of the class in question present in person or by proxy may demand a poll; and
- (iii) every holder of shares of the class in question shall be entitled, on a poll, to one vote for every share of that class held by him.

The foregoing provisions of this Article 9 shall apply to the variation or abrogation of all or any of the special rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes.

10. **When class rights deemed not to be varied**

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

- (i) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company or voting in some or all respects *pari passu* with or subsequent to the firstmentioned shares but in no respect in priority thereto; or
- (ii) by the purchase by the Company of any of its own shares.

**ALTERATION OF CAPITAL**

11. **Alteration to share capital**

11.1 The Company may by ordinary resolution alter its share capital in any way permitted by the Statutes.

11.2 Any resolution to sub-divide the shares may determine that, as between the holders of the resulting shares (but subject and without prejudice to any rights for the time being attached to the shares of any special class), one or more of the shares may be given a preference, advantage, restriction or disadvantage as regards dividend, capital, voting or otherwise any of the other shares.

12. **New shares**

All new shares shall be subject to the provisions of the Statutes and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

13. **Fractions arising on consolidation**

Upon any consolidation and division of fully paid shares into shares of larger nominal value ("consolidated shares"), the Directors may settle any difficulty which may arise with regard thereto and, in particular, may, as between the holders of shares so consolidated and divided, determine which shares are consolidated and divided into each consolidated share and, in the case of any shares registered in the name of one holder (or joint holders) being consolidated with shares registered in the name of another holder (or other joint holders), may (on behalf of the members) make such arrangements for the allocation, acceptance or sale of the consolidated share to any person (including, subject to the provisions of the Statutes, the Company) and for the distribution to the members entitled thereto of any net proceeds received in respect thereof as may be thought fit (except that any amount otherwise due to a member, being not more than £3.00 or such other sum as the Directors may from time to time determine, may be retained for the benefit of the Company) and for the purpose of giving effect thereto may appoint some person to transfer the consolidated share or any fractions thereof and to receive the purchase price thereof and any transfer executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity.

14. **Purchase of own shares**

14.1 Subject to the Statutes and to any rights conferred on the holders of any class of shares, the Company may purchase any of its own shares (including any redeemable shares) and may hold such shares as treasury shares or cancel them.

14.2 The Company can select which shares it shall purchase and purchase them by whatever method it sees fit.

15. **Reduction of capital**

Subject to the Statutes, the Company may by special resolution reduce its share capital, share premium account, capital redemption reserve or other undistributable reserve in any way.

## SHARES

16. **16.1 Shares may be in certificated or uncertificated form**

Any share in the Company may be issued or held in certificated form or uncertificated form and converted from certificated form into uncertificated form and *vice versa* in accordance with the Statutes and the Directors shall have power to implement any arrangements they think fit in respect of shares in certificated form or uncertificated form and for the conversion of shares in certificated form into uncertificated form and *vice versa* which accord with the Statutes.

16.2 **Shares not to be allotted at a discount**

New shares in the Company shall not be allotted at a discount and, save as permitted by the Statutes, shall not be allotted except as paid up at least as to one-quarter of their nominal value and the whole of any premium thereon.

17. **Payment of commission**

The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent permitted thereby. Any such commissions may be paid in cash or in fully or partly paid shares in the Company, or partly in one way and partly in another, as may be arranged. The Company may also on any issue of shares pay such brokerage as may be lawful.

18. **Financial assistance**

The Company shall not give any financial assistance in connection with the acquisition of shares in the Company except insofar as permitted by, and in accordance with, the Statutes.

19. **Renunciation**

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

20. 20.1 **Interests not recognised**

Except as required by law or by these Articles, the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the holder or, in the case of a share warrant, in the bearer of the warrant for the time being.

20.2 **Trusts may be recognised**

The Company shall be entitled, but, except as required by law or by these Articles, shall not be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares in the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust, whether express, implied or constructive, in respect of any shares in the Company and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owners thereof. For the purpose of this Article 20.2, "trust" includes any right in respect of any shares in the Company other than an absolute right thereto in the holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in these Articles.

21. 21.1 **Issue of share warrants to bearer**

The Company may, with respect to any fully paid shares, issue a warrant to bearer (referred to in these Articles as a "share warrant") stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends on the shares included in a share warrant.

21.2 **Conditions of issue**

The powers referred to in Article 21.1 may be exercised by the Directors who may determine and vary the conditions upon which share warrants shall be issued and, in particular, upon which:-

- (i) a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out or lost (provided that no new share warrant will be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed);
- (ii) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;

- (iii) dividends will be paid; and
- (iv) a share warrant may be surrendered and the name of the holder entered in the register of members in respect of the shares specified in it.

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

## **CERTIFICATES AND TITLE TO SHARES**

### **22. Title to shares may be evidenced otherwise than by certificates**

Title to any shares in the Company may be evidenced otherwise than by a definitive certificate in accordance with the Statutes and the Directors shall have power to implement any arrangements they think fit for such evidencing which accord with the Statutes. If title to shares of any class is permitted to be transferred by means of a computer-based or other system and without a written instrument in accordance with the Statutes, the Company shall enter in the register of members, in respect of all shares of that class registered in the name of each holder, how many of such shares are held in certificated form and uncertificated form respectively.

### **23. 23.1 Members' rights to certificates in respect of shares held in certificated form**

Every person whose name is entered as a member in the register of members in respect of shares of any class in certificated form (except a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of which the Company is not required by law to complete and have ready for delivery a certificate) shall be entitled without payment to a certificate therefor:-

- (i) in the case of issue, within one month (or such other period as the terms of issue shall provide) after allotment;
- (ii) in the case of a transfer of fully paid shares, within one month (or such longer or shorter period (if any) as the rules of the UK Listing Authority may from time to time permit or require) after lodgement of the transfer;
- (iii) in the case of a transfer of partly paid shares, within two months (or such longer or shorter period (if any) as the rules of the UK Listing Authority may from time to time permit or require) after lodgement of the transfer;
- (iv) in the case of conversion of a share from uncertificated form into certificated form, within two months (or such longer or shorter period (if any) as the Statutes or the rules of the UK Listing Authority may from time to time permit or require) after the date on which such conversion became effective; or
- (v) in the case of the surrender of a share warrant for cancellation, within two months of the surrender of the share warrant;

or (upon payment of such reasonable charge (if any) for every certificate after the first as the Directors shall from time to time determine) to several certificates, each for one or more of his shares of any one class in certificated form, provided that, in the case of a share held in certificated form jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons shall be deemed sufficient delivery to all.

### **23.2 Authentication and form of certificates**

For so long as required by the Statutes or the rules of the UK Listing Authority, every definitive certificate for shares shall be issued under the seal (or under a securities seal), provided that nothing in this Article 23.2 shall require any such certificates to be sealed if neither the Statutes nor the rules of the UK Listing Authority require such certificates to be sealed. Every such certificate shall specify the number, class and distinguishing number (if any) of the shares to

which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class.

24. **Registration of joint holders**

The Company shall not be bound to register more than four persons as the joint holders of a share.

25. **Delivery of certificate to broker or agent**

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

26. **Transfer of part of a holding**

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

27. **Cancellation and replacement of certificates**

27.1 Any two or more certificates representing shares of any one class held by any member may, at his request, be cancelled and a single new certificate for all such shares issued in lieu upon payment of such reasonable charge (if any) as the Directors shall from time to time determine.

27.2 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request upon payment of such reasonable charge (if any) as the Directors shall from time to time determine.

27.3 If a share certificate shall be damaged, defaced, worn out or alleged to have been lost, stolen or destroyed, it may be replaced by a new certificate on request subject to (in the case of damage, defacement or wearing out) delivery up of the old certificate or (if the old certificate shall be alleged to have been lost, stolen or destroyed) compliance with such conditions (if any) as to evidence and indemnity as the Directors think fit. Any such replacement certificate shall be issued without charge save that, in the case of alleged loss, theft or destruction, the person to whom a new certificate is issued shall pay to the Company any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity as aforesaid.

27.4 In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

## **CALLS ON SHARES**

28. **Power to make, and liability for, calls**

The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue thereof made payable at fixed times. Each member shall (subject to being given at least 14 days' notice specifying the time or times and place of payment) pay to the Company, at the time or times and place so specified, the amount called on his shares. A call may be required to be paid in instalments and may be either revoked or postponed, in whole or in part, by the Directors at any time before receipt by the Company of a sum due thereunder. Without prejudice to the lien created by Article 42, a person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

29. **Time when call made**

A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

30. **Liability of and receipts by joint holders**



The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof and any one of such persons may give an effective receipt for any return of capital payable in respect of such share.

31. **Interest payable on non-payment**

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment thereof at such rate as may be fixed by the terms upon which such shares have been issued or, if no such rate is fixed, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, three per cent per annum above the base lending rate of the Company's bankers from time to time or, in the absence of such base lending rate, 20 per cent per annum) as the Directors may determine and shall also pay all expenses that may have been incurred by the Company by reason of such non-payment, but the Directors may, if they think fit, in any case or cases, waive payment of such interest and expenses, wholly or in part.

32. **Sums due on allotment deemed as calls**

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

33. **Differentiation in calls**

Subject to the terms of issue, the Directors may, on the issue of shares, differentiate between the allottees or holders of shares as to the amount of calls to be paid and the times of payment.

34. **Payments of calls in advance**

The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon any shares held by him, and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made. The Company may pay interest upon the moneys so received (until and to the extent that the same would, but for such payment in advance, become payable) at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, three per cent per annum below the base lending rate of the Company's bankers from time to time or, in the absence of such base lending rate, 15 per cent per annum) as the member paying such moneys and the Directors may agree upon. No moneys paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend, or other payment or distribution, subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment in advance, become payable. The Directors may at any time repay moneys paid up in advance of calls upon giving to the member not less than one month's notice in writing.

## **FORFEITURE, SURRENDER AND LIEN**

35. **Notice requiring payment of call on default**

If a member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment thereof, the Directors may, at any time thereafter, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any accrued interest thereon and any expenses incurred by the Company by reason of such non-payment.

36. **Form of notice**

The notice referred to in Article 35 shall name a further day (being not less than 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment in accordance therewith, the shares in respect of which the call or instalment of the call is payable will be liable to be forfeited.

37. **Forfeiture for non-compliance with notice or surrender**

If the requirements of any notice referred to in Article 35 are not complied with, any share in respect of which such notice has been given may, at any time thereafter and before payment of all calls or instalments, interest and expenses due in respect thereof has been received by the Company, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited share and not actually paid or distributed before forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Directors. The Directors may accept a surrender of any share liable to be forfeited hereunder.

38. **Notice of forfeiture**

When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share in consequence of a transmission event, as the case may be, and an entry of such notice having been given, and of the forfeiture or surrender, with the date thereof, shall forthwith be made in the register of members opposite to the entry of the share but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

39. **Annulment of forfeiture or surrender**

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

40. **Sale or cancellation of forfeited or surrendered shares**

A share forfeited or surrendered pursuant to these Articles shall become and be deemed to be the property of the Company (provided that the Company shall not exercise any voting rights in respect of such share) and may (subject to the provisions of the Statutes) be sold, re-allotted or otherwise disposed of either to the person who was, before such forfeiture or surrender, the holder thereof or entitled thereto in consequence of a transmission event or to any other person upon such terms and in such manner as the Directors think fit and whether with or without all or any part of the amount previously paid up on the share being credited as paid up. The Directors may, if necessary, authorise any person to transfer a forfeited or surrendered share to, or in accordance with the directions of, any such other person as aforesaid. Any share which has been so forfeited or surrendered and has not been sold, re-allotted or otherwise disposed of shall be cancelled by resolution of the Directors within the period specified in and otherwise in accordance with the Statutes.

41. **Arrears to be paid notwithstanding forfeiture or surrender**

A person, all or any of whose shares have been forfeited or surrendered, shall cease to be a member in respect of the forfeited or surrendered shares (and, if such shares are in certificated form, shall surrender to the Company for cancellation the certificate(s) for such shares) but shall, notwithstanding such forfeiture or surrender or cancellation of the shares, remain liable (unless payment is waived in whole or in part by the Directors) to pay to the Company all moneys which, at the date of forfeiture or surrender, were presently payable by him to the Company in respect of the shares, with interest thereon at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, three per cent per annum above the base lending rate of the Company's bankers from time to time or, in the absence of such base lending rate, 20 per cent per annum) as the Directors may determine from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest, either wholly or in part, and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal.

