

**No: 2967020**

The Companies Acts 1985 - 2006

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

of

**FIRST PROPERTY GROUP PLC**

*(adopted by Special Resolution passed on 28 September 2021)*

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## **Model Articles not to apply**

- 1 No regulations for the management of a company set out in any schedule to any statute concerning companies or contained in any regulations or instrument made pursuant to a statute shall apply to the Company, but the following shall be the Articles of Association of the Company.

## **Interpretation**

- 2 In these Articles:
  - 2.1 if not inconsistent with the subject or context, the following words and expressions shall have the meanings stated:

<b>“Act”</b>	means subject to paragraph 2.2 of this Article, the Companies Act 2006 as amended, restated or re-enacted from time to time and, where the context requires, every other statute from time to time in force concerning companies and affecting the Company
<b>“address”</b>	the ordinary meaning of the word as well as the meaning attributed pursuant to section 1148 of the Act
<b>“Articles”</b>	these articles of association of the Company as from time to time altered
<b>“AIM”</b>	the AIM market operated by the London Stock Exchange
<b>“Auditors”</b>	the auditors of the Company
<b>“Board” or “Directors”</b>	the directors of the Company or a quorum of the directors present at a board meeting
<b>“Certificated”</b>	in relation to a share, a share which is recorded in the register of members of the Company as being held in certificated form
<b>“Debenture” and “Debenture Holder”</b>	include debenture stock and debenture stockholder
<b>“Electronic Form”</b>	has the same meaning given to it in section 1168 of the Act and shall include provision of any information or document on a website, and references to “electronic copy”, “electronic communication” and “electronic means” shall be construed accordingly

<b>“Issuer-Instruction”</b>	an issuer-instruction, as defined in the Uncertificated Securities Regulations
<b>“London Stock Exchange”</b>	London Stock Exchange PLC
<b>“Month”</b>	calendar month
<b>“Nominated Adviser”</b>	an adviser whose name appears on the register published by the London Stock Exchange and who is acting as the nominated adviser for the time being of the Company
<b>“Office”</b>	the registered office of the Company
<b>“Official list”</b>	the Official List of the UK Listing Authority
<b>“Operator”</b>	the Operator (as defined in the Uncertificated Securities Regulations) of the Uncertificated System
<b>“Participating security”</b>	the meaning attributed to that expression in Regulation 3 of the Uncertificated Securities Regulations
<b>“relevant system”</b>	as defined in the Uncertificated Securities Regulations, being a computer based system and procedures which enable title to units of a security to be evidenced and transferred without a written Instrument
<b>“Seal”</b>	the common seal of the Company and, as appropriate, any official seal kept by the Company as may be permitted under the Statutes
<b>“Statutes”</b>	the Act and every other act or statutory instrument concerning limited companies and affecting the Company
<b>“special resolution”</b>	has the meaning given in section 283 of the Act
<b>“Uncertificated”</b>	in relation to a share, a share to which title is recorded in the Register of Members as being held in uncertificated form and title to which may be transferred by means of an Uncertificated System in accordance with the Uncertificated Securities Regulations
<b>“Uncertificated Securities Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755)

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|--------------------------------|--|
| <b>“Uncertificated System”</b> | the CREST system or any other applicable system which is a “relevant system” for the purpose of the Uncertificated Securities Regulations  |
| <b>“United Kingdom”</b>        | the United Kingdom of Great Britain and Northern Ireland   |
| <b>“UK Listing Authority”</b>  | means the Financial Services Authority acting in its capacity for the purposes of the Financial Services and Markets Act 2000 or any successor thereof   |
| <b>“in writing”</b>            | written, printed, typewritten, lithographed or expressed in any other mode representing or reproducing words, or partly one and partly another and including being sent or supplied in Electronic Form |
| <b>“Year”</b>                  | calendar year  |
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- 2.2 words denoting the masculine gender shall include the feminine and neuter genders; words denoting the singular number shall include the plural number and vice versa; words denoting persons shall include corporations;
  - 2.3 a reference to any statute or provision of a statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force;
  - 2.4 except for the above definitions, words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles;
  - 2.5 a reference to an Uncertificated System is a reference to the Uncertificated System in respect of which the particular share or class of shares or renounceable right of allotment of a share is a Participating Security;
  - 2.6 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; and
  - 2.7 the headings are inserted for convenience and do not affect the construction of these Articles.

### **Business**

- 3 Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such times as they think fit, and may be permitted by them to be in abeyance, whether the branch or kind of business commenced or not, so long as the Directors deem it expedient not to commence or proceed with it.

### **Registered office**

- 4 The Office shall be at such place in England or Wales as the Directors appoint.

### **Liability of members**

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

### **Share Capital**

- 6 The share capital of the Company consists of an unlimited number of ordinary shares of 1p each ("**Ordinary Shares**").

### **Modification of rights**

- 7 Subject to the Statutes, whenever the capital of the Company is divided into different classes of shares or groups and either whilst the Company is a going concern or during or in contemplation of a winding up, the special rights attached to any class or group may be modified or abrogated, subject to the provisions of these Articles and unless otherwise provided by the terms of issue of the shares of that class or group, either with the consent in writing of the holders of three-quarters of the issued shares of the class or group, or with the sanction of a special resolution passed at a separate general meeting of the holders (but not otherwise). The consent or resolution shall be binding upon all the holders of shares of the class or group.
- 8 To every separate general meeting all the provisions of these Articles relating to, or to the proceedings at, general meetings shall, mutatis mutandis, apply, except that (a) the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class or group (but, if at any adjourned meeting of the holders a quorum as above defined is not present, those members who are present shall be a quorum); (b) any holder of shares in the class or group present in person or by proxy may demand a poll; and (c) the holders of shares of the class or group shall, on a poll, have one vote in respect of every share of the class or group held by them respectively.
- 9 The special rights conferred upon the holders of any shares or class or group of shares issued with preferred or other rights shall not, unless otherwise expressly provided by these Articles or the conditions of issue, be deemed to be modified by the creation or issue of further shares ranking *pari passu* with them or subsequent to them. The special rights conferred upon the holders of Ordinary Shares shall not be deemed to be modified by the creation or issue of further shares ranking in priority to them nor shall any consent or sanction of the holders of Ordinary Shares be required under Article 7 to any modification or abrogation effected by a resolution on which only the holders of Ordinary Shares are entitled to vote.

### **Shares**

- 10 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided in the next Article), a share (whether forming part of the original capital or not) may be issued with such

preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company by ordinary resolution determines.

- 11 Subject to the provisions of the Statutes and any restrictions contained in these Articles and to any direction to the contrary given by the Company in general meeting, the Directors may allot, grant options over, or otherwise dispose of shares or rights to subscribe for, or to convert any security into, shares to such persons (including a Director) and on such terms as they think fit, but no share shall be issued at a discount.
- 12 The Company may by special resolution create and sanction the issue of shares which are, or at the option of the Company or the holder are to be liable, to be redeemed, subject to and in accordance with the provisions of the Statutes. The special resolution sanctioning the issue shall also make such alterations to these Articles as are necessary to specify the terms on which and the manner in which the shares are to be redeemed.
- 13 The Company, in connection with the issue of any share, may exercise the powers of paying commissions conferred or permitted by the Statutes provided that the percentage rate or the amount of the commission paid or agreed to be paid is disclosed as required by law and does not exceed the rate of 10 per cent of the issue price of the shares in respect of which it is paid. Where permitted by the Statutes, the commission may be satisfied wholly or partly by the allotment of fully or partly paid shares. The Company may also on an issue of shares pay such brokerage as is lawful.
- 14 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust. The Company shall not be bound by or be compelled in any way to recognise (even when having notice) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except as otherwise provided by these Articles or as by law required or under an order of court) any other rights in respect of any share except an absolute right to the entirety of it in the registered holder. The Company shall not be bound to register more than four persons as the joint holders of a share (except in the case of executors or trustees of a deceased member). Without prejudice to the generality of the foregoing a member shall be entitled to nominate by notice in writing given to the Company another person or persons (whether natural or corporate) to enjoy and exercise all or any of the rights of that member in relation to the Company and shall be entitled to revoke such revocation (in whole in part) by notice in writing to the Company. The provisions of sections 146 and 147 of the Act shall apply to the Company even when its shares are not admitted to trading on a regulated market.