42. **Company to have lien on shares**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time or times in respect of such share. The Company shall also, insofar as is permitted by the Statutes, have a first and paramount lien on all shares (not being fully paid shares) standing registered in the name of a member (whether solely or jointly) for all the debts and liabilities of such member, or his estate, to the Company. The lien shall apply (i) notwithstanding that those debts and liabilities have been incurred before or after notice to the

Company of any equitable or other interest of any person other than such member, (ii) whether or not the period for the payment or discharge of the same shall have actually arrived and (iii) notwithstanding that the same are joint debts or liabilities of such member, or his estate, and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and other payments or distributions payable or distributable thereon or in respect thereof. The Directors may waive any lien which has arisen and may declare any share to be exempt, wholly or partially, from the provisions of this Article 42.

43. **Enforcement of lien by sale**

Without prejudice to any other right or remedy competent to the Company under these Articles or otherwise, the Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing, (i) stating, and demanding payment of, the sum presently payable and (ii) giving notice of the intention to sell in default of such payment, shall have been given to the holder for the time being of the share or the person entitled thereto in consequence of a transmission event. For the purpose of giving effect to any such sale, the Directors may authorise any person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

44. **Application of proceeds of sale**

The net proceeds of a sale pursuant to the provisions of Article 43, after payment of the costs of such sale, shall be received by the Company and applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists, so far as the same are presently payable, and any residue shall (subject to a like lien for moneys, debts or liabilities not presently payable as existed upon the shares prior to the sale and upon surrender, if required by the Directors, of the certificate of the shares sold if such shares were in certificated form) be paid to the person entitled to the shares at the time of the sale.

45. **Statutory declaration as to forfeiture, surrender or sale**

A statutory declaration in writing that the declarant is a Director or the Secretary and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or other disposal thereof, together with the share certificate (if any) delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or otherwise disposed of shall be registered as the holder of the share, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or other disposal of the share.

## **TRANSFER OF SHARES**

46. 46.1 **Transfer of shares in uncertificated form**

Shares in uncertificated form may be transferred otherwise than by a written instrument in accordance with the Statutes and the Directors shall have power to implement any arrangements they think fit for such transfer which accord with the Statutes.

46.2 **Transfer of shares in certificated form**

Transfers of shares in certificated form may be effected by transfers in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be executed by, or on behalf of, the transferor and (except in the case of fully paid shares) by, or on behalf of, the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect thereof.

47. **Article 47 has been deleted**

48. **Requirements for registration of transfer and refusal to register**

48.1 The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register a transfer of any share in certificated form unless the relevant instrument of transfer is:-

- (i) in respect of only one class of share;
- (ii) (if stamp duty is generally chargeable on transfers of shares in certificated form) duly stamped, or adjudged or certified as not chargeable to stamp duty; and
- (iii) lodged at the transfer office, or at such other place as the Directors may from time to time determine, accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, the lodgement of share certificates will only be necessary if, and to the extent that, certificates have been issued in respect of the shares in question.

48.2 A transfer of any share in uncertificated form shall only be registered in accordance with the provisions of the Statutes and the Directors shall not refuse to register a transfer of any share in uncertificated form unless permitted to do so in accordance with the provisions of the Statutes or these Articles.

48.3 The Directors shall not register a transfer of any share in favour of more than four transferees jointly.

48.4 The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of shares which are not fully paid, provided that, where any such shares are admitted to the Official List of the UK Listing Authority, 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.

48.5 The Directors may refuse to register a transfer of any share on which the Company has a lien.

49. **Notice of refusal to register**

If the Directors refuse to register a transfer pursuant to any provision of these Articles they shall, as soon as reasonably practicable and in any event within two months after the date on which the transfer was lodged with (or, in the case of shares in uncertificated form, the relevant transfer instruction was received by) the Company (or such longer or shorter period as the rules of the UK Listing Authority may from time to time permit or require), send to the transferee notice of the refusal giving reasons for the refusal.

50. **Retention of instruments of transfer**

All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors refuse to register shall (except in the case where fraud or any other crime involving dishonesty is suspected in relation to such transfer) be returned to the person lodging it when notice of refusal in accordance with Article 49 is given.

51. **No fee payable for registration of transfers**

No fee will be charged by the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the register of members affecting the title to any shares.

52. **Directors' powers to authorise transfers**

Nothing in these Articles shall preclude the Directors, if empowered by these Articles to authorise any person to transfer a share, from authorising any person to transfer that share, if it is in certificated form, by executing an instrument of transfer and, if it is in uncertificated form, in accordance with any arrangements they think fit for such transfer which accord with the Statutes (and the Directors shall have power to implement any such arrangements).

## **DESTRUCTION, AND PRESUMPTIONS AS TO VALIDITY, OF DOCUMENTS**

### **53. 53.1 Permitted times for destruction**

The Company shall be entitled to destroy:-

- (i) all share certificates which have been cancelled at any time after the expiration of one year from the date of such cancellation;
- (ii) all notifications of change of name and address (including any address for the purposes of sending or receiving documents or information by electronic means) and all dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of two years from the date of the recording of such notification or, as the case may be, the date of such cancellation or cessation;
- (iii) all instruments of transfer of shares which have been registered at any time after the expiration of six years from the date of registration thereof;
- (iv) any other documents on the basis of which any entry in the register of members has been made at any time after the expiration of six years from the date an entry in the register of members was first made in respect thereof;
- (v) all dividend warrants and cheques at any time after the expiration of one year from the date of actual payment;
- (vi) all instruments of proxy which have been used for the purpose of a poll at any time after the expiration of one year from the date of the taking of such poll; and
- (vii) all instruments of proxy which have not been used for the purpose of a poll at any time after the expiration of one month from the date of the general meeting to which the instruments of proxy relate and at which no poll was demanded,

provided always that any document referred to in this Article 53 may, subject to the Statutes and the Uncertificated Securities Regulations 2001, be destroyed before the end of the relevant period in respect of such document as set out in this Article 53 so long as a copy of the relevant document (whether made electronically, by microfilm, by digital imaging or otherwise) has been made and is retained by the Company until the end of such relevant period.

### **53.2 Presumptions as to validity**

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

- (i) every entry in the register of members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;
- (ii) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
- (iii) every share certificate so destroyed was a valid and effective document duly and properly cancelled; and
- (iv) every other document in Article 53.1 so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company;

provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice to the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing contained in this Article 53 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid, or in any other circumstances, which would not attach to the Company in the absence of this Article 53;
- (c) references in this Article 53 to the destruction of any document include references to the disposal thereof in any manner; and
- (d) references in this Article 53 to an instrument of transfer shall be deemed to include references to any document constituting the renunciation of an allotment of any shares in the Company by the allottee in favour of some other person.

### **TRANSMISSION OF SHARES**

#### **54. 54.1 Transmission on death**

In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person or persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article 54 shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

#### **54.2 Registration or transfer on death, bankruptcy, etc**

Subject to the provisions of Article 54.1, any person becoming entitled to a share in consequence of a transmission event may (subject as hereinafter provided), upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, either elect either to be registered himself as the holder of the share upon giving to the Company notice in writing in such form as the Directors may prescribe of such desire or to transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the transmission event as aforesaid had not occurred and the notice or transfer was a transfer executed by that member. The Directors may at any time give notice requiring a person becoming entitled to a share in consequence of a transmission event to elect to be registered himself or to transfer the share and, if the notice is not complied with within 60 days, the Directors may withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the notice have been complied with.

#### **54.3 Rights of persons entitled by transmission**

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of a transmission event shall, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share, but he shall not be entitled (except with the approval of the Directors) to receive notices of, or to exercise any right conferred by membership in relation to, meetings of the Company (including meetings of the holders of any class of shares in the Company) until he shall have become a member in respect of the share.

### **DISCLOSURE OF INTERESTS IN SHARES**

#### **55. 55.1 Interpretation of and definitions for Article 55**

For the purposes of this Article 55:-

- (i) a person other than the member holding a share shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
- (ii) "interested" shall be construed as it is for the purpose of section 793 of the Act;
- (iii) "section 793 notice" means a notice given by the Company under section 793 of the Act;
- (iv) reference to a person having failed to give the Company the information required by a section 793 notice, or being in default as regards supplying such information, includes (a) reference to his having failed or refused to give all or any part of it and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular; and
- (v) an "approved transfer" means, in relation to any shares held by a member:-
  - (a) a transfer by way of or pursuant to acceptance of a takeover offer for the Company (within the meaning in section 974 of the Act); or
  - (b) a transfer in consequence of a sale made through a recognised investment exchange or recognised clearing house or any other stock exchange or market outside the United Kingdom on which the Company's shares are normally traded (if any); or
  - (c) a transfer which is shown to the satisfaction of the Directors to be made in consequence of a *bona fide* sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

## 55.2 Disenfranchisement

If a member, or any other person appearing to be interested in shares held by that member, has been duly served with a section 793 notice and has failed in relation to any shares (the "default shares", which expression shall include any further shares which are allotted or issued in respect of such shares) to give the Company the information thereby required within 14 days after service of the section 793 notice, then the Directors may, in their absolute discretion at any time thereafter, by notice (a "direction notice") to such member (which shall be conclusive against such member and its validity shall not be questioned by any person) direct, with effect from the service of the direction notice, that:-

- (i) the member shall not be entitled in respect of the default shares to attend or vote (either in person or by proxy) at any general meeting or at any separate general or class meeting of the holders of that class of shares; and
- (ii) where the default shares represent 0.25 per cent or more in nominal value of the issued shares of their class (calculated by reference to the number of shares in issue at the time when the section 793 notice is given and excluding any shares of that class held as treasury shares):-
  - (a) any sums payable (whether in respect of capital or dividend or otherwise) in respect of the default shares, or any part thereof, shall, except on a winding up of the Company, be withheld by the Company until such time as the section 793 notice ceases to have effect and the Company shall not have any obligation to pay interest on any such sums when they are finally paid to the member and the member shall not be entitled to elect, pursuant to Article 147, to receive shares instead of any dividend; and
  - (b) no transfer of any default shares held by the member shall be registered unless:-

- (aa) the member is not himself in default as regards supplying the information required and the member provides evidence to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares which are the subject of the transfer; or
- (bb) the transfer is an approved transfer.

### 55.3 **Service of notices on non-members**

The Company shall send to each other person appearing to be interested in the default shares, the address of whom has been intimated to the Company, a copy of the direction notice at the same time as such notice is given to the relevant member, but the failure or omission to do so, or the non-receipt by that person of the copy, shall not invalidate or otherwise affect the application of Article 55.2.

### 55.4 **Cessation of disenfranchisement**

The sanctions under Article 55.2 shall have effect for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect seven days after the earlier of:-

- (i) receipt by the Company of notice that the default shares have been transferred by such member by means of a transfer in accordance with sub-paragraph (ii) (b) of Article 55.2; and
- (ii) due compliance, to the satisfaction of the Company, with the section 793 notice.

In addition, the Directors may at any time give notice suspending for any given period or cancelling a direction notice or any part thereof.

### 55.5 **No restriction of statutory provisions**

The provisions in this Article 55 are in addition and without prejudice to the provisions of the Act and, in particular, the Company may apply to the court under section 794 of the Act whether or not the provisions of this Article 55 apply or have been applied.

## **UNTRACED SHAREHOLDERS**

### 56. 56.1 **Power to dispose of shares of untraced shareholders**

The Company shall be entitled to sell, in such manner and for such price as the Directors think fit, any share held by a member or any share to which a person is entitled in consequence of a transmission event if and provided that:-

- (i) during the period of 12 years prior to the date (or, if they are published on different dates, the first date) of the advertisements referred to in sub-paragraph (iii) of this Article 56.1 no cheque, warrant or other financial instrument for amounts payable in respect of the share, sent and payable in a manner authorised by these Articles, has been cashed and no communication in respect of the share has been received by the Company from the member or person concerned;
- (ii) during that period at least three cash dividends (whether interim or final) in respect of the share have become payable and no dividend in respect of the share has been claimed;
- (iii) the Company has, after the expiration of that period, by advertisement in both a national newspaper and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised by these Articles is located and by notice to the UK Listing Authority, given notice of its intention to sell such share; and



- (iv) the Company has not, during the further period of three months after the date (or, if they are published on different dates, the last date) of such advertisements and prior to the sale of the share, received any communication in respect of the share from the member or person concerned.

#### **56.2 Power to dispose of additional shares**

The Company shall also be entitled to sell, in the manner provided for in this Article 56, any share ("additional share") issued during the said period or periods of 12 years and three months in respect of any share to which Article 56.1 applies or in respect of any share issued during either of such periods, provided that the requirements of sub-paragraphs (i) (but modified to exclude the words "for a period of 12 years before the giving of notice pursuant to sub-paragraph (iii) of this Article 56.1"), (iii) (but modified to exclude the words "after the expiration of that period") and (iv) of Article 56.1 are satisfied in respect of such additional share.

#### **56.3 Sale procedure and application of proceeds**

To give effect to any such sale, the Directors may authorise any person to transfer the said shares and such transfer shall be as effective as if it had been executed by the holder of, or person entitled in consequence of a transmission event to, such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating to the said transfer. The Company shall be indebted to the former member or other person previously entitled to the said shares for an amount equal to the net proceeds of sale and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds of sale. The net proceeds of sale may be employed in the business of the Company or invested in such investments (other than shares in the Company or its parent undertaking, if any) as the Directors may from time to time think fit.

### **STOCK**

#### **57. Conversion into stock**

Subject to the provisions of these Articles, the Company may from time to time by ordinary resolution convert any fully paid shares into stock or reconvert any stock into fully paid shares of any denomination. If and whenever any shares of any class in the capital of the Company for the time being shall have been issued and be fully paid up, and at that time the shares of that class previously issued and fully paid up shall stand converted into stock, such further shares and shares issued prior to the conversion of the shares of that class into stock but which were not fully paid up at the date of conversion, upon being fully paid up, shall *ipso facto* be converted into stock transferable in the same units as the existing stock of that class.

#### **58. Transfer of stock**

The holders of stock may transfer such stock or any part thereof, unless otherwise directed by ordinary resolution of the Company, in the same manner and subject to the same regulations as those subject to which the shares from which the stock arose might, prior to conversion, have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the nominal value of the shares from which the stock arose) as the Directors may from time to time determine.

#### **59. Rights of stockholders**

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except as regards participation in the dividends, profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage. All the provisions of these Articles applicable to paid up shares shall apply to stock and the words "share" and "member" shall include "stock" and "holder of stock" respectively.

60. **Article 60 has been deleted.**

## **GENERAL AND CLASS MEETINGS**

61. **Annual general meetings**

The Company shall, in each year, hold a general meeting as its annual general meeting in addition to any other meetings in that year. An annual general meeting shall be held in each period of six months beginning with the day following the Company's accounting reference date at such time and place as may be determined by the Directors.

62. **General meetings**

All general meetings of members other than annual general meetings shall be called general meetings. The Directors may whenever they think fit proceed to convene a general meeting in accordance with the Statutes. General meetings shall also be convened by the Directors on a requisition in accordance with sections 303 to 305 (inclusive) of the Act or, in default, may be convened by the requisitionists of such general meeting, in accordance with the Statutes. A general meeting when convened by the Directors shall be held at such time and place as may be determined by the Directors provided that, whenever the Directors shall on a members' requisition convene a general meeting, they shall convene such meeting for a date not more than six weeks after the requisition is deposited at the office. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum for the transaction of the business of the Directors, any Director or any two members may convene a general meeting in the same manner (as nearly as may be) as that in which such a meeting might have been convened by the Directors.

63. **Separate class meetings**

All the provisions of the Statutes and of these Articles relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply to any separate meeting of the holders of shares of any class held otherwise than pursuant to Article 9.

## **LOCATION OF GENERAL MEETINGS**

64. 64.1 **General meetings at more than one place**

The provisions of this Article 64 shall apply if any general meeting is convened at, or adjourned to, more than one place.

64.2 **Notice and conditions of holding meeting**

The notice of the meeting or adjourned meeting shall specify the place at which the chairman of the meeting shall preside (the "specified place"), and the Directors shall make arrangements for simultaneous attendance and participation at that or any other place by members, provided that persons attending at any particular place shall be able to see and hear, and be seen and heard by, persons attending at the other place or places at which the meeting is convened.

64.3 **Controlling level of attendance**

The Directors may, from time to time, make such arrangements for the purpose of controlling the level of attendance at any such place as they shall, in their absolute discretion, consider appropriate, and may from time to time vary any such arrangements or make any new arrangements in place of them, provided that the entitlement of a member to attend a meeting or adjourned meeting shall be satisfied by his being given the entitlement to attend at such place (fulfilling the conditions specified in Article 64.2) as may be specified by the Directors for the purposes of this Article 64.3.

64.4 **Deemed location of meeting**

For the purposes of all other provisions of these Articles any such meeting shall be treated as being held at the specified place.

**64.5 Adjournment to more than one place**

If a meeting is adjourned to more than one place, notice of the adjourned meeting shall be given notwithstanding any other provision of these Articles.

**NOTICE OF GENERAL MEETINGS**

**65. Period and omission or non-receipt of notice**

- 65.1 An annual general meeting shall be called by at least twenty one days' notice in writing or using electronic means.
- 65.2 Any other general meeting shall be called by at least twenty one days' notice in writing or using electronic means.
- 65.3 A general meeting (including an annual general meeting) may be called on shorter notice than specified above if the conditions set out in the Statutes have been satisfied.
- 65.4 The notice shall be given in accordance with the provisions of these Articles to the auditors and to all members (other than those members who are not, under the provisions of these Articles or the terms of issue of the shares they hold, entitled to receive such notices from the Company) and to every other person who, by virtue of the Statutes or these Articles, is entitled to receive such notices from the Company.
- 65.5 The accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any general meeting.
- 65.6 The Directors may determine that persons entitled to receive notices of meeting are those persons entered on the register of members of the Company at the close of business on a day determined by the Directors, such day being not more than 21 days before the day that the relevant notice of meeting is sent.
- 65.7 The Directors shall be entitled to determine that where no valid address is held for a member entitled to receive notice, that notice need not be sent to such member.

**66. Contents of notice**

- 66.1 Subject to the provisions of the Statutes, every notice calling a general meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and speak and vote is entitled to appoint one or more proxies to attend and speak and vote instead of him (whether on a show of hands or on a poll) and that a proxy need not be a member of the Company.
- 66.2 In the case of an annual general meeting, the notice shall also specify the meeting as such.
- 66.3 In the case of any general meeting at which business other than ordinary business is to be transacted, the notice shall specify the general nature of such business and, if any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.
- 66.4 The notice of meeting shall specify that a member is not entitled to attend and vote unless his name is entered in the register of members at a time specified in the notice of meeting which is not more than 48 hours before the time fixed for the meeting. In calculating this time period, no account shall be taken of any part of a day that is not a working day. Changes to entries on the register of members of the Company after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote.

**67. Ordinary business**

Ordinary business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:-

- (i) declaring a dividend;

- (ii) receiving, considering and/or adopting the accounts, the reports of the Directors and auditors and other documents required to be annexed to the accounts;
- (iii) re-appointing the auditors and authorising the Directors to fix their remuneration;
- (iv) re-appointing Directors and appointing Directors to replace those retiring at the meeting and not offering themselves for re-appointment or otherwise;
- (v) granting, renewing or varying any authority under section 551 of the Act or (within any limit from time to time imposed by the rules of the UK Listing Authority) disapplying section 561 of the Act;
- (vi) granting or renewing a general authority for the Company to purchase its own shares; and
- (vii) renewing or regranting an existing authority for a scrip dividend alternative.

**68. Notice of resolutions on members' requisitions**

The Directors shall, on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

- (i) give to the members entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and
- (ii) circulate to the members entitled to have notice of any general meeting, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

**PROCEEDINGS AT GENERAL MEETINGS**

**69. Quorum**

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

**70. If quorum not present**

If within 15 minutes from the time appointed for a general meeting (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) a quorum is not present, the meeting, if convened on or by the requisition of members, shall be dissolved. In any other case the meeting shall stand adjourned to such day, time and place(s) as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may decide. If at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the member or members present in person or by proxy and entitled to vote shall be a quorum.

**71. Chairman**

The chairman of the board of directors of the Company, failing whom one of the deputy chairmen failing whom one of the vice chairmen (in either case to be chosen, if more than one are present and in default of agreement among themselves, by lot), shall be entitled to preside as chairman at every general meeting. If there is no such chairman or deputy chairman or vice-chairman or, if at any meeting none of them shall be present within 15 minutes from the time appointed for holding the meeting and willing to preside, the Directors present shall choose one of their number (or, if no Director is present or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of their number) to be chairman of the meeting.

**72. Adjournments**

The chairman of the meeting may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from

place to place. In addition, the chairman of the meeting may at any time, without the consent of the meeting, adjourn the meeting to another time or place if it appears to him that:-

- (i) the number of persons wishing to attend cannot be conveniently accommodated in the place(s) appointed for the meeting;
- (ii) the unruly conduct of persons attending the meeting prevents, or is likely to prevent, the orderly continuation of its business; or
- (iii) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

### **73. Time and place of adjourned meetings**

73.1 Any such adjournment pursuant to Article 72 may be to such other place (or, in the case of a meeting held at a principal meeting place and a satellite meeting place, such other places) and for such time as the chairman may, in his absolute discretion, determine, notwithstanding that by reason of such adjournment some members or other persons entitled to attend and vote may be unable to be present at the adjourned meeting. When a meeting is adjourned for 30 days or more or for an indefinite period, notice shall be sent at least seven clear days before the date of the adjourned meeting specifying the place and time (or places, in the case of a meeting to which Article 64.1 applies) of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to send any notice of an adjournment or of the business to be transacted at an adjourned meeting.

73.2 When a meeting is adjourned for a lack of quorum, the meeting may only be held at shorter notice than required by Article 65 if:

- (i) no business shall be dealt with at the adjourned meeting that was not set out in the notice of the original meeting; and
- (ii) the adjourned meeting is held at least 10 clear days after the original meeting.

73.3 The Directors may determine that persons entitled to receive notice of an adjourned meeting in accordance with this Article are those persons entered on the register of members of the Company at the close of business on a day determined by the Directors, such day being not more than 21 days before the day that the relevant notice of meeting is sent. The notice of an adjourned meeting given in accordance with this Article may also specify a time not more than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the meeting by which a person must be entered on the register of members of the Company in order to have the right to attend or vote at the meeting. Changes to entries on the register of members of the Company after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote.

### **74. Amendments to resolutions**

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

### **75. Methods of voting**

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

- (i) the chairman of the meeting; or
- (ii) any member present in person or by proxy and entitled to vote.

76. **Declaration of result and conduct of poll**

A demand for a poll may be withdrawn at any time before the conclusion of the meeting or the taking of the poll, whichever is the earlier. If a demand for a poll is withdrawn, the result of a show of hands declared before the demand was made shall remain valid. Unless a poll is duly demanded (and the demand is not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost and an entry to that effect in the minute book of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand is not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to such place and time fixed by him for the purpose of declaring the result of the poll.

77. **When poll to be taken**

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (being not more than 14 days after the date of the meeting at which the poll was demanded) and place as the chairman may direct. Unless the chairman otherwise directs, no notice need be given of a poll not taken immediately.

78. **Continuance of meeting**

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 the poll has been demanded.

79. **Article 79 has been deleted**

**VOTES OF MEMBERS**

80. **Right to vote**

80.1 Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares and to the provisions of these Articles:

- (i) on a show of hands:
  - (i)(a) every member present in person shall have one vote; and
  - (i)(b) subject to this Article, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution shall have one vote; and
- (ii) on a poll, every member present in person or by proxy shall have one vote for each share held by him.