#### **Uncertificated shares**

- 15 Subject to the Statutes, the requirements of the Nominated Adviser (where the Company's shares are admitted to trading on AIM) or (as the case may be) the UK Listing Authority (where the Company's shares are admitted to the Official List), the Uncertificated Securities Regulations, and these Articles:
  - 15.1 the Board may resolve that a class of shares is to become, or is to cease to be, a Participating Security;

- 15.2 shares of a class shall not be treated as forming a separate class from other shares of the same class as a consequence of such shares being held in certificated or uncertificated form or of any provision in these Articles or the Uncertificated Securities Regulations applying only to certificated shares or to uncertificated shares;
- 15.3 any share of a class which is a Participating Security may be changed from an uncertificated share to a certificated share and from a certificated share to an uncertificated share in accordance with the Uncertificated Securities Regulations;
- 15.4 these Articles apply to uncertificated shares of a class which is a Participating Security only to the extent that these Articles are consistent with the holding of such shares in uncertificated form, with the transfer of title to such shares by means of the Uncertificated System and with the Uncertificated Securities Regulations;
- 15.5 the Board may lay down regulations not included in these Articles which (in addition to or in substitution for any provisions in these Articles):
- 15.5.1 apply to the issue, holding or transfer of uncertificated shares;
  - 15.5.2 set out (where appropriate) the procedures for conversion and/or redemption of uncertificated shares; and/or
  - 15.5.3 the Board considers necessary or appropriate to ensure that these Articles are consistent with the Uncertificated Securities Regulations and/or the Operator's rules and practices.
- 15.6 such regulations will apply instead of any relevant provisions in these Articles which relate to certificates and the transfer, conversion and redemption of shares or which are not consistent with the Uncertificated Securities Regulations, in all cases to the extent (if any) stated in such regulations and if the Board makes any such regulations, Article 15.4 will (for the avoidance of doubt) continue to apply to these Articles, when read in conjunction with those regulations;
- 15.7 any instruction given by means of an Uncertificated System as referred to in these Articles shall be a dematerialised instruction given in accordance with the Uncertificated Securities Regulations, the facilities and requirements of the Uncertificated System and the Operator's rules and practices;
- 15.8 for any purpose under these Articles, the Company may treat a member's holding of uncertificated shares and of certificated shares of the same class as if they were separate holdings, unless the Board otherwise decides;
- 15.9 where the Company is entitled under the Statutes, the Operator's rules and practices, these Articles or otherwise to dispose of, forfeit, enforce a lien over or sell or otherwise procure the sale of any shares of a class which is a Participating Security which are held in uncertificated form, the Board may take such steps (subject to the Uncertificated Securities Regulations and to such rules and practices) as may be required or appropriate, by instruction by means of the Uncertificated System or otherwise, to effect such disposal, forfeiture, enforcement or sale including by (without limitation):
- 15.9.1 requesting or requiring the deletion of any computer-based entries in the



Uncertificated System relating to the holding of such shares in uncertificated form;

- 15.9.2 altering such computer-based entries so as to divest the holder of such shares of the power to transfer such shares other than to a person selected or approved by the Company for the purpose of such transfer;
- 15.9.3 requiring any holder of such shares, by notice in writing to him, to change his holding of such uncertificated shares into certificated form within any specified period;
- 15.9.4 requiring any holder of such shares to take such steps as may be necessary to sell or transfer such shares as directed by the Company;
- 15.9.5 otherwise rectify or change the register of members of the Company in respect of any such shares in such manner as the Board considers appropriate (including, without limitation, by entering the name of a transferee into the Register of Members as the next holder of such shares); and/or
- 15.9.6 appointing any person to take any steps in the name of any holder of such shares as may be required to change such shares from uncertificated form to certificated form and/or to effect the transfer of such shares (and such steps shall be effective as if they had been taken by such holder).

#### **Share certificates**

- 16 Subject to the Statutes, the requirements of the Nominated Adviser (where the Company's shares are admitted to trading on AIM) or (as the case may be) the UK Listing Authority (where the Company's shares are admitted to the Official List), and these Articles:
  - 16.1 every person (except any person in respect of whom the Company is not required by the Statutes to complete and have ready for delivery a share certificate), upon becoming the holder of a certificated share is entitled, without charge, to one certificate for all the certificated shares of a class registered in his name or, in the case of certificated shares of more than one class being registered in his name, to a separate certificate for each class of shares, unless the terms of issue of the shares provide otherwise.
  - 16.2 where a member (other than a person in respect of whom the Company is not required by the Statutes to complete and have ready for delivery a share certificate) transfers part of his shares comprised in a certificate he shall be entitled, without charge, to one certificate for the balance of certificated shares retained by him.
  - 16.3 the Company is not bound to issue more than one certificate for certificated shares held jointly by two or more persons, and delivery of a certificate to one joint holder shall be sufficient delivery to all joint holders.
  - 16.4 a certificate shall
    - 16.4.1 specify the number and class and the distinguishing numbers (if any) of

the shares in respect of which it is issued and the amount paid up on the shares;

- 16.4.2 (subject as provided below) bear the autographic signatures of at least one Director and the Secretary provided that the Directors may by resolution determine that such signatures, or either of them, shall be dispensed with or shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature; and
- 16.4.3 be issued under the Seal, which may be affixed to or printed on it, or in such other manner as the Board may approve, having regard to the terms of issue and the requirements of the Nominated Adviser (where the Company's shares are admitted to trading on AIM) or (as the case may be) the UK Listing Authority (where the Company's shares are admitted to the Official List;
- 16.5 shares of different classes may not be included in the same certificate. the certificate shall specify the shares or securities to which it relates and the amount paid up;
- 17 If a share certificate is defaced, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity with or without security and to payment of any exceptional out-of-pocket expenses of the Company in investigating the evidence and preparing the indemnity as the Board thinks fit and, in case of defacement, on delivery of the old certificate to the Company.

#### **Lien on shares**

- 18 Subject to the provisions of section 670 of the Act the Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies, whether presently payable or not, called or payable at a fixed time in respect of the share whether the period for the payment has actually arrived or not, and notwithstanding that it is the joint debt or liability of the 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 or other monies payable on or in respect of it, together with any interest or expenses which may have accrued. The Directors may resolve that any share is wholly or in part exempt from the provisions of this Article.
- 19 The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, has been given to the holder of the share or the person entitled to it by reason of his death or bankruptcy.
- 20 To give effect to the sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money and his title to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 21 The net proceeds of sale, after payment of the costs of sale, shall be applied in or

towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as it is presently payable. Any residue shall (upon surrender to the Company for cancellation of the certificate, if any, for the shares sold and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the time of the sale.

### **Calls on shares**

- 22 The Directors may make calls upon the members in respect of any monies (whether on account of the nominal value of the shares or by way of premium) unpaid on their shares and not by the conditions of allotment made payable at fixed times. Each member shall (subject to receiving at least 14 days' notice specifying the time and place of payment) pay to the Company at the time and place specified the amount called on his shares. A call may be revoked or postponed in whole or part as the Directors determine. A person on whom a call is made shall remain liability jointly and severally with the successors in title to his shares for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
- 23 A call shall be deemed to have been made at the time when the resolution of the Directors authorising it was passed. A call may be made payable by instalments.
- 24 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.
- 25 If a call or instalment payable in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on it from the day appointed for payment to the time of actual payment at the rate fixed by the terms of allotment of the shares or in the notice of the call or, if no rate is fixed, at such rate as the Directors determine not exceeding 15 per cent per annum. He shall also pay all costs, charges and expenses which the Company has incurred or become liable for in order to procure payment of or in consequence of the non-payment of the call or instalment. The Directors shall be at liberty to waive payment of the interest, costs, charges and expenses, wholly or in part.
- 26 Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, it becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest, costs, charges and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.
- 27 The Directors may, on the issue of shares, differentiate between the holders in the amount of calls to be paid and the times of payment.
- 28 The Directors may receive from any member all or any part of the money unpaid upon the shares held by him beyond the sums actually called up as a payment in advance of calls. The payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced. Upon the money received, or so much of it as exceeds the amount of the calls then made upon

the shares in respect of which it has been received, the Company may pay interest at such rate as the member and the Directors agree, subject to any directions of the Company in general meeting. The member shall not be entitled to participate in respect of the advance in a dividend subsequently declared. The Directors may repay the amount advanced upon giving to the member one month's notice in writing.