80.2 On a vote on a resolution on a show of hands at a meeting, a proxy shall have one vote for and one vote against the resolution if:

- (i) the proxy has been duly appointed by more than one member entitled to vote on the resolution; and
- (ii) the proxy has been instructed by one or more of those members to vote for the resolution and by one or more of those members to vote against it.

81. **Votes of joint holders**

In the case of joint holders of a share, the vote of the senior member who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this

purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the share.

82. **Member under incapacity**

A member who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any court having jurisdiction (in the United Kingdom or elsewhere) for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, receiver, *curator bonis* or other person in the nature of a committee, receiver or *curator bonis* appointed by such court, and any such committee, receiver, *curator bonis* or other person may vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming the right to vote shall have been deposited at the transfer office, or at such other place (if any) as is specified for the delivery of instruments of proxy in accordance with these Articles, not less than 48 hours (excluding any part of a day that is not a working day) before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at, or on the same day as, the meeting or adjourned meeting) for the taking of the poll at which it is desired to vote.

83. **Calls in arrears**

No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to attend or vote at a general meeting of the Company either in person or by proxy or to exercise any other right conferred by membership in relation to general meetings of the Company if any call or other sum presently payable by him to the Company in respect of that share remains unpaid.

### ADMISSIBILITY OF VOTES

84. **Objections to voting**

If (i) any objection shall be raised to the qualification of any person to vote or to the admissibility of any vote or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error raised or pointed out in due time shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman of the meeting decides that the same may have affected the decision of the meeting. The decision of the chairman of the meeting on such matters shall be final and conclusive.

85. **Supplementary provisions on voting**

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

### PROXIES

86. **Proxy need not be member**

A proxy need not be a member of the Company and a member may appoint more than one proxy to attend, speak and vote on his behalf on the same occasion provided that the instrument of proxy shall specify the number of shares in respect of which the proxy is appointed and only one proxy shall be appointed in respect of any one share.

87. **Appointment and form of proxy**

87.1 A proxy shall be appointed:-

- (i) by instrument in writing in any usual or common form, or in any other form which the Directors may prescribe or accept, executed by or on behalf of the appointor;
- (ii) by electronic means, in accordance with Article 156.3, to such address as may be notified by or on behalf of the Company for that purpose; or

(iii) by any other lawful means from time to time authorised by the Directors.

87.2 A means of appointing a proxy which is authorised by or in terms of paragraph (ii) or (iii) of this Article 87 shall be subject to any requirements as to authentication of the appointment and any terms, limitations, conditions or restrictions that the Directors may from time to time to prescribe.

87.3 A corporation may execute an instrument appointing a proxy under its common seal or the hand of a duly authorised officer. The signature on such instrument need not be witnessed.

## 88. **Delivery of form of proxy**

The appointment of a proxy must:

- (i) in the case of an appointment made in hard copy form, be received at the office (or such other place in the United Kingdom as may be specified by the Company for the receipt of appointment of proxy in hard copy form) not less than 48 hours (or such shorter time as the Directors may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote together with (if required by the Directors) any authority under which it is made. Where an appointment of a proxy is signed or authenticated on behalf of the appointor by an attorney, the power of attorney or a certified copy of it must (if not previously registered with the Company) be submitted to the Company, failing which the appointment may be treated as invalid; and
- (ii) in the case of an appointment made by electronic means, be received at the address specified by the Company for the receipt of appointments of proxy by electronic means not less than 48 hours (or such shorter time as the Directors may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. Where an appointment of a proxy is signed or authenticated on behalf of the appointor by an attorney, the power of attorney or a certified copy of it must (if not previously registered with the Company), be received at such address or at the office (or such other place in the United Kingdom as may be specified by the Company for the receipt of such documents) not less than 48 hours (or such shorter time as the Directors may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, failing which the appointment may be treated as invalid;
- (iii) in the case of a poll taken more than 48 hours after it was demanded, be received as aforesaid not less than 24 hours (or such shorter time as the Directors may determine) before the time appointed for the taking of the poll;
- (iv) in the case of a poll taken following the conclusion of a meeting or adjourned meeting but 48 hours or less after it was demanded, be received as aforesaid before the end of the meeting at which it was demanded (or at such later time as the Directors may determine) and an appointment of a proxy which is not, or in respect of which the authority or copy thereof is not, received in a manner so permitted shall be invalid.

When two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned. The proceedings at a general meeting shall not be invalidated where an appointment of a proxy in respect of that meeting is sent in electronic form as provided in these articles, but because of a technical problem it cannot be read by the recipient.

The Directors may at their discretion determine that, in calculating the periods mentioned in this Article 88, no account shall be taken of any part of a day that is not a working day.

## 89. **Issue of forms of proxy**

Subject to the provisions of the Statutes, the Directors may, if they think fit, at the expense of the Company, issue forms of proxy for use by the members with or without prepaid postage for their return



and with or without inserting therein the names of any of the Directors or any other person as proxies. In cases where instruments of proxy are sent out with the notice convening a general meeting, the accidental omission to send such instruments of proxy to, or the non-receipt of such instruments of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at the general meeting concerned.

90. **Validity of forms of proxy**

An instrument appointing a proxy and the appointment of a proxy by electronic means shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. When two or more valid but differing instruments appointing a proxy are received, or two or more valid but differing appointments of a proxy by electronic means are received, or any combination of instruments appointing a proxy and appointments of a proxy by electronic means in respect of the same share for use at the same meeting, the one which is last received (regardless in the case of an instrument in writing of its date or of the date of its execution) shall be treated as replacing and revoking the other or others as regards that share and, if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date stated in it as the date of its execution, and the appointment of a proxy by electronic means shall not be valid after the expiration of twelve months from the date of receipt in accordance with Article 88 except:-

- (i) at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in the case where the meeting was originally held within 12 months from such date; or
- (ii) in the case of a power of attorney which contains a power to act and vote for a member at all meetings of the Company shall, if once duly intimated to the Company not require, to be again deposited at the transfer office or such other place or one of such other places (if any) as is specified for the delivery of instruments appointing a proxy in accordance with these Articles.

91. **Revocation of proxy, etc**

A vote cast or poll demanded by a proxy or by the duly authorised representative of a corporation shall not be invalidated by the revocation of the authority of the person voting or demanding a poll (such revocation being deemed to include revocation of the proxy or of the authority under which the proxy was executed or the death or insanity of the appointing member) or transfer of the shares in respect of which the vote is given or poll is demanded unless notice of the revocation or transfer shall have been received by the Company:-

- (i) where the proxy was appointed by instrument in writing, at the transfer office or such other place or one of such other places (if any) as is specified for the delivery of instruments appointing a proxy in accordance with these Articles; and
- (ii) where the proxy was appointed by electronic means, at the address specified for the receipt of such appointment in accordance with these Articles;

before the commencement of the meeting or adjourned meeting or (in the case of the poll taken otherwise than at or, on the same day as, the meeting or the adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

**INCORPORATED MEMBERS ACTING BY REPRESENTATIVES**

92. **Authority of representatives**

92.1 Subject to the Statutes, any corporation (whether or not a company within the meaning of the Statutes) which is a member of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company. Where more than one person is authorised by the corporation the rights of such representatives to vote shall be determined in accordance with the Statutes.

92.2 The Directors may, but shall not be bound to:

92.2.1 to require evidence of the authority of any person purporting to act as the representative of any such corporation; or

92.2.2 require evidence of any voting instructions given by such corporation.

92.3 Neither the validity of any vote cast by a representative nor the result of any vote (whether on a poll or on a show of hands) shall be affected by any failure by the representative to vote in accordance with the instructions of the corporation.

## **DIRECTORS**

### **93. Limits on number of Directors**

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than alternate Directors) shall not be less than two nor more than 20.

### **94. Director need not be member**

A Director shall not be required to hold a share qualification but a Director who is not a member of the Company shall nevertheless be entitled to receive notice of and to attend and speak at all general meetings of the Company and all separate meetings of the holders of any class of shares in the Company.

### **95. Directors' fees**

The fees paid to, and benefits in kind received by, the Directors for their services in the office of director shall not exceed in aggregate £600,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine.<sup>1</sup> Subject thereto, each such Director shall be paid a fee (which shall be deemed to accrue from day to day) at such rate, and shall receive such benefits in kind, as may from time to time be determined by the Directors and, in default of such determination within a reasonable period, such fees and benefits in kind shall be divided among the Directors equally. Any fee payable pursuant to this Article 95 shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provision of these Articles or any contract or arrangement between the Company and the relevant Director.

### **96. Directors may be paid expenses**

Any Director may be paid or reimbursed for all such reasonable travelling, hotel and other expenses incurred by him in attending and returning from meetings of the Directors or of any committee of the Directors or general or class meetings or otherwise in connection with the business of the Company.

### **97. Additional remuneration of Directors**

Any Director who is appointed to any executive office (including for this purpose the office of chairman whether or not such office is held in an executive capacity) or who serves on any committee of the Directors or who otherwise performs services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director or who makes any special exertions in going or residing abroad or otherwise in connection with the business of the Company may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Directors may determine and such remuneration may, at the discretion of the Directors, be either in addition to or in substitution for all or any part of any other remuneration to which such Director may be entitled under these Articles.

### **98. 98.1 Retirement and other benefits**

Without prejudice to the general power of the Directors under these Articles to exercise on behalf of the Company (by establishment or maintenance of schemes or otherwise) all the powers of the Company to give, or procure the giving of, retirement, death or disability benefits, annuities or other allowances, emoluments or benefits to, or for the benefit of, any person, and without restricting the generality of their other powers, the Directors shall have power to pay,

<sup>1</sup> At the Annual General Meeting of the Company held on 3 May 2011, an ordinary resolution was duly passed to raise the aggregate limit for the purposes of Article 95 from £600,000 per annum to £800,000 per annum.

and agree to pay, retirement, death or disability benefits, annuities or other allowances, emoluments or benefits to any Director or any ex-director, officer or ex-officer of the Company or of its predecessors in business or of any other undertaking which is (i) the parent undertaking of the Company or (ii) a subsidiary undertaking of the Company or of any such parent undertaking or (iii) otherwise allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or any such parent undertaking or subsidiary undertaking has any interest, whether directly or indirectly, and to the husbands, wives, civil partners, widowers, widows, children, families, dependants and personal representatives of any such Director, ex-director, officer or ex-officer, and, for the purpose of providing any such benefits, annuities, allowances or emoluments, to establish or contribute to any trust, scheme, association, arrangement or fund or to pay premiums, and shall have power to establish trusts, schemes, associations, arrangements or funds considered to be for the benefit of any such persons aforesaid. Any such Director, ex-director, officer or ex-officer shall not be accountable to the Company or the members for any such benefits, annuities, allowances or emoluments, and the receipt of the same shall not disqualify any person from being or becoming a director of the Company.

## 98.2 **Insurance**

Without prejudice to the provisions of Article 166, the Directors shall have power to purchase and maintain insurance for, or for the benefit of, any persons who are or were at any time directors, officers or employees of the Company or of its predecessors in business or of any other undertaking which is (i) the parent undertaking of the Company or (ii) a subsidiary undertaking of the Company or of any such parent undertaking or (iii) otherwise allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or any such parent undertaking or subsidiary undertaking has any interest, whether directly or indirectly, or who are or were at any time trustees of any retirement benefits scheme or employees' share scheme in which employees of the Company or of any such other undertaking are interested, including (without prejudice to the foregoing generality) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other undertaking, retirement benefits scheme or employees' share scheme.

## 99. 99.1 **Directors' interests in contracts, arrangements and transactions with the Company**

Subject to the provisions of the Statutes and to Article 115, a Director or alternate Director may be a party to, or in any way interested, whether directly or indirectly, in, any contract, arrangement or transaction to which the Company is a party, or in which the Company is in any way interested, whether directly or indirectly, and any such contract, arrangement or transaction shall not be avoided by virtue of such Director's interest, and he may hold and (in addition to any other remuneration provided for by, or pursuant to, any other Article) be remunerated in respect of any office (other than the office of auditor of the Company or of any subsidiary undertaking of the Company) or employment under the Company or any other undertaking in which the Company is in any way interested, and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other undertaking and be remunerated therefor and, in any such case as aforesaid (unless otherwise agreed), the Director may retain, for his own absolute use and benefit, all remuneration, profits and other benefits accruing to him thereunder or in consequence thereof.

## 99.2 **Appointments with other companies**

Subject to any agreement to the contrary between the Company and the Director, a Director may be or become a director or other officer of, or otherwise interested in, any undertaking promoted by the Company or in which the Company may be interested, and (unless otherwise agreed) shall not be accountable to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of, or from his interest in, such other undertaking. The Directors may also cause the voting power conferred by the shares in any other undertaking held or owned by the Company or interest or right in such undertaking to be exercised in such manner as they think fit, including the exercise thereof in favour of any resolution or decision appointing themselves or any of them to be directors, officers or servants of, or to any other position in, such other undertaking, or voting or providing for the payment of

remuneration to the directors, officers or servants of, or any holders of any other positions in, such other undertaking.

100. **100.1 Executive office**

The Directors may from time to time appoint one or more of their number to be the holder of any executive office or make any appointment by them of a Director conditional upon his accepting any executive office (including, where considered appropriate, the office of chairman, deputy chairman or vice-chairman or managing, joint managing or deputy or assistant managing director or chief, deputy chief or assistant chief executive) on such terms, and for such period, as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract or arrangement entered into in any particular case, may at any time revoke such appointment.

100.2 **When termination of appointment automatic**

The appointment of any Director to any of the executive offices specifically mentioned in Article 100.1 shall automatically terminate if he ceases from any cause to be a Director (other than as a consequence of retirement by rotation where he is re-elected at the same meeting), but without prejudice to any claim for damages for breach of any contract or arrangement between him and the Company.

100.3 **When termination of appointment not automatic**

The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director (other than as a consequence of retirement by rotation where he is re-elected at the same meeting), unless the contract or resolution under which he holds or is removed from office shall expressly state otherwise, in which event the termination of his office if he ceases to be a Director shall be without prejudice to any claim for damages for breach of any contract or arrangement between him and the Company.

101. **Delegation of powers to individual Directors**

The Directors may entrust to, and confer upon, any Director any of the powers, authorities and discretions (including power to sub-delegate) exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with, or to the exclusion of, their own powers, authorities and discretions, and may from time to time revoke, withdraw, alter or vary all or any of such powers, authorities and discretions but no person dealing in good faith and without notice of any such revocation, withdrawal, alteration or variation shall be affected thereby.

**APPOINTMENT, DISQUALIFICATION AND RETIREMENT OF DIRECTORS**

102. **Article 102 has been deleted.**

103. **Disqualification of a Director**

Without prejudice to the provisions for retirement by rotation or otherwise contained in these Articles, the office of Director shall be vacated in any of the following events, namely:-

- (i) if, pursuant to any provisions of the Statutes, he is removed or prohibited from being a Director;
- (ii) if he shall resign by writing under his hand left at the office or if he shall tender his resignation and the Directors shall resolve to accept the same;
- (iii) if he shall become bankrupt, apparently insolvent, execute a trust deed for behoof of his creditors, have a receiving order made against him or shall compound with his creditors generally;
- (vi) if (a) a registered medical practitioner who is treating him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months; and (b) the Directors shall resolve that his office be vacated;

- (v) if, by reason of his mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have;
- (vi) if, without special leave of absence from the Directors, he shall be absent from meetings of the Directors for six consecutive months and his alternate Director (if any) shall not, during such period, have attended in his stead and the Directors shall resolve that his office be vacated;
- (vii) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that in the case of a Director holding an executive office which automatically determines on his ceasing to be a Director, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office;
- (viii) if he shall be removed from office in accordance with Article 109; or
- (ix) in the event that he holds any executive office with the Company or any undertaking which is the parent undertaking of the Company or a subsidiary undertaking of the Company or of any such parent undertaking, if he ceases to hold such executive office (unless, upon such cessation, he forthwith takes up another executive office with Company or any such undertaking).

**104. Number of Directors to retire by rotation**

At every annual general meeting of the Company, any Director:

- (i) who has been appointed by the Directors since the last annual general meeting; or
- (ii) who held office at the time of the two preceding annual general meetings and who did not retire at either of them; or
- (iii) who has held office with the Company, other than employment or executive office, for a continuous period of nine years or more at the date of the meeting;

shall retire from office and may offer himself for re-appointment by the members.

**105. Article 105 has been deleted**

**106. Filling rotation vacancies**

The Company at the meeting at which a Director retires under any provision of these Articles may (subject to Article 108) by ordinary resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. If the Company, at the meeting at which a Director retires (whether by rotation or otherwise), does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been re-elected unless at the meeting it is resolved not to fill the vacancy or a resolution for the re-election of the Director is put to the meeting and lost. If he is not re-elected or deemed to have been re-elected, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

**107. Resolution to appoint Directors**

A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it and any resolution moved in contravention of this provision shall be void.

**108. Eligibility for appointment**

No person other than a Director retiring at the meeting shall, unless recommended by the Directors for appointment, be eligible for appointment as a Director at any general meeting unless, not less than seven nor more than 42 days before the day appointed for the meeting, there shall have been left at the office, addressed to the Secretary, notice in writing signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for appointment, and also notice in writing signed by the person to be proposed

of his willingness to be appointed. The notice to be lodged by the proposing member shall state the particulars of the nominee which would, if he were appointed, be required to be included in the register of directors maintained by the Company in terms of section 162 of the Act.

109. **Power of the Company to remove Directors**

The Company may, in accordance with and subject to the provisions of the Statutes, by ordinary resolution of which special notice has been given, remove any Director from office notwithstanding any provision of these Articles or of any agreement between the Company and such Director (but without prejudice to any claim he may have for damages for breach of any such agreement) and by ordinary resolution appoint another person in place of a Director so removed from office. Any person so appointed shall be treated, for the purpose of determining the time at which he or any other Director is to retire by rotation, as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed or re-elected a Director. In default of such appointment, the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

110. **Appointment by ordinary resolution or by Directors**

The Company may by ordinary resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director and, without prejudice and in addition thereto, the Directors shall have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that, in either case, the total number of Directors shall not at any time exceed the maximum number (if any) fixed by, or in accordance with, these Articles. Any person so appointed by the Directors shall hold office only until the next annual general meeting and shall then be eligible for appointment, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. If any such person is not appointed at such meeting, he shall retain office until the meeting appoints someone in his place or, if he does not do so, until the end of the meeting.

## **ALTERNATE DIRECTORS**

111. **111.1 Power to appoint alternate Directors**

Any Director may at any time by writing under his hand and sent to or received at the office, or at an address specified by the Company for the purposes of communication by electronic means, or received by the Secretary, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director, and may, in like manner, at any time terminate such appointment. If such alternate Director is not another Director, such appointment, unless previously approved by a majority of the other Directors, shall have effect only upon and subject to being so approved. An alternate Director shall during his appointment be an officer of the Company and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be an agent of his appointor. Any of the Directors may appoint the same alternate Director. An alternate Director shall not be taken into account in reckoning the minimum and maximum numbers of Directors fixed by, or in accordance with, these Articles.

111.2 **Termination**

The appointment of an alternate Director shall automatically terminate on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases to be a Director or, if applicable, the approval of the Directors to his appointment is withdrawn, provided that if, at any meeting, any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article 111 which was in force immediately before his retirement shall remain in force as though he had not retired. An alternate Director may, by writing under his hand and sent to or received at the office or at an address specified by the Company for the purposes of communication by electronic means or delivered at a meeting of the Directors, resign such appointment.

111.3 **Alternate Director to receive notices**

An alternate Director shall (except when absent from the United Kingdom) be entitled, if his appointor so requests, to receive notices of meetings of the Directors to the same extent as the Director appointing him and shall be entitled to attend and vote as a Director and be counted for

the purposes of a quorum at any such meeting at which the Director appointing him is not personally present and, generally, at such meeting to perform and exercise all functions, rights, powers and duties of his appointor as a Director and, for the purposes of the proceedings at such meeting, the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall himself be a Director, or shall attend any such meeting as an alternate for more than one Director, he shall be counted as one for the purposes of a quorum at any such meeting but his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom, or temporarily unable to act through ill-health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees formed under Article 120.1, this Article 111.3 shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. Save as aforesaid, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

#### **111.4 Alternate Director may be paid expenses but not remuneration**

An alternate Director shall be entitled to contract with and be interested in and benefit from contracts, arrangements or transactions to which the Company is a party and to be repaid expenses and to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company any remuneration, except only such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### **PROCEEDINGS OF DIRECTORS**

#### **112. Meetings of Directors**

Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In the event of an equality of votes, the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary at the request of a Director shall, at any time summon a meeting of the Directors. Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known postal address or sent to any other postal address in the United Kingdom given by him to the Company for this purpose or sent to the last address notified by the Director to the Company for the purpose of receiving documentation and information in electronic form with the Director. A Director absent or intending to be absent from the United Kingdom may request the Directors that notices of meetings of Directors shall, during his absence, be sent in writing to him at his last known postal address or any other postal address in the United Kingdom given by him to the Company for this purpose or sent to the last address notified by the Director to the Company for the purpose of receiving documentation and information in electronic form with the Director but, in the absence of any such request, it shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively. Without prejudice to the first sentence of this Article 112, a meeting of the Directors, or of a committee of the Directors, may consist of a conference between Directors who are not all in one place, but of whom each is able to speak to each of the others and to be heard by each of the others simultaneously. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is. The word "meeting" when referring to a meeting of the Directors, or of a committee of the Directors, in these Articles shall be construed accordingly.

#### **113. Authority to vote**

A Director who is unable to attend any meeting of the Directors and has not appointed an alternate Director may authorise any other Director to vote for him at that meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote provided that he shall only be counted once in the quorum at the meeting. Any such authority must be in writing or in electronic form, a hard copy of which must be produced at the meeting at which the same is to be used and be left with the Secretary for retention.

114. **Quorum**

The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and, unless so fixed at any other number, shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

115. **Declaration of Directors' interests in contracts**

A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract (or any transaction or arrangement whether or not constituting a contract) with the Company shall declare the nature and extent of his interest in accordance with the provisions of the Statutes. For the purposes of this Article 115:-

- (i) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (ii) an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

116. **116.1 Directors' powers to vote**

Save as herein provided, a Director shall not vote at a meeting of the Directors in respect of any contract or arrangement or any other proposal whatsoever in which he has an interest which (together with any interest of any person connected with him within the meaning of sections 252 to 255 (inclusive) of the Act) is a material interest otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company. A Director shall not be counted in the quorum present at a meeting in relation to any resolution on which he is not entitled to vote.

**116.2 Where interest does not prevent voting**

Subject to the provisions of the Statutes, a Director shall (in the absence of some material interest other than is indicated below) be entitled to vote (and be counted in the quorum) at a meeting of the Directors where his interest arises in respect of a resolution:-

- (i) relating to the giving of any security, guarantee 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;
- (ii) relating to the giving of any security, guarantee 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;
- (iii) relating to an offer of securities of or by the Company or any of its subsidiary undertakings in which offer he is, or may be, entitled to participate as a holder of securities or interested as a participant in the underwriting or sub-underwriting thereof;
- (iv) relating to another company in which he and any persons connected with him within the meaning of sections 252 to 255 (inclusive) of the Act do not to his knowledge hold an interest in shares (as that term is used in Part 22 of the Act) representing one per cent or more of either any class of the equity share capital or the voting rights in such company;
- (v) 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 awarded to the employees to whom such arrangement relates;
- (vi) concerning insurance which the Company proposes to maintain or purchase for the benefit of any Directors or for the benefit of persons including Directors; or



- (vii) relating to the entry into of any indemnity, undertaking, arrangement or proposal in favour of him within Article 166 including any provision of funds to him within Article 166 or the doing of any other thing to enable him to avoid incurring such expenditure as is referred to in Article 166.

### 116.3 **Consideration of appointment of two or more Directors**

Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any undertaking in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not otherwise prohibited from voting under sub-paragraph (iv) of Article 116.2) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning his own appointment.