### **Forfeiture and surrender of shares**

- 29 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, the Directors may, whilst any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.
- 30 The notice shall name a further day (not being less than fourteen days from the date 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 at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. The Directors may accept upon such terms and conditions as may be agreed the surrender of any share liable to be forfeited and, in such case, subject to such terms and conditions, references in these Articles to forfeiture shall include surrender.
- 31 If the requirements of the notice are not complied with, any share in respect of which it has been given may before payment of all calls and interest and expenses due in respect of it has been made be forfeited by a resolution of the Directors. Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.
- 32 Subject to the provisions of the Statutes, a forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder or entitled to it, or to any other person, upon such terms and in such manner as the Directors think fit. At any time before a sale, re-allotment or disposition, the forfeiture may be cancelled on such terms as the Directors think fit, subject always to the provisions of section 662 of the Act. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Directors may authorise some person to execute an instrument of transfer or otherwise effect the transfer of the share to that person.
- 33 A shareholder whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate, if any, for the forfeited shares, but shall remain liable to pay to the Company all sums which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with interest from the date of forfeiture until payment at the rate at which interest was payable on those sums before the forfeiture. The Directors shall be at liberty to waive payment of interest wholly or in part and may enforce payment without any allowance for the value of the shares at the time of forfeiture.
- 34 When a share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be

invalidated by any failure to give notice.

- 35 A statutory declaration in writing that the declarant is a director or the secretary of the Company and that a share has been duly forfeited or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal, together with the relevant share certificate delivered to a purchaser or allottee shall (subject to the execution of a transfer if required) constitute a good title to the share. The person to whom the share is sold, re-allotted or 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, sale, or disposal of the share. Every Director is authorised to execute on behalf of the shareholder whose share is forfeited a proper instrument of transfer of the share.
- 36 The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if it had been payable by virtue of a call duly made and notified.

### **Transfer of shares**

- 37 All transfers of shares may be effected by transfer in writing in any usual or common form, or in any other form approved by the Directors.
- 38 The instrument of transfer of a share shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it. Subject to the provisions of these Articles, transfers of shares and other documents relating to or affecting the title to any shares shall be registered without payment of any fee. All instruments of transfer which are registered shall be retained by the Company.
- 39 Notwithstanding anything to the contrary contained in these Articles of Association, the shares of the Company (or any class thereof) may be held in uncertificated form and title to the shares of the Company (or any class thereof) may be transferred by means of a relevant system within the meaning of the Uncertificated Securities Regulations.
- 40 The Directors may, in their absolute discretion decline to register the transfer of a share (not being a fully paid share) to a person of whom they shall not approve, and they may also decline to register the transfer of a share (not being a fully paid share) on which the Company has a lien, provided that, where any such shares are admitted to the Official List or are admitted to trading on AIM, such discretion may not be exercised in such a way as to prevent dealings in the shares from taking place on an open and proper basis. Subject to the foregoing, the Directors may also decline to register any instrument of transfer unless:
- 40.1 the instrument of transfer, duly stamped or duly certified or otherwise shown to the

satisfaction of the Board to be exempt from stamp duty, is deposited at the Office or such other place as the Directors may appoint and (save in the case of a transfer by a person to whom no certificate was issued in respect of the shares in question) accompanied by the certificate of the shares to which it relates, 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;

- 40.2 the instrument of transfer is in respect of only one class of share; and
  - 40.3 in the case of a transfer to joint holders, they do not exceed four in number.
  - 41 The Directors may refuse to register a transfer of shares held in uncertificated form in the circumstances permitted by the Uncertificated Securities Regulations.
  - 42 If the Directors refuse to register a transfer they shall, within two months after the date on which:
    - 42.1 the transfer was lodged with the Company, or
    - 42.2 (in the case of shares held in uncertificated form) the Operator-instruction was received by the Company
- send to the transferee notice of the refusal and any instrument of transfer which the Directors decline to register shall (except in the case of fraud) be returned to the person depositing it.
- 43 No fee shall be charged for the registration of an instrument of transfer or other document relating to or affecting the title to any share or for making any entry in the register affecting the title to any share.
  - 44 Subject to section 551 of the Act, nothing in these Articles shall preclude the Directors from allowing the allotment of any share to be renounced by the allottee in favour of some other person. For all purposes of these Articles relating to the registration of transfers of shares, this renunciation shall be deemed to be a transfer and the Directors shall have the same power of refusing to give effect to it as if the renunciation were a transfer.

#### **Transmission of shares**

- 45 In the 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 persons recognised by the Company as having any title to his shares. Nothing in this Article 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.
- 46 Subject to any other provisions of these Articles, any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of the law may, upon such evidence as to his title being produced as may be required by the Directors and subject as provided below, either be registered himself as holder of the share or elect to have some person nominated by him registered as

transferee.

- 47 Subject to any other provisions of these Articles, if the person becoming entitled as above elects to be registered himself, he shall give to the Company notice in writing to that effect. If he elects to have his nominee registered, he must execute in favour of his nominee a transfer of the share or, if the share is held in uncertificated form, transfer the share to that person by way of a relevant system. 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 the notice or transfer as if the event giving rise to the transmission had not occurred and the notice or transfer were a transfer executed by the member.
- 48 Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, at the discretion of the Directors, receive and give a discharge for any dividends or other monies becoming payable in respect of the share but shall not otherwise be entitled to receive notices of or to attend or vote at meetings of the Company or to any of the rights or privileges of a member until he has become a member in respect of the share. If he fails either to transfer the share or to elect to be registered as a member in respect of it within 60 days of being required by the Directors to do so, he shall in the case of shares which are fully paid up be deemed to have elected to be registered as a member in respect of them and may be registered accordingly.

#### **Untraceable shareholders**

- 49 The Company may sell (in such manner and for such price as the Directors think fit) the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if:
- 49.1 during the period of 12 years prior to the date of the publication of the advertisements referred to in Article 49.2 below (or, if published on different dates, the first date), being a period during which at least three dividends have been payable, all warrants and cheques in respect of the shares in question sent in the manner authorised by these Articles have remained uncashed; and
- 49.2 the Company on expiry of the period of 12 years has given notice, 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, of its intention to sell the shares; and
- 49.3 during such period of 12 years and the period of three months following the publication of the advertisements, or following the later publication if the two advertisements are published on different dates, the Company has received no indication of either the whereabouts or the existence of the member or person; and
- 49.4 notice has been given to the Nominated Adviser (where the Company's shares have been admitted to trading on AIM) or (as the case may be) the UK Listing Authority (where the Company's shares are admitted to the Official List) of its intention to make the sale.

- 50 If at any time during or after such period of 12 years further shares have been issued in right of those held at commencement of that period or of any issued right during that period and, since the date of issue, the requirements of Articles 49.1 to 49.4 have been satisfied in respect of such further shares, the Company may also sell the further shares.
- 51 To give effect to a sale the Company may appoint any person to execute as transferor an instrument of transfer of the shares. The instrument of transfer shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, the shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for an amount equal to the proceeds and shall enter the name of the former member or other person in the books of the Company as a creditor for that amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of it and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors think fit.