### 116.4 **Materiality of Directors' interests**

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

### 116.5 **Interests of alternate Directors**

In the case of an alternate Director, the interest of his appointor shall be treated as an interest of the alternate Director in addition to any interest which the alternate Director may have.

- 116A. For the purposes of section 175 of the 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 (a "Conflict Situation"), including, without limitation, in relation to the exploitation of any property, information or opportunity (and it is immaterial whether or not the Company could take advantage of the property, information or opportunity). For the purposes of this Article 116A, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

Authorisation of a Conflict Situation under this Article 116A shall be effective only if:

- (i) the Conflict Situation in question shall have been proposed for consideration at a meeting of the Directors;
- (ii) any requirement as to the quorum at the meeting of the Directors at which the Conflict Situation is considered is met without counting the Director in question and any other interested Director; and
- (iii) the Conflict Situation was authorised without the Director and any other interested Director voting, or would have been authorised if the votes of any interested Directors had not been counted.

Any authorisation of a Conflict Situation under this Article 116A shall be subject to such conditions, limitations and/or terms as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be varied or revoked by the Directors at any time and at their absolute discretion. Such conditions, limitations and/or terms may include, without limitation, that;

- (a) any information obtained by the Director, other than in his capacity as a Director or employee of the Company, which is confidential in relation to a third party, need not be disclosed or used for the benefit of the Company where such disclosure or use would constitute a breach of confidence;
- (b) 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 116A and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit;

- (c) the Director shall not be required or entitled to attend those parts of meetings of the Directors or meetings of a committee of the Directors at which matters to which the Conflict Situation relates are discussed; and
- (d) the Director shall not be entitled to receive any papers or other documents in relation to, or concerning, matters to which the Conflict Situation relates.

Subject to any such conditions, limitations and/or terms, any authorisation given by the Directors shall be deemed to be given to the fullest extent permitted by the Statutes.

#### 117. **Power of Directors if number falls below minimum**

The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but if, and so long as, the number of Directors is reduced below the number fixed by, or in accordance with, these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of filling up such vacancies or of convening general meetings of the Company, but not for any other purpose. If there are no Directors or Director able or willing to act, then any two members may convene a general meeting for the purpose of appointing Directors.

#### 118. **Chairman, deputy chairmen and vice-chairmen**

118.1 The Directors may from time to time elect a chairman (or make any appointment by them of a Director conditional upon his becoming the chairman) and one or more deputy chairman and one or more vice-chairman and determine the period for which each is to hold office. Any chairman or deputy chairman or vice-chairman so elected without any fixed period of office shall, if he be re-elected a Director following retirement at any annual general meeting, continue as chairman, deputy chairman or vice-chairman (as the case may be) unless the Directors otherwise determine.

118.2 The chairman or, in his absence, one of any deputy chairman or, in his or their absence, one of any vice-chairman shall preside at meetings of the Directors, but if no chairman or deputy chairman or vice-chairman shall have been elected or, if at any meeting none of them is present within five minutes after the time appointed for holding the same and willing to act, the Directors present may choose one of their number to be chairman of the meeting. If at any time there is more than one deputy chairman or vice-chairman, the right to preside at a meeting of Directors shall be determined as between the deputy chairmen or vice-chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

#### 119. **Resolutions in writing**

A resolution in writing, signed by all the Directors for the time being in the United Kingdom (other than any such Director who is temporarily unable to act through ill-health or disability and who has appointed an alternate Director) and all the alternate Directors (if any) for the time being in the United Kingdom whose appointors are for the time being absent from the United Kingdom or are temporarily unable to act through ill-health or disability (provided that their number is sufficient to constitute a quorum) or by all the members for the time being in the United Kingdom (other than any such member who is temporarily unable to act through ill-health or disability) of a committee formed under Article 120.1 for the time being (provided that their number is sufficient to constitute a quorum), shall be as valid and effectual as a resolution passed at a meeting of the Directors or, as the case may be, of such committee duly convened and held and may consist of two or more documents in the like form, each signed by one or more of the Directors or alternate Directors or members of the committee concerned. For the purposes of this Article 119, any signature may be affixed to a facsimile copy of the resolution and any signed resolution shall be valid if the Company receives the original or a copy by facsimile.

#### 120. **120.1 Committees of Directors**

The Directors may delegate all or any of their powers, authorities or discretions (including, for the avoidance of doubt, any powers, authorities or discretions to sub-delegate or relating to the remuneration of Directors) to a committee or committees consisting of one or more of the Directors and (if thought fit) one or more other persons co-opted as hereinafter provided.

Insofar as any such power or discretion is so delegated any reference in these Articles to the exercise by the Directors of such power or discretion shall be read and construed as if it were a reference to the exercise by such committee. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for, or authorise, the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee. The Directors may at any time dissolve or revoke any delegation made to any committee established under this Article 120, but no person dealing in good faith and without notice of any such dissolution or revocation shall be affected thereby.

#### **120.2 Proceedings of committees**

The meetings and proceedings of any such committee consisting of two or more persons shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any regulations made by the Directors under Article 120.1, save that the chairman of the meeting shall not have a second or casting vote at any meeting where only two members of such committee are present or at which only two members of such committee are competent to vote on the issue in question.

#### **121. Use of designation "director"**

The Directors may appoint any person to any office or employment having a designation or title including the word "director", or attach to any existing office or employment with the Company such a designation or title, and may terminate such appointment or the use of any such designation or title. Unless the appointment of the holder has been recorded in the register of directors maintained by the Company in terms of section 162 of the Act, inclusion of the word "director" in the designation or title of any such office or employment shall not imply that the holder is a director of the Company, nor shall the holder thereby be empowered in any respect to act as, or be deemed to be, a director of the Company for any of the purposes of these Articles or the Statutes.

#### **122. Validity of proceedings**

All acts done by any meeting of Directors or of any committee established under Article 120.1 or by any person acting as a Director (or as an alternate of a Director) or member of such committee shall, as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any such Director (or his alternate), member of such committee or person acting as aforesaid, or that any such Director (or his alternate), member or person was disqualified or had vacated office, or was not entitled to vote, be as valid as if any such person had been duly appointed and was qualified and had continued to be a Director (or alternate Director) or member of such committee and had been entitled to vote.

### **GENERAL POWERS OF DIRECTORS**

#### **123. Business to be managed by the Directors**

The business and affairs of the Company shall be managed by the Directors who, subject to the provisions of the Statutes and these Articles and to any directions being not inconsistent with the aforesaid provisions given by special resolution of the Company, may exercise all the powers of the Company. No alteration of these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The general powers given by this Article 123 shall not be limited, or restricted, by any special authority or power given to the Directors by these Articles or by resolution of the Company and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.

#### **124. Local boards**

The Directors may make such arrangements as they think fit for the management and transaction of the Company's affairs in any specified locality, whether in the United Kingdom or elsewhere, and, without prejudice to the foregoing generality, may, from time to time and at any time:-

- (i) establish any regional, divisional or local boards, committees or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere,
- (ii) appoint any one or more of the Directors, or any other person or persons, to be members of such regional, divisional or local boards or committees, or to be regional, divisional or local directors, managers or agents, and may fix their remuneration;
- (iii) delegate to any regional, divisional or local boards or committees or any regional, divisional or local directors, managers or agents any of the powers, authorities and discretions vested in the Directors (other than the powers of borrowing and making calls) with power to sub-delegate;
- (iv) authorise the members of any regional, divisional or local boards or committees, or any of them, to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit; and
- (v) remove any person so appointed, fix the quorum of any regional, divisional or local boards or committees and annul or vary any such delegation, but no person dealing in good faith and without notice of any such removal, annulment or variation shall be affected thereby.

**125. Powers of attorney**

The Directors may, from time to time and at any time, by power of attorney or otherwise, appoint any person or undertaking, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period, and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Directors may remove any person or undertaking appointed under this Article 125 and may annul or vary any such sub-delegation but no person dealing in good faith and without notice of any such removal, annulment or variation shall be affected thereby.

**126. Overseas branch registers**

Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory outside the United Kingdom an overseas branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit in respect of the keeping of any such register.

**127. Cheques, etc**

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

## **BORROWING POWERS**

**128. General power to borrow**

Subject as provided in Article 129, the Directors may exercise all the powers of the Company to borrow money and to mortgage, pledge, charge or grant any security over all or any part of its undertaking, property and assets (present and future) and uncalled capital and, subject to the Statutes, to issue debentures, debenture stock and other securities whether terminable, redeemable or perpetual and whether outright or as collateral security for any guarantee, debt, liability or obligation of the Company or of any third party.

**129. 129.1 Maximum limit on borrowings**

The Directors 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 (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate principal amount outstanding in respect of all moneys borrowed (whether secured or not) by the Company and its subsidiary undertakings for the time being (the "Group") (exclusive of moneys borrowed by any member of the Group from any other member of the Group) shall not, without the previous sanction of an ordinary resolution of the Company, exceed at the time of borrowing an amount equal to the aggregate of three times:-

- (i) the amount paid up on the issued share capital of the Company; and
- (ii) the total of the amount standing to the credit of the reserves of the Group (including, without prejudice to the foregoing generality, any share premium account, capital redemption, revaluation or other reserve and the profit and loss account);

all based on the latest published audited consolidated balance sheet of the Group after:-

- (a) deducting any debit balance on the profit and loss account based on that balance sheet;
- (b) making such adjustment as may be appropriate to effect any variation since the date of that balance sheet in the paid up share capital and share premium account of the Company;
- (c) excluding any amount representing unrealised depreciation on capital assets as shown in that balance sheet; and
- (d) excluding any amount representing unrealised appreciation on capital assets as shown in that balance sheet.

#### 129.2 **Moneys Borrowed**

For the purposes of this Article 129 "moneys borrowed" shall be deemed to include (but shall not be restricted to) the following:-

- (i) the principal amounts of any issued debentures (as defined in section 738 of the Act), whether issued, in whole or in part, for cash or otherwise;
- (ii) the nominal amount of any issued share capital and the principal amount of any borrowings of any person the redemption or repayment of which is guaranteed by a member of the Group (together, in each case, with any fixed or minimum premium payable on final redemption or repayment) except so far as either:-
  - (a) such share capital or the debt owing in respect in such borrowed moneys is for the time being beneficially owned by any member of the Group; or
  - (b) such borrowed moneys are otherwise taken into account as moneys borrowed by any member of the Group.

#### 129.3 **Validity of borrowing arrangements**

No person dealing with the Company shall be concerned to see or inquire whether the limit imposed by Article 129.1 is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the securities had, at the time when the debt was incurred or the security was given, express notice that the said limit had been or would thereby be exceeded.

### **SECRETARY**

#### 130. **Secretary**

The company secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any such company secretary so appointed may, at any time, be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract or arrangement

between him and the Company. If thought fit by the Directors, two or more persons may be appointed as joint company secretaries. The Directors may also appoint, from time to time, on such terms as they may think fit, one or more deputy company secretaries and assistant company secretaries. Anything by the Statutes or by these Articles required or authorised to be done by or to the company secretary may, if the office is vacant or there is for any other reason no company secretary capable of acting, be done by or to any deputy or assistant company secretary, or if there is no deputy or assistant company secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors. Anything by the Statutes or by these Articles required or authorised to be done by or to a Director and the company secretary shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in the place of, the company secretary.

## **SEALS**

### **131. Common and securities seals**

- 131.1 The Directors shall provide for the safe custody of any seal and any securities seal and neither shall be used without the authority of the Directors or a committee authorised by the Directors on their behalf.
- 131.2 Every deed, contract, document, instrument or other writing to which any such seal shall be affixed shall (except as permitted by Article 131.3) be subscribed on behalf of the Company by two of the Directors, or by a Director and the Secretary, or by two persons authorised to subscribe such deed, contract, document, instrument or other writing on its behalf.
- 131.3 Any such securities seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the securities seal need not be signed.

### **132. Article 132 has been deleted**

## **AUTHENTICATION OF DOCUMENTS**

### **133. Authentication of documents**

Any Director or the Secretary or any person appointed by the Directors or by a duly authorised committee of the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (whether in physical form or electronic form), any resolutions passed by the Company or the Directors (whether in physical form or electronic form) or any committee of the Directors and any books, records, documents and accounts relating to the business of the Company (whether in physical form or electronic form), and to certify copies thereof or extracts therefrom as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the office, the officer, servant or agent of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or the minutes or an extract from the minutes of a meeting, of the Company or any class of members of the Company or of the Directors or any committee of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in good faith and relying thereon that such resolution has been duly passed or, as the case may be, that such minutes are or such extract is a true and accurate record of proceedings at a duly constituted meeting.

## **MINUTES AND BOOKS**

### **134. Keeping of minutes and books**

The Directors shall cause minutes to be made in books to be provided for the purpose:-

- (i) of all appointments of officers made by the Directors;
- (ii) of the names of the Directors or their alternates and any other persons present at each meeting of Directors and of any committee formed under Article 120.1; and
- (iii) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees formed under Article 120.1.

Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting.

135. **Safeguarding of minutes and books**

Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner authorised by the Statutes. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery of falsification.

## **DIVIDENDS**

136. **Declaration and apportionment of dividends**

The Company may, by ordinary resolution, declare dividends in accordance with the respective rights of the members, but no dividend shall be payable except out of the profits of the Company available for distribution under the provisions of the Statutes or in excess of the amount recommended by the Directors. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid up throughout the period in respect of which the dividend is paid) 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. For the purposes of this Article 136, no amount paid up on a share in advance of calls shall be treated as paid up on the share.

137. **Interim dividends**

Subject to the provisions of the Statutes, if and so far as, in the opinion of the Directors, the profits of the Company available for distribution justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends of such amounts and on such dates and in respect of such periods as they think fit. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. If the Directors act in good faith, they shall not incur any liability to the holders of any shares for any loss they may suffer by the lawful payment of any such fixed or interim dividend as aforesaid.

138. **Interest not payable**

No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company, unless otherwise provided by the rights attached to, or terms of issue of, the share.

139. **Permitted deductions**

The Directors may deduct from any dividend or other moneys payable to any member, whether alone or jointly with any other member, on or in respect of a share all sums of money (if any) presently payable by him, whether alone or jointly with any other member, to the Company on account of calls or otherwise in relation to shares in the Company.

140. **Retention of dividends**

The Directors may retain any dividend or other moneys payable on or in respect of:-

- (i) a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or other obligations in respect of which the lien exists; or
- (ii) in accordance with Article 54.2 or 55.2.

141. **Waiver of dividends**

The waiver, in whole or in part, of any dividend on any share by any document shall be effective only if such document is signed by the holder (or the person entitled to the share in consequence of a transmission event) and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company.

142. **Unclaimed dividends**

Without prejudice to the operation of Article 143, all dividends or other moneys payable on, or in respect of, a share unclaimed after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment by the Directors of any unclaimed dividend or other moneys payable on, or in respect of, a share into a separate account shall not constitute the Company a trustee in respect thereof.

143. **Forfeiture of unclaimed dividends**

Any dividend unclaimed after a period of twelve years from the date of payment of such dividend shall be forfeited and shall revert to the Company.

144. **Dividends *in specie***

The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend, in whole or in part, by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) to the member or person entitled thereto in consequence of a transmission event and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may:-

- (i) settle the same as they think expedient and, in particular, may issue fractional certificates or may authorise any person to sell and transfer any fractions or may disregard fractions altogether;
- (ii) fix the value for distribution of such specific assets or any part thereof;
- (iii) determine that cash payments shall be made to any members on the basis of the value so fixed in order to adjust the rights of those entitled to participate in the dividend; and
- (iv) vest any such specific assets in trustees as may seem expedient to the Directors.

When deemed requisite, a proper contract shall be filed in accordance with the Statutes and the Directors may appoint any person to sign such contract on behalf of the persons entitled to such distribution of specific assets.

145. **145.1 Procedure for payment**

Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque, warrant or other financial instrument sent through the post to the registered address of the member or person entitled thereto in consequence of a transmission event (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of a transmission event, to any one of such persons), or to such person and such address as such member or person or persons may in writing direct. Every such cheque, warrant or other financial instrument shall be made payable to, or to the order of, the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of a transmission event may in writing direct. Any such cheque, warrant or other financial instrument may be crossed "account payee only" although the Company shall not be obliged to do so. Any such dividend or other moneys may also be paid by any bank or other funds transfer system as the Directors may consider appropriate and to or through such person as the member or the person entitled thereto in consequence of a transmission event (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of a transmission event, any one of such persons) may in writing direct and the Company shall have no responsibility for any such dividend and other moneys lost or delayed in the course of any such transfer or when it has acted on any such direction. Payment of the cheque, warrant or other financial instrument by the bank or other financial institution upon



whom it is drawn or transfer of the funds by the bank or institution instructed to make the same shall be a good discharge to the Company. Every such cheque, warrant or other financial instrument shall be sent and every such transfer of funds shall be made at the risk of the person or persons entitled to the money represented thereby. If any such cheque, warrant or other financial instrument has, or shall be alleged to have been, lost, stolen or destroyed, the Directors may, at the request of the person entitled thereto, issue a replacement cheque, warrant or other financial instrument subject to compliance with such conditions as to evidence and indemnity and the payment of such out-of-pocket expenses incurred by the Company in connection with the request as the Directors may think fit.

#### 145.2 **Cessation of payment to untraced shareholders**

If, on four or more consecutive occasions, cheques, warrants or other financial instruments in payment of dividends or other moneys payable on, or in respect of, any share have been sent through the post in accordance with the provisions of Article 145.1 but have been returned undelivered or left uncashed during the periods for which the same are valid or if, following one such occasion, reasonable enquiries have failed to establish any new postal address of the holder, the Company need not thereafter despatch further cheques, warrants or other financial instruments in payment of dividends or other moneys payable on or in respect of the share in question until the member or other person entitled thereto shall have communicated with the Company in respect of the share and supplied in writing to the transfer office a postal address for the purpose.

#### 146. **Receipts where joint holders**

If two or more persons are registered as joint holders of any share or are entitled jointly to a share in consequence of a transmission event, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

#### 147. **Scrip dividends**

Subject to approval by ordinary resolution of the Company, the Directors may, in respect of any dividend declared or proposed to be declared at any time during the period specified in such resolution, determine and announce that shareholders will be entitled to elect to receive in lieu of any cash dividend (or part thereof) an allotment of additional shares credited as fully paid. Any such announcement shall, where practicable, be made prior to or contemporaneously with the announcement of the dividend in question (the "relevant dividend") and any related information as to the Company's profits for such financial period or part thereof. In any such case the following provisions shall apply:-

- (i) the basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value calculated by reference to the average quotation of the additional shares (including any fractional entitlement) to be allotted in lieu of any amount of relevant dividend shall equal such amount. For such purpose the "average quotation" of a share shall be the average of the middle market quotations of shares of the same class on the London Stock Exchange, as derived from the Daily Official List of the UK Listing Authority, on each of the first five consecutive business days on which such shares are quoted ex the relevant dividend. A certificate or report by the auditors as to the amount of the average quotation in respect of any relevant dividend shall be conclusive evidence of that amount;
- (ii) the Directors shall, after determining the basis of allotment, give notice in writing to the members of the right of election accorded to them and shall send with or following such notice forms of election specifying the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (iii) the relevant dividend (or that part of the relevant dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (the "elected shares"), and in lieu thereof additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or profit and loss account as the Directors may determine a sum equal to the aggregate nominal amount of

additional shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis;

- (iv) the additional shares so allotted shall rank *pari passu* in all respects with the fully paid shares then in issue, save only as regards participation in the relevant dividend (or share election in lieu);
- (v) the Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter into, on behalf of all the members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned;
- (vi) notwithstanding the foregoing, the Directors may at any time prior to payment of the relevant dividend determine, if it appears to them desirable to do so because of a change in circumstances, that the relevant dividend shall be payable wholly in cash after all and if they so determine then all elections made shall be disregarded. The relevant dividend shall be payable wholly in cash if the ordinary share capital of the Company ceases to be listed on the Official List of the UK Listing Authority at any time prior to the due date of issue of the additional shares or if the listing is suspended and not reinstated by the date immediately preceding the due date of such issue; and
- (vii) the Directors may on occasion determine that rights of election shall not be made available to any members with registered postal addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of rights of election would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.

## **CAPITALISATION OF PROFITS AND RESERVES**

### **148. Capitalisation of profits and reserves**

The Directors may, with the authority of an ordinary, or a special, resolution of the Company:-

- (i) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or other fund, including the Company's share premium account and capital redemption reserve;
- (ii) appropriate the sum resolved to be capitalised to the members (or, whenever the share capital of the Company is divided into different classes of shares, to the holders of any class of share) in proportion to the nominal values of the shares of the relevant class (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares of the relevant class were fully paid up and the sum was then distributable and was distributed by way of dividend to such members (or, if appropriate, the holders of the relevant class) and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full shares (of more than one class, if appropriate) or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid up to those members (or, if appropriate, the holders of the shares of the relevant class), or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and any profits which are not available for distribution may, for the purposes of this Article 148, only be applied in paying up shares to be allotted to members (or, if appropriate, the holders of the shares of the relevant class) credited as fully paid up;
- (iii) resolve that any shares so allotted to any member (or, if appropriate, any holder of shares of the relevant class) in respect of a holding by him of any partly paid shares of the relevant class shall, so long as such shares remain partly paid, rank for dividend only to the extent that the latter shares rank for dividend;

- (iv) make such provision by authorising the sale and transfer to any person of shares or debentures representing fractions to which any members (or, if appropriate, any holders of shares of the relevant class) would become entitled or by the issue of fractional certificates (or by ignoring fractions) or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable in fractions;
- (v) authorise any person to enter, on behalf of all the members (or, if appropriate, all the holders of shares of the relevant class) concerned, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members (or, if appropriate, all such holders); and
- (vi) generally do all acts and things required to give effect to any such resolution as aforesaid.

149. **Avoidance of discounts on exercise of employees' share options**

149.1 Where, pursuant to an employees' share scheme, the Company has granted options to subscribe for shares on terms which provide, *inter alia*, for adjustments to the subscription price payable on the exercise of such options or to the number of shares to be allotted upon such exercise in the event of any increase or reduction in or other reorganisation of the Company's issued share capital and an otherwise appropriate adjustment would result in the subscription price for any share being less than its nominal value, then, subject to the provisions of the Statutes, the Directors may, on the exercise of any of the options concerned and payment of the subscription price which would have applied had such adjustment been made, capitalise any such profits or other sum as is mentioned in Article 148 to the extent necessary to pay up the unpaid balance of the nominal value of the shares which fall to be allotted on the exercise of such options and apply such amount in paying up such balance and allot such shares fully paid accordingly.

149.2 The provisions of sub-paragraphs (iii) to (vi) inclusive of Article 148 shall apply *mutatis mutandis* to this Article 149 (but as if the authority of an ordinary resolution of the Company were not required).

## ACCOUNTS

150. **Right to inspect accounts**

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the office or, subject to the Statutes, at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Directors or by an ordinary resolution of the Company.

151. **Preparation and laying of accounts**

The Directors shall, from time to time in compliance with the provisions of the Statutes, cause to be prepared and to be laid before a general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be required by the Statutes.

152. **Accounts to be sent to members**

Subject to the provisions of Article 153, a copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be attached or annexed thereto) and of the Directors' and auditors' reports shall, not less than 21 days before the date of the meeting, be sent or supplied in accordance with Article 156.2 to the address of every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles, provided that:-

- (i) this Article 152 shall not require a copy of such documents to be sent or supplied to more than one of any joint holders or to any person who is not entitled to receive notices of meetings or of

whose postal address or address for the purpose of receiving documents or information by electronic means the Company is not aware; and

- (ii) the accidental omission to send or supply such documents to, or the non-receipt of any such document by, any person entitled thereto shall not invalidate any proceedings at the relevant annual general meeting. In the event of the Company becoming aware that the first attempt at sending documents or information by electronic means in accordance with this Article 152 has not been successful, a second attempt shall be made and in the event of the Company becoming aware that the second attempt at sending the documents or information by electronic means has not been successful, a third attempt shall be made. In the event of the Company becoming aware that the third attempt at sending the documents or information by electronic means has not been successful, a hard copy of the documents or information will be sent to the last postal address known (if any) by the Company of the relevant person or persons to whom the Company has attempted to send the documents or information by electronic means.