### **Disclosure of Interests**

- 52 If a member, or a person appearing to be interested in shares held by a member, has been duly served with a notice under section 793 of the Act (“**Statutory Notice**”) and is in default for the prescribed period in supplying to the Company the required information or makes a statement which in the opinion of the Board is false or misleading in any material particular, then not earlier than 14 days or such other number of days as may be permitted from time to time by the Statutes after service of the statutory notice, the Directors may at any time, by notice (a “**Direction Notice**”) to the member, direct that in respect of the shares in relation to which the default occurred (the “**Default Shares**”) the member is not entitled to vote or attend, either personally or by proxy, at a general meeting or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to general meetings of the holders of any class of shares of the Company.
- 53 Where the Default Shares represent at least 0.25 per cent of the issued shares of a class, the Direction Notice may additionally direct:
- 53.1 that any dividend or other money which would otherwise be payable in respect of each of the Default Shares shall (in whole or part) be retained by the Company without any liability to pay interest when the dividend or money is paid to the member;
- 53.2 that no transfer of the Default Shares which is not an approved transfer shall be registered unless:
- 53.2.1 the member is not himself in default as regards supplying the information required; and
- 53.2.2 the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form



satisfactory to the Directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares the subject of the transfer is a Default Share.

- 53.3 The Directors may determine that one or more of the restrictions imposed on Default Shares shall cease to apply at any time.
- 53.4 The Company shall send a copy of the notice to each other person appearing to be interested in the shares the subject of a Direction Notice but the failure or omission by the Company to do so shall not invalidate the notice.
- 53.5 A Direction Notice shall have effect in accordance with its terms for so long as the default in respect of which it was issued continues and (unless the Direction Notice otherwise determine) for a further period of one week but shall cease to have effect in relation to any Default Shares which are transferred by the member by means of an approved transfer, provided always that if, within ten days after receipt of notice of such approved transfer, the Directors decide that they have reasonable cause to believe that the change in the registered holder of such Default Shares would not be as a result of an arm's length sale resulting in a material change in the beneficial interests in such Default Shares, the restrictions imposed on the Default Shares shall continue to apply.
- 53.6 For the purpose of this Article:
- 53.6.1 a person shall be treated as appearing to be interested in shares if the member holding the shares has given to the Company a notification under section 793 of the Act which either (a) names that person as being interested; or (b) fails to establish the identities of those interested in the shares and (after taking into account the notification and any other relevant section 793 of the Act notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
- 53.6.2 the prescribed period is 14 days from the date of service of the notice under section 793 of the Act; and
- 53.6.3 a transfer of shares is an approved transfer if:
- (i) it is a transfer of shares by way or in pursuance of acceptance of a takeover offer (as defined in section 974 of the Act and as set out in Part 23 of the Act) for the shares of the class of which such Default Shares form part; or
  - (ii) the transfer results from a sale made through a Recognised Investment Exchange or a Regulated Market as defined in the Financial Services and Markets Act 2000 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded

to a party not connected with the member or with other persons appearing to be interested in the shares.

- 53.7 Where the Directors make a decision pursuant to the proviso to Article 53.5, the Company shall notify the purported transferee of such decision as soon as practicable and any person may make representations in writing to the Directors concerning any such decision. The Company shall not be liable to any person as a result of having imposed restrictions or deciding that such restrictions shall continue to apply if the Directors acted in good faith.
- 53.8 Where dividends or other sums are not paid as a result of restrictions having been imposed on Default Shares, such dividends or other sums shall accrue and, upon the relevant restrictions ceasing to apply, shall be payable (without interest) to the person who would have been entitled had the restrictions not been imposed.
- 53.9 Shares issued in right of Default Shares shall on issue become subject to the same restrictions whilst held by that member as the Default Shares in right of which they are issued. For this purpose, shares which are allotted or offered or for which applications are invited (whether by the Company or otherwise) pro rata (or pro rata ignoring fractional entitlements and shares not allocated to certain members by reason of legal or practical problems associated with offering shares outside the United Kingdom) shall be treated as shares issued in right of Default Shares.
- 53.10 The Directors shall at all times have the right, at their discretion, to suspend, in whole or in part, any Dividend Notice given pursuant to this Article either permanently or for any given period and to pay to a trustee any dividend payable in respect of any Default Shares or in respect of any shares issued in right of Default Shares. Notice of any suspension, specifying the sanctions suspended and the period of suspension, shall be given to the relevant holder in writing within seven days after any decision to implement such a suspension.
- 53.11 Nothing contained in this Article shall limit the power of the Directors under section 794 of the Act.

#### **Alteration of share capital**

- 54 The Company may by ordinary resolution:
- 54.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 54.2 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the nominal amount of the shares cancelled, subject to the provisions of sections 662 to 669 of the Act; and
- 54.3 subject to the provisions of the Statutes, sub-divide all or any of its shares into shares of smaller amounts and the resolution may determine that, as between the holders of the shares resulting from the sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to new shares.
- 55 Upon a consolidation of fully paid shares into shares of larger amount the Directors

may settle any difficulty which arises and in particular may, as between the holders of shares consolidated, determine which shares are consolidated into each consolidated share. In the case of any shares registered in the name or names of one or more members being consolidated with shares registered in the name or names of another member or members, the Directors may make such arrangements for the sale of the consolidated share or for the issue, acceptance or sale of fractional certificates and may sell the consolidated share or the fractions represented by fractional certificates, either upon the market or otherwise, to such person or persons at such times and at such prices as they think fit. For the purpose of giving effect to a sale the Directors may appoint some person to transfer the shares or fractions sold to, or in accordance with the directions of, the purchasers. The purchasers shall not be bound to see the application of the purchase moneys nor shall their title to such shares be affected by any irregularity in or invalidity of the proceedings relating to the sale. The Directors shall distribute the net proceeds of sale among the members rateably in accordance with their interests in the consolidated share or the fractions represented by the fractional certificates provided that the Directors shall have power when making such arrangements to determine that no member shall be entitled to receive such net proceeds where the amount to be distributed to such member in respect of any such interest or fraction amount to less than £3.00 (or such greater amount as the Nominated Adviser (where the Company's shares are admitted to trading on AIM) or (as the case may be) the UK Listing Authority (where the Company's shares are admitted to the Official List) shall from time to time permit), in which case any such amount may be retained for the benefit of the Company.

- 56 The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner subject to any conditions and consents required by law.

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

- 57 Subject to, and in accordance with, the provisions of the Statutes and subject to Article 58 below and the requirements of the Nominated Adviser (where the Company's shares are admitted to trading on AIM) or (as the case may be) the UK Listing Authority (where the Company's shares are admitted to the Official List), the Company may purchase its own shares (including any redeemable shares) and any shares so purchased may (subject to any resolution of the Company in general meeting) be selected by the Directors in any manner.
- 58 The Company may not purchase its own shares, except for shares to be held in treasury in accordance with the provisions of the Statutes, if at the time of purchase there are outstanding any convertible securities of the Company, unless either there are provisions in the relevant trust deed or terms of issue permitting the purchase or the purchase has been sanctioned by an special resolution passed at a separate class meeting of the holders of the convertible securities.

#### **General meetings**

- 59 A general meeting shall be held in each year at such time (within a period of not more than 6 months after the accounting reference date of the Company) and place as may be determined by the Directors. The general meetings referred to in this Article shall be called annual general meetings. All general meetings other than annual general

meetings shall be called general meetings.

- 60 The Directors may convene a general meeting whenever they think fit. On the requisition of members in accordance with the Statutes, the Directors shall convene a general meeting. Whenever the Directors convene a general meeting on the requisition of members, they shall within 21 days of the date the requisition is deposited at the office convene it for a date not more than 28 days after the date of the notice convening the general meeting (unless the requisitionists consent in writing to a later date being fixed). If there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors for the purpose of appointing Directors.

#### **Notice of general meetings**

- 61 In the case of the annual general meeting at least 21 clear days' notice and in the case of all other general meetings at least 14 clear days' notice convening the meeting must be given (exclusive in each case of the day on which the notice is served or deemed to be served and of the day for which the notice is given). The notice shall specify the place, the day and the hour of meeting (and in the case of an annual general meeting shall specify the meeting as such) and state with reasonable prominence that a member entitled to attend and vote is entitled to appoint one or more proxies, who need not also be a member, to attend and vote instead of him. In the case of special business (within the meaning of Article 63), the notice must specify the general nature of the business (and, in the case of a meeting convened for passing a special resolution, the intention to propose the resolution as a special resolution as the case may be). The notice shall be given to the Auditors and the Directors and to such members as are, under these Articles, entitled to receive notices from the Company. With the consent in writing of all, or such less number as is required by the Statutes, of the members entitled to attend and vote, a meeting may be convened by a shorter notice and in such manner as those members think fit. The Company shall comply with the provisions of the Statutes as to giving notice of resolutions and circulating statements on the requisition of members.
- 62 The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, or the non-receipt of a notice or form of proxy, shall not invalidate the proceedings at any general meeting.

#### **Proceedings at general meetings**

- 63 All business shall be deemed special that is transacted at a general meeting, and also all business that is transacted at an annual general meeting, with the exception of:
- 63.1 the reading and consideration and adoption of the accounts and balance sheet and the ordinary reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;
- 63.2 declaring dividends;

- 63.3 the re-election of Directors retiring, the election of Directors in the place of those retiring;
- 63.4 the approval of the remuneration report (if any) and the voting of remuneration or extra remuneration to the Directors;
- 63.5 the appointment of and the fixing of the remuneration of the Auditors; and
- 63.6 the grant, renewal, limitation, extension or variation of any authority of or to the Board, under section 551 of the Act, to allot securities.
- 64 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. The absence of a quorum shall not preclude the appointment of a chairman in accordance with the provisions of these Articles, which shall not be treated as part of the business of the meeting. Except 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. A corporation which is a member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 95.
- 65 If within 15 minutes from the time appointed for the meeting (or such longer time not exceeding one hour as the chairman of the meeting shall decide to wait) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day (not being more than 28 days after the date appointed for the meeting) and at such other time and place as the Directors determine. If the meeting is adjourned for 14 days or more, not less than five days' notice thereof shall be given by advertisement in one national newspaper, but no other notice shall be required. If at any such adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, the member present in person or by proxy and entitled to vote upon the business to be transacted at the meeting shall be a quorum.
- 66 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
- 67 The chairman (if any) of the Board or, in his absence, a deputy chairman (if any) shall preside as chairman at every general meeting. If there is no chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within five minutes after the time appointed for holding it, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll may elect one of their number to be chairman.
- 68 The chairman may at any time, without the consent of any meeting, adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and to another place, but no business shall be transacted at an adjourned meeting except business which might lawfully have been transacted at the meeting from which

the adjournment took place.

- 69 The chairman may only adjourn the meeting in accordance with Article 68 where it appears to him that:
- 69.1 the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or
- 69.2 the conduct of persons present prevents or is likely to prevent the orderly continuation of business; or
- 69.3 an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- 70 The chairman may, with the consent of any meeting at which a quorum is present, adjourn the meeting from time to time and from place to place.
- 71 When a meeting is adjourned for 30 days or more (otherwise that due to the absence of a quorum) or without a time and place for the adjourned meeting being fixed, at least seven clear days' notice of the adjourned meeting shall be given as in the case of an original meeting. It shall not otherwise be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 72 If it appears to the chairman of a meeting that the place of the meeting specified in the notice convening the meeting is inadequate to accommodate all persons entitled and wishing to attend, the meeting is duly constituted and its proceedings are valid if the chairman is satisfied that adequate facilities are available, whether at the place of the meeting or elsewhere, to ensure that each such person who is unable to be accommodated at the place of the meeting is able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak, whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise (whether in use when these Articles are adopted or developed subsequently).
- 73
- 73.1 No amendment or proposed amendment to any ordinary resolution shall be put to or voted upon by the members at any general meeting or adjourned general meeting unless the Company has received written notice of the amendment or proposed amendment and of the intention of the proposer to attend and propose it at least 48 hours before the time fixed for the general meeting. Notwithstanding that no such written notice shall have been given, the chairman, in his absolute discretion, may accept or propose at any general meeting or adjourned general meeting amendments of a minor or formal nature or to correct a manifest error or which he may in his absolute discretion consider fit for consideration at the meeting.
- 73.2 Subject to Article 73.1, 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.

- 73.3 In the case of a resolution duly proposed as a special resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may be considered or voted upon.
- 74 At a general meeting a resolution put to the vote shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by:
- 74.1 the chairman of the meeting; or
- 74.2 at least three members present in person or by proxy and entitled to vote; or
- 74.3 a member or members entitled to vote and holding or representing by proxy at least one-tenth part of the total voting rights of all the members having the right to vote at the meeting; or
- 74.4 a member or members holding shares conferring a right to vote at the meeting on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- 74.5 any member present in person or by proxy in the case of a resolution to confer, vary, revoke or renew authority or approval for an off-market purchase by the Company of its own shares.
- 75 Unless a poll is demanded as above, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 76 If any votes are counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it is pointed out at the same meeting, or at an adjournment, and it is, in the opinion of the chairman of the meeting, of sufficient magnitude to vitiate the resolution.
- 77 If a poll is duly demanded, it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days of the meeting) and place and in such manner as the chairman directs (including the use of ballot or voting papers or tickets). The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. No notice need be given of a poll not taken immediately. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The chairman may appoint scrutineers and may adjourn the meeting to some place and time fixed by him for declaring the result of the poll. The demand for a poll may be withdrawn before the close of the meeting or the taking of the poll, whichever is the earlier. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a demand is withdrawn, the chairman of the meeting or other members entitled to require a poll may himself or themselves demand a poll.

- 78 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to any votes to which he may be entitled as a member.
- 79 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.

### **Security Procedures**

- 80 In their absolute discretion and notwithstanding anything in the notice of general meeting the Directors may, in respect of members or their proxies who wish to attend any general meeting:
- 80.1 direct that the members or proxies submit to searches;
- 80.2 direct that the members or proxies comply with any security arrangements or restrictions imposed by the Directors;
- 80.3 arrange for members or proxies to attend and participate simultaneously in the meeting at places other than the one specified in the notice of meeting as the place where the meeting will take place (“Principal Place”);
- 80.4 fix the level of attendance at the Principal Place and any other places provided that if members or proxies are excluded from the Principal Place they are able to stand the meeting at one of the other places. (For the purpose of these Articles any such meeting will be treated as being held at the Principal Place); and
- 80.5 make arrangements for the issue of tickets or impose a random means of selection or by any other means they think appropriate, to facilitate the organisation and administration of a general meeting. The Directors may vary these arrangements or make new arrangements in their place.
- 81 The rights of members or proxies to attend a meeting at the Principal Place is subject to any arrangements in force whether contained in the notice of that meeting and said to apply to that meeting, or notified to the members after the notice of meeting has been provided.

### **Votes of members**

- 82 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member present (who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative not being himself a member,) or each proxy present shall have one vote and on a poll every member who is present in person or each proxy present shall have one vote for every share of which he is the holder.
- 83 Where there are joint holders of a share, any one of them may vote at any meeting either personally or by proxy in respect of the share as if he were solely entitled to it, but if more than one joint holder is present at a meeting either personally or by proxy, that one of them whose name stands first in the register of members in respect of the



share shall alone be entitled to vote in respect of it.

- 84 A member, in respect of whom an order has been made by a competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs, may vote, whether on a show of hands or on a poll, by any person authorised to do so on his behalf and that person may on a show of hands or on a poll vote by proxy, provided that such evidence as the Directors require of his authority has been deposited at the Office 48 hours before the time for holding the meeting or adjourned meeting, or in the case of a poll, at least 24 hours before the time appointed for taking the poll and in default the right to vote shall not be exercisable.
- 85 Unless the Directors determine otherwise no member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company or upon a poll either personally or by proxy, or to exercise any privilege as a member, unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 86 No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered. Every vote not disallowed at the meeting shall be valid for all purposes. An objection made in due time shall be conclusive.