Whenever a listing or quotation on any stock exchange for all or any of the shares or debentures or other securities of the Company shall for the time being be in force, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

### 153. **Summary financial statements**

The Company need not, subject to the provisions of the Statutes and the rules of the UK Listing Authority so permitting and if the Directors so decide, send copies of the documents specified in Article 152 to those persons mentioned in Article 152 as being entitled to receive such documents or information but may instead send to those persons at their respective postal address(es) or address(es) for the purpose of receiving documents or information by electronic means a summary financial statement derived from the Company's annual accounts and the Directors' report in such form and containing such information as may be required by the Statutes and the rules of the UK Listing Authority and provided further that copies of the documents specified in Article 152 shall be sent to any such person (at such person's postal address or address for the purpose of receiving documents or information by electronic means) who wishes to receive them and the Company shall comply with any provisions of the Statutes as to the manner in which it is to ascertain whether a member wishes to receive them.

## **AUDITORS**

### 154. **Validity of acts of auditors**

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

### 155. **Rights of auditors**

The auditors shall be entitled to attend any general meeting and to receive all notices of, and other communications relating to, any general meeting which any member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns them as auditors.

## **NOTICES**

### 156. 156.1 **Notice in writing**

Any notice to be given to or by any person pursuant to these Articles shall be in writing or where permitted by the Statutes sent or supplied by electronic means except that a notice calling a meeting of the Directors need not be in writing.

### 156.2 **Method of giving notice to members**

Any notice or document (including a share certificate) may be served on or delivered to any member by the Company;

- (i) personally; or
- (ii) by sending it through the post in a prepaid cover addressed to such member at his registered address; or
- (iii) by sending it in electronic form (except for share certificates) to a number or address notified by the member for that purposes; or
- (iv) by publication on a website (except for share certificates) the address of which shall be notified to members in writing or by electronic means.

A member who has no registered postal address within the United Kingdom and has not supplied to the Company an address (not being an electronic address) within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company. In the case of a member registered in an overseas branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such overseas branch register is maintained.

### **156.3 Deemed delivery of notice and documents**

Any notice, document or other information sent or supplied by the Company shall be deemed to be delivered:

- (i) if served or delivered in accordance with these Articles by post at the expiration of twenty four hours after the time when the cover containing the same is posted and in proving such service or delivery, it shall be sufficient to prove that such cover was properly addressed, stamped and posted;
- (ii) if any notice or document is not sent by post but left at the registered address in the United Kingdom, on the day it was so left;
- (iii) if sent or supplied by electronic means at the expiration of twenty four hours after the time the same was sent in accordance with the guidance for notices given electronically issued from time to time and for the time being by The Institute of Chartered Secretaries and Administrators; or
- (iv) if published on a website, on the day when the material was first made available on the website, or if later, the day on which the recipient received (or is deemed to have received) notice of the fact that the material was available on a website.

### **156.4 Method of giving notice to the Company**

Save as otherwise provided in these Articles, any notice or other document required to be served on or delivered or sent to the Company or any officer of the Company may be served or delivered or sent by delivering the same by hand or by sending it through the post in a prepaid cover addressed to the Company or to such officer of the Company at the office or such other place as the Company may specify or by sending it, using electronic means, to, an address specified for the receipt of such notices in accordance with these Articles or any such address as the Company shall specify. No such notice or other document or communication shall be deemed to have been received by the Company until actually received by the Company.

### **156.5 Signature on notices**

The signature on any notice required to be given by the Company may be typed or printed or otherwise written or reproduced by mechanical means.

## **157. Notice to joint holders**

In respect of joint holdings, all notices shall be given to that one of the joint holders whose name stands first in the register of members and notice so given shall be sufficient notice to all the joint holders in their capacity as such.

**158. Notice to persons entitled by transmission**

A person entitled to a share in consequence of a transmission event, upon such evidence being produced as may from time to time properly be required by the Directors to show his title to the share and upon supplying a postal address within the United Kingdom for the service of notices or an address for the purpose of receiving documents or information by electronic means, shall, save as herein otherwise expressly provided, be entitled to have served upon or delivered, or sent using electronic means to him at such address any notice or document to which the member but for the transmission event would be entitled, and such service, delivery or sending shall for all purposes be deemed a sufficient service, delivery or sending of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Until such address (including an address for the purpose of receiving documents or information by electronic means) has been supplied, a notice may be given in any manner in which it might have been given if the transmission event had not occurred.

**159. Untraced members**

If at any time the Company sends or supplies notices or documents or information in electronic form and becomes aware there has been a failure of delivery of such notice or document, a second attempt to send or supply the notices or documents in electronic form shall be made and in the event of the Company becoming aware that the second attempt has not been successful, a third attempt to send or supply the notices or documents in electronic form shall be made. In the event of the Company becoming aware that the third attempt has not been successful, a hard copy of the notices or documents will be sent to the last postal address (if any) known by the Company of the person or persons to whom the notices or documents in electronic form have attempted to be sent. A notice sent in electronic form shall be deemed undelivered if the Company receives notification that the notice was not delivered to the address to which it was sent.

If on three consecutive occasions notices have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, or if, after any one such occasion, the Directors or any committee authorised by the Directors on their behalf are of the opinion, after the making of all reasonable enquiries, that any further notices to such member would, if sent as aforesaid, likewise be returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company in respect of his shares and supplied in writing to the transfer office a new registered address or address within the United Kingdom for the service of notices.

**160. Notices during disruption 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 by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post or by electronic means if at least seven clear days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

**161. 161.1 Deemed notice**

A member present in person or by proxy at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

**161.2 Successors in title bound by notice to predecessor**

Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title; but this Article 161.2 shall not apply to a notice given under section 793 of the Act.

162. **Statutory requirements**

Nothing in any of Articles 156 to 161 (inclusive) and Article 163.1 shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

**RECORD DATES**

163. 163.1 **Record date for service of notices, etc**

Any notice or other document may be served, delivered, sent or supplied in accordance with Article 156.3, by the Company by reference to the register of members as it stands at any time not more than 21 days before the date of service or sending or delivery. No change in the register after that time shall invalidate that service, sending or delivery.

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

Notwithstanding any other provision of these Articles but without prejudice to the rights of the holders of any shares to receive any dividend on a date or dates fixed by the terms of issue of or the rights attaching to such shares, the Company or the Directors may by resolution specify any date (the "record date") as the date at the close of business on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue or other right and such record date may be on, or at any time before or after, the same is recommended, resolved, declared, announced, paid, allotted, issued or offered but without prejudice to the rights *inter se* in respect of the same of transferors and transferees of any such shares or other securities.

**WINDING UP**

164. **Distribution of assets otherwise than in cash**

If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by law, divide among the members *in specie* the whole, or any part of, the assets of the Company and that whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit but so that no member shall be compelled to accept any shares or other property in respect of which there is a liability or potential liability.

**PROVISIONS FOR EMPLOYEES**

165. **Provisions for employees**

The Directors may, by resolution, exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertakings in connection with the cessation, or the transfer to any person, of the whole, or part of, the undertaking of the Company or any such subsidiary undertaking.

**INDEMNITIES**

166. **Indemnity of Directors**

Subject to the provisions of and so far as may be consistent with the Statutes, every Director (and former Director) of the Company or of any associated company shall be entitled to be indemnified out of the assets of the Company against any liability incurred by him in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or office in relation to the Company. Subject to the provisions of and so far as may be consistent with the Statutes, the Company may provide every Director (or former Director) of the Company or of any associated company with funds to meet

expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or any investigation or action by a regulatory authority or in connection with any application for relief (or may do any other thing to enable him to avoid incurring such expenditure).

167. **Indemnity against claims in respect of shares**

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

- (i) a transmission event;
- (ii) the non-payment of any income tax or other tax by such member;
- (iii) the non-payment of inheritance tax or any estate, probate, succession, death, stamp or other duty by the executors or administrators or other legal personal representatives of such member or by or out of his estate; or
- (iv) any other act or thing;

the Company in every such case:-

- (a) shall be fully indemnified by such member or his executors or administrators or his other legal representatives from all liability; and
- (b) may recover as a debt due from such member or his executors or administrators or his other legal personal representatives wherever constituted or residing any moneys paid by the Company under or in consequence of any such law together with interest thereon at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, twenty per cent per annum) as the Directors may determine from the date of payment by the Company to the date of repayment by the member or his executors or administrators or his other legal personal representatives.

Nothing herein contained shall prejudice or affect any right or remedy which any law may confer or purport to confer on the Company and as between the Company and every such member as aforesaid, his executors, administrators or other legal personal representatives and estate wheresoever constituted or situated, any right or remedy which such law shall confer or purport to confer on the Company shall be enforceable by the Company.



## SCHEME OF ARRANGEMENT

168

### Scheme of Arrangement

- (A) In this Article 168, references to the Scheme are to the scheme of arrangement dated 24 February 2014 under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme) as it may be modified or amended in accordance with its terms, and expressions defined in the Scheme shall have the same meanings in this Article 168.
- (B) Notwithstanding either any other provision of these Articles or the terms of any resolution whether ordinary or special passed by the Company in a general meeting, if the Company issues any ordinary shares (other than to BMO Europe or its nominee(s)) on or after the adoption of this Article 168 and on or prior to the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.
- (C) Notwithstanding any other provision of these Articles, if any ordinary shares are issued to any person (other than BMO Europe or its nominee(s)) (the "**New Member**") after the Scheme Record Time, such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme shall have become effective, be obliged to transfer forthwith all the ordinary shares held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) (the "**Disposal Shares**") to BMO Europe (or as BMO Europe may otherwise direct) who shall be obliged to acquire all of the Disposal Shares in consideration of and conditional on the payment by or on behalf of BMO Europe to the New Member of an amount in cash for each Disposal Share equal to the consideration that the New Member would have been entitled to had each Disposal Share been a Scheme Share.
- (D) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the value of the consideration per Disposal Share to be paid under paragraph (C) above shall be adjusted by the Directors in such manner as the auditors of the Company or an independent investment bank selected by the Company may determine to be fair and reasonable to the New Member to reflect such reorganisation or alteration. References in this Article 168 to ordinary shares shall, following such adjustment, be construed accordingly.
- (E) To give effect to any transfer required by this Article 168, the Company may appoint any person as attorney for the New Member to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of BMO Europe and do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Disposal Shares in BMO Europe and pending such vesting to exercise all such rights to the Disposal Shares as BMO Europe may direct. If an attorney is so appointed, the New Member shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of BMO Europe) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed by BMO Europe. The Company may give good receipt for the purchase price of the Disposal Shares and may register BMO Europe as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for any Disposal Shares. BMO Europe shall send a cheque drawn on a UK clearing bank (or shall procure that such a cheque is sent) in favour of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the purchase price of such Disposal Shares within 14 days of the date on which the Disposal Shares are issued, to the New Member.
- (F) If the Scheme shall not have become effective by the date referred to in clause 5.2 of the Scheme, (or such later date, if any, as BMO and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow) this Article 168 shall be of no effect.
- (G) Notwithstanding any other provision of these Articles, both the Company and the Directors may refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date.

- (H) Notwithstanding any other provision of these Articles, both the Company and the Directors may refuse to register the transfer of any ordinary shares other than as provided by this Article 168.

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**Deferred Share**

The Deferred Share of 0.1 pence shall have all the rights of an ordinary share, save that:

- (a) the holder of the Deferred Share shall not be entitled to receive a dividend or other distribution or to have any other right to participate in the profits of the Company;
- (b) the holder of the Deferred Share shall have no right to attend or vote at any general meeting of the Company; and
- (c) on a return of capital or winding up of the Company, the holder of the Deferred Share shall be entitled, subject to the payment to the holders of all other classes of shares of the amount paid up or credited as paid up on such shares, to repayment of the amount paid up or credited as paid up on the Deferred Share, but shall have no further or other right to participate in the assets of the Company.