### **Proxies**

- 87 On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion 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. No proxy shall in that capacity be entitled to speak at any general meeting, except to demand a poll or join a demand for a poll. A proxy need not be a member of the Company.
- 88 Proxy forms for use in respect of any general meeting shall be sent by the Company to all persons entitled to notice of and to attend and vote at that meeting. The instrument appointing a proxy must be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney so authorised. The Directors may, but shall not be bound to, require evidence of the authority of the officer or attorney. If a member appoints more than one person to act as his proxy the instrument appointing each such proxy shall specify the shares held by the member in respect of which each such proxy is authorised to vote and no member may appoint more than one proxy (save in the alternative) to vote in respect of any one share held by that member. If the Directors in their discretion decide a proxy appointment may be sent in Electronic Form, subject to authentication in such manner as the directors may determine.
- 89 A proxy appointment which is being sent in Electronic Form must be received at an address specified by the Company for the purpose of receiving such communications:
- 89.1 in (or by way of a note to) the notice convening the meeting; or

- 89.2 in any form of proxy appointment sent out by the Company; or
- 89.3 in any invitation contained in Electronic Form to appoint a proxy issued by the Company;

in each case 48 hours before the time of the meeting or adjourned meeting at which the person named in the proxy form proposes to vote, or in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid 24 hours before the time appointed for the taking of the poll, or where the poll is not taken immediately but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to the Secretary or to any Director.

- 90 When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting or poll, the one which is last delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution.
- 91 Subject to Articles 88 and 89, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of the power or authority, must be deposited, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, at the Office or at such other place as is nominated by the Board. In default the instrument of proxy shall not be treated as valid.
- 92 Subject to Articles 88 and 89, an instrument of proxy must be in writing and in a common form or form which the Directors approve. Proxies need not be witnessed. The proxy shall be deemed to include the right to demand or join in demanding a poll and generally to act at the meeting for the member giving the proxy. The proxy shall, unless it states the contrary, be valid for an adjournment of the meeting as well as for the meeting to which it relates.
- 93 The board may decide, either generally or in any particular case, to treat an instrument of proxy as properly deposited if a copy of the instrument or other document is delivered in Electronic Form, in any case, to an address specified for the receipt of such documents and appointments in Electronic Form in the notice convening the meeting or in any instrument of proxy set out by the Company in relation to the meeting or at such other address it is agreed by the board from time to time. This power is subject to any limitations, restrictions or conditions that the board may decide. Any requirements of these Articles, which are inconsistent with this method of appointment, shall not apply to appointments under this power. The board can require such evidence as it thinks appropriate to show that the proxy appointment is genuine.
- 94 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the

share in respect of which the proxy is given, provided that no intimation in writing of the death, incapacity, revocation or transfer has been received at the Office at least 48 hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Representatives of Corporations**

- 95 A corporation holding shares conferring the right to vote may, by resolution of its directors or other governing body, authorise any one or more of its officials or any other person or persons to act as its representative(s) at any meeting of the Company or at any meeting of holders of any class of shares of the Company. The authorised representative or representatives shall be entitled to exercise the same powers on behalf of the corporation which he or they represent as if he or they had been an individual member of the Company. When a corporation authorises more than one person and more than one of them purport to exercise a power under this Article:
- 95.1 if they purport to exercise the power in the same way, the power is treated as exercised in that way;
- 95.2 if they do not purport to exercise the power in the same way, the power is treated as not exercised.

### **95A Form of general meetings**

- 95A.1 In this Article 95A:
- 95A.1.1 "physical meeting" means a general meeting held and conducted by physical attendance by members and proxies at a particular place (or, if the Directors specify one or more other meeting places in accordance with Article 80.3, at particular places); and
- 95A.1.2 "hybrid meeting" means a general meeting held and conducted by both physical attendance by members and proxies at a particular place (or, if the Directors specify one or more other meeting places in accordance with Article 80.3, at particular places) and by members and proxies also being able to attend and participate by electronic means without needing to be in physical attendance at that place (or places).
- 95A.2 The Directors may decide in relation to any general meeting (including a postponed or adjourned meeting) whether the general meeting is to be held as a physical meeting or as a hybrid meeting (and shall, for the avoidance of doubt, be under no obligation to convene a meeting as a hybrid meeting whatever the circumstances).
- 95A.3 The Directors may make such arrangements as they may (subject to the requirements of the Statutes) decide in connection with the facilities for participation by electronic means in a hybrid meeting, and the entitlement of any member or proxy to attend the general meeting, or to participate in it by electronic means, shall be subject to such arrangements. In the case of a hybrid meeting, the provisions of these Articles shall be treated as modified to permit any such arrangements and in particular:

- 95A.3.1 references in these Articles to attending and being present at the meeting, including in relation to the quorum for the meeting and the right to vote at the meeting, shall be treated as including participating in the meeting by electronic means;
- 95A.3.2 a notice of a general meeting which is to be a hybrid meeting shall state details of the facilities for attendance and participation by electronic means at the meeting or shall state where such details will be made available by the Company prior to the meeting;
- 95A.3.3 the meeting shall be treated as having commenced if it has commenced at the physical place (or places) specified in the notice of the meeting;
- 95A.3.4 the meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities have been made available so that all persons (being entitled to do so) attending the hybrid meeting by electronic means may participate in the business of the meeting, but under no circumstances shall the inability of one or more members or proxies to access, or continue to access, the facilities for participation in the meeting despite adequate facilities being made available by the Company, affect the validity of the meeting or any business conducted at the meeting;
- 95A.3.5 all resolutions put to members at a hybrid meeting, including in relation to procedural matters, shall be decided on a poll;
- 95A.3.6 the Directors may authorise any voting application, system or facility in respect of the electronic platform for hybrid general meetings as they may see fit; and
- 95A.3.7 if it appears to the chairman of the meeting that the electronic facilities for a hybrid meeting have become inadequate for the purpose of holding the meeting then the chairman of the meeting may, with or without the consent of the meeting, adjourn the meeting (before or after it has started) and the provisions in Articles 68 and Article 71 shall apply to any such adjournment and all business conducted at the hybrid meeting up to the point of the adjournment shall be valid.
- 95A.4 If, after the sending of notice of a hybrid meeting but before the meeting is held (or after the adjournment of a hybrid meeting but before the adjourned meeting is held), the Directors consider that it is impracticable or unreasonable to hold the meeting at the time specified in the notice of meeting using the electronic facilities stated in the notice of meeting or made available prior to the meeting, they may change the meeting to a physical meeting or change the electronic facilities (and make details of the new facilities available in the manner stated in the notice of meeting) or both, and may postpone the time at which the meeting is to be held.
- 95A.5 An adjourned general meeting or postponed general meeting may be held as a physical meeting or a hybrid meeting irrespective of the form of the general meeting which was adjourned or postponed.

- 95A.6 Without prejudice to Article 80, the Directors or the chairman of the meeting may make any arrangement and impose any requirement or restriction they or he consider appropriate to ensure the security of a hybrid meeting including, without limitation, requirements for evidence of identity:
- 95A.6.1 necessary to ensure the identification of those taking part and the security of the electronic communication; and
- 95A.6.2 proportionate to those objectives.

### **Number of Directors**

- 96 Unless and until otherwise determined by ordinary resolution of the Company in general meeting, the number of Directors (other than the alternate directors) shall not be less than two nor more than eight.

### **Appointment and retirement of Directors**

- 97 Each Director shall retire from office and shall be eligible for reappointment at the third annual general meeting after the meeting at which he was appointed or last appointed. Subject to the provisions of these Articles, the Company at the meeting at which a Director retires may elect a person to fill the vacated office. In default, the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at the meeting it is expressly resolved not to fill the vacated office or unless a resolution for the re-election of the Director has been put to the meeting and lost.
- 98 A Director retiring at a meeting who is not reappointed shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting or of any adjournment thereof.
- 99 No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting, unless not less than seven nor more than 21 clear days before the date appointed for the meeting there has been left at the Office a notice in writing, signed by a member (not being the person to be proposed) duly qualified to attend and vote at the meeting, of his intention to propose the person for election, and a notice in writing signed by that person of his willingness to be elected.
- 100 Subject to the provisions of these Articles and without prejudice to Article 101, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but the total number of Directors must not at any time exceed any maximum number fixed by or in accordance with these Articles.
- 101 The Directors may appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors does not exceed the maximum number fixed by or in accordance with these Articles. The Director shall hold office only until the next following annual general meeting and shall then be eligible for re-election. A Director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.

- 102 The Company in general meeting may increase or reduce the number of Directors and may determine in what rotation the increased or reduced number is to go out of office.

### **Disqualification and removal of Directors**

- 103 The Company may, by ordinary resolution of which special notice has been given in accordance with section 312 of the Act, remove any Director (including a managing Director or other executive Director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office and may by an ordinary resolution appoint another person in his place. The person who is appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
- 104 The office of a Director shall be vacated in any of the following events, namely:
- 104.1 if (not being an executive Director whose contract precludes resignation) he resigns his office by notice in writing left at the Office;
- 104.2 if he becomes bankrupt or has a receiving order made against him or compounds with his creditors;
- 104.3 if he becomes of unsound mind or a patient for any purpose of any statute relating to mental health or becomes incapable by reason of a physical incapacity of discharging his duties as a Director and the Directors resolve that his office should be vacated;
- 104.4 if he is absent from meetings of the Directors for six months without leave, and his alternate Director (if any) does not during that period attend in his stead, and the Directors resolve that his office should be vacated;
- 104.5 if he is removed or becomes prohibited from being a Director under any provision of the Statutes or these Articles;
- 104.6 if he is requested in writing by all the other Directors to resign his office. For these purposes (i) an alternative director, acting in his capacity as such, who is appointed by the Director shall be excluded and (ii) a director and any alternative director acting in his capacity as such and appointed by the Director shall constitute a single director for this purpose, so that the signature of either shall be sufficient.

### **Alternate directors**

- 105 A Director may appoint any other Director or person who is approved by the Board to be an alternate Director, and may remove from office an alternate Director appointed by him.
- 106 An alternate Director shall be entitled at his appointor's request (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) to receive notices of all meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a Director at any of the meetings at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a

Director in the absence of the appointor. When acting also as a Director or as an alternate Director for more than one Director, an alternate Director shall have one vote for every Director he represents, in addition to his own if he is himself a Director.

- 107 An alternate Director shall cease to be an alternate Director if:
- 107.1 his appointor terminates the appointment;
  - 107.2 on the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
  - 107.3 he resigns his appointment by notice to the Company;
  - 107.4 his appointor ceases for any reason to be a Director otherwise than by retiring and being reappointed or deemed to be reappointed at the meeting at which he retires; or
  - 107.5 he is not a Director and the Board revokes its approval of him by resolution.
- 108 All appointments and removals of alternate Directors shall be effected by notice in writing by the Director making or revoking the appointment given to the Company at the Office or at a duly convened and held meeting of the Board.
- 109 An alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director. In respect of his office of alternate Director he shall be entitled to receive from the Company such remuneration as the Directors may determine. An alternate Director may be indemnified by the Company to the same extent as a Director.
- 110 An alternate Director shall, during his appointment, be an officer of the Company. He shall alone be responsible to the Company for his own acts or defaults and shall not be deemed to be the agent of or for the Director appointing him.

### **Powers of directors**

- 111 The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, but subject to any regulations of these Articles, to the provisions of the Statutes, and to such regulations, which are not inconsistent with those regulations or provisions, as may be prescribed by special resolution of the Company in general meeting. No alteration of these Articles and no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made. The general powers given by this Article are not limited or restricted by any special authority or power given to the Directors by any other Article and a duly convened meeting of the Board at which a quorum is present may exercise all the powers exercisable by the Board.
- 112 The Board may establish local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local boards, or to be managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any

of the powers, authorities and discretions vested in or exercisable by the Board (other than the power to borrow and make calls), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies and to act notwithstanding vacancies. An appointment or delegation may be made upon such terms and subject to such conditions as the Board thinks fit. The Board may remove any person appointed as above and may revoke or vary any delegation, but a person dealing in good faith and without notice of the revocation or variation shall not be affected by it.

- 113 The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company is interested shall be carried on by or through one or more subsidiaries. They may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business or for financing, assisting or subsidising any subsidiary or guaranteeing its contracts, obligations or liabilities. They may appoint, remove and reappoint any person (whether a member of their own body or not) to act as a director, managing director or manager of a subsidiary or any other company in which the Company is interested, and may determine his remuneration (whether by way of salary, commission on profits or otherwise). A Director may retain any remuneration payable to him in respect of the appointment.
- 114 The Directors may by power of attorney appoint any company, firm or person or fluctuating body of persons to be the attorney 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 think fit. The power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may authorise the attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 115 The Directors may procure the establishment and maintenance of or participation in or contribution to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, bonuses, benefits or emoluments to, any person (including directors and other officers whether of the Company or of any other company referred to in this Article) who is or has been in the employment of the Company, or of any company which is a subsidiary of the Company or a predecessor in business of the Company or a subsidiary, or of any allied or associated companies of the Company or any such companies and the spouses, widows, widowers, families, dependants or connections of any such persons. No pension, annuity or other allowance or benefit (except as provided for by or in accordance with any other Article) shall be granted to a Director or former Director who has not been an executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of a Director or former Director, without the approval of an ordinary resolution of the Company.
- 116 The Directors may establish, maintain and give effect to any scheme approved by an ordinary resolution for the allotment of or the grant of options to subscribe for shares of the Company to persons (including Directors) in the employment of the Company or any subsidiary of the Company and may exercise all the powers conferred on them



by the scheme (including any power to alter or add to its provisions). These Articles shall be deemed to be modified so far as may be necessary to give effect to the scheme in respect of any shares in issue or under option.

- 117 The Directors may procure any of the matters referred to in this Article are done by the Company either alone or in conjunction with any other company.
- 118 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Directors determine.

### **Delegation of Directors' powers**

- 119 The Directors may delegate any of their powers, authorities and discretions to committees consisting of such number of members of their body as they think fit together with any other person or persons approved by the Board, with power to sub-delegate. The Directors may revoke a delegation and discharge a committee in whole or in part. A committee shall in the exercise of the powers delegated to it conform to any regulations that are imposed by the Directors.
- 120 The meetings and proceedings of a committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as they are applicable and are not superseded by any regulations made by the Directors under the last preceding Article. Insofar as any power, authority or discretion is delegated to a committee, any reference in these Articles to the exercise by the Directors of such power, authority or discretion shall be read and construed as if it were a reference to the exercise of such power, authority or discretion by such committee. Every such committee shall have as a majority of its membership persons who are Directors and no resolution of any such committee shall be effective unless the majority of persons present (in person or by their alternate Directors) at the meeting at which it is passed are Directors.

### **Borrowing powers**

- 121 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital and, subject to the Statutes, to issue Debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
- 122 The Board must restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (but as regards subsidiaries only in so far as, by the exercise of the rights or powers of control, the Board can secure) that the aggregate principal amount outstanding of all borrowings by the Group (exclusive of borrowings owing by one member of the Group to another member) does not, without the previous sanction of an ordinary resolution, exceed an amount equal to three times the Adjusted Capital and Reserves.
- 122.1 For this purpose:

- 122.1.1 “**the Adjusted Capital and Reserves**” means at anytime the aggregate of:
- 122.1.2 the amount paid up or credited as paid up on the issued share capital of the Company; and
- 122.1.3 the amount standing to the credit of the reserves (including any share premium account, capital redemption reserve and credit balance on profit and loss account)

all as shown by the then latest audited balance sheet and without making any provision for Goodwill unless already written off against the Company's profit and loss account but after deducting any debit balance on profit and loss account (except to the extent that the deduction has already been made) and making adjustments to reflect any variation in the amount of the paid up share capital, share premium account or capital redemption reserve since the date of the audited balance sheet;

- 122.1.4 “**borrowings**” include the following except in so far as otherwise taken into account:
- 122.1.5 the nominal amount of any issued share capital and the principal amount of any Debentures or borrowed monies of any person, the beneficial interest in which is not owned by a member of the Group and the payment or repayment of which is the subject of a guarantee or indemnity by a member of the Group, but excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;
- 122.1.6 the outstanding amount raised by acceptances by a bank or accepting house under an acceptance credit opened on behalf of and in favour of a member of the Group, excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;
- 122.1.7 the principal amount of any Debenture of a member of the Group owned otherwise than by another member of the Group;
- 122.1.8 the principal amount of any preference share capital of a subsidiary owned otherwise than by a member of the Group; and
- 122.1.9 any premium payable on repayment on any borrowing or deemed borrowing; but does not include:
- 122.1.10 borrowings for the purposes of repaying the whole or any part of borrowings by a member of the Group within six months of being borrowed, pending their application for that purpose within that period; and
- 122.1.11 borrowings for the purpose of financing a contract in respect of which any part of the price receivable by a member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other Governmental department fulfilling a similar function, to an amount not exceeding the part of the price which is guaranteed or insured;

- 122.1.12 when the aggregate principal amount of borrowings to be taken into account for the purposes of this Article on any particular date is being ascertained;
- 122.1.13 monies denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that date in London or, if the amount of borrowings would as a result be less, at the rate of exchange prevailing in London six months before that date. For this purpose the rate of exchange shall be taken as the middle market rate as at the close of business; and
- 122.1.14 where under the terms of borrowing the amount of money that would be required to discharge the principal amount in full if it fell to be repaid (at the option of the Company or by reason of default) on that date is less than the amount that would otherwise be taken into account in respect of that borrowing for the purpose of this Article, the amount of the borrowing shall be taken to be the lesser amount;
- 122.1.15 “**audited balance sheet**” means the then latest audited balance sheet of the Company prepared for the purposes of the Statutes unless there has then been prepared for those purposes and audited a consolidated balance sheet of the Company and its subsidiaries (with such exceptions as may be permitted in the case of a consolidated balance sheet prepared for the purposes of the Statutes); and in the latter event “**audited balance sheet**” means the audited consolidated balance sheet, the references to reserves and profit and loss account being references to the consolidated reserves and consolidated profit and loss accounts respectively, any amounts attributable to outside interests in subsidiaries being excluded. The Company may change the accounting convention on which the audited balance sheet is based, provided it complies with the requirements of the Statutes. If the Company prepares its main audited balance sheet on the basis of one convention but a supplementary audited balance sheet or statement on the basis of another, the main audited balance sheet shall be taken as the audited balance sheet for the purposes of this Article;
- 122.1.16 “**the Group**” means the Company and its subsidiaries (if any).
- 123 A certificate or report by the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive for the purposes of this Article.
- 124 Notwithstanding the foregoing, no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed. No borrowing incurred or security given in excess of the limit shall be invalid or ineffectual, except in the case of express notice to the lender or the recipient of the security given that the limit had been or would be exceeded.

### **Executive Directors**

- 125 The Directors may:

- 125.1 appoint one or more of their number to an executive office (except that of Auditor) including the office of chairman, vice-chairman, managing Director, joint managing Director, assistant managing Director or manager or any other salaried office for such period and on such terms as they think fit and may enter into any agreement or arrangement with a Director for the employment by the Company or any subsidiary or for the provision by him of any services outside the scope of the ordinary duties of a Director. The Directors may revoke or terminate any such appointment, without prejudice to a claim for damages for breach of contract or otherwise.
- 125.2 permit any person appointed to be a Director to continue in any other office or employment held by him with the Company or any subsidiary before he was so appointed.
- 126 A Director holding office pursuant to the last preceding Article shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors determine. The remuneration shall, unless otherwise agreed, be additional to such remuneration (if any) as is payable to him as a Director. The Director shall be a director for the purposes of and subject to the provisions of section 188 of the Act.
- 127 Any appointment of a Director to the office of managing director or chief executive shall terminate if he ceases to be a Director but without prejudice to any claim for damages for breach of contract of service between the Director and the Company and he shall not (unless any agreement between him and the Company shall otherwise provide) cease to hold his office as Director by reason only of his ceasing to be managing director or chief executive.
- 128 Save as provided in the foregoing Article, a Director holding executive office shall not (unless any agreement between him and the Company shall otherwise provide) cease to hold his office or employment with the Company by reason only of his ceasing to be a Director nor cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an executive Director.
- 129 The emoluments and benefits of any Director holding executive office for his services as such shall be determined by the Board and may be of any description, and (without limiting the generality of the foregoing) may include membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants or, apart from membership of any such scheme or fund, the payment of a pension or other benefits to him or his dependants on or after retirement or death.
- 130 The Directors may entrust to and confer upon a Director holding executive office any of the powers 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, and may revoke, withdraw or vary any of the powers.

#### **Associate Directors**

- 131 The Directors may appoint any person to an office or employment having a title including the word “director” or attach such a title to any existing employment with the Company and may terminate the appointment or the use of the title. The inclusion

of the word “director” in the title of any office or employment (other than the office of managing or joint managing or deputy or assistant managing director) does not imply that the employee is a Director and the employee shall not as a result be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles.

### **Remuneration of Directors**

- 132 The ordinary remuneration of the Directors (other than Directors holding executive office under these Articles) shall be such amount as the Directors shall from time to time determine, provided that, the aggregate of the ordinary remuneration of all of the directors of the Company from time to time for their services (excluding any amounts payable under any other provision of these Articles) shall not exceed £2,000,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine. The ordinary remuneration shall be divided among such Directors in such manner as the Directors may determine. A Director holding office for part of a year only shall be entitled to a proportionate part of a full year’s remuneration.
- 133 Any Director who at the request of the Board performs special services or goes or resides abroad for any purposes of the Company may (unless otherwise expressly resolved by the Company in general meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board determines.

### **Directors’ expenses**

- 134 The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or committees of the Directors or general meetings of the Company or separate meetings of the holders of any class of shares or debentures or in connection with the business of the Company.

### **Directors’ interests**

- 135 A Director who to his knowledge is interested in any way, whether directly or indirectly, in a contract or arrangement or proposed contract or arrangement with the Company must declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or, in any other case, at the first meeting of the Board after he knows that he is or has become interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with the company or firm shall be a sufficient declaration of interest under this Article in relation to any contract or arrangement made with the company or firm. A notice shall not be effective unless either it is given at a meeting of the Board or the Director giving it takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.
- 136 A Director may be or become a director or other officer of, or otherwise interested in, a company promoted by the Company or in which the Company is interested, and

shall not be liable to account 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 that company. The Board may cause the voting power conferred by the shares in another company held or owned by the Company to be exercised in such manner as it thinks fit, including the exercise in favour of a resolution appointing any of the Directors to be directors or officers of that company, or voting or providing for the payment of remuneration to the directors or officers of that company.

- 137 A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board determines, and may be paid such extra remuneration for it (whether by way of salary, commission, participation in profits or otherwise) as the Board determines. The extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- 138 A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 139 Except as otherwise provided by these Articles, a Director must not vote on (or be counted in the quorum in respect of) any resolution of the Board concerning a contract or arrangement or other proposal which (together with any interest of any person connected to him) is to his knowledge, directly or indirectly, a material interest otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise through, the Company. If he does, his vote shall not be counted. This prohibition does not apply to any of the following matters, namely:
- 139.1 a contract or arrangement for giving to the Director security or a guarantee or indemnity in respect of:
- 139.1.1 money lent by him or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries; or
- 139.1.2 a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or part under a guarantee or indemnity or by the giving of security;
- 139.2 where the Company or any of its subsidiary undertakings is offering securities in which offer the Director is, or may be, entitled to participate as a holder of securities or in the underwriting or subunderwriting of which the director is to participate;
- 139.3 relating to another company in which he and any persons connected to him do not to his knowledge hold an interest in shares (as that term is used in sections 793 and 820 to 825 of the Act) representing one per cent or more of any class of the equity share capital or of the voting rights in that company;
- 139.4 relating to a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme or any other arrangement in whole or part for the benefit of the employees of the Company or any subsidiary which does not award him any privilege or benefit not awarded to the employees to

whom the scheme relates; or

- 139.5 concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or the benefit of persons including Directors.
- 140 A company shall be deemed to be a company in which a Director owns one per cent or more if and so long as he is (either directly or indirectly) the holder of or beneficially interested in one per cent or more of any class of its equity share capital or of the voting rights available to its members. For the purpose of this Article there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the trust income, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.
- 141 Where a company in which a Director owns one per cent or more is materially interested in a transaction, he shall also be deemed materially interested in the transaction.
- 142 A Director shall not vote or be counted in the quorum on a resolution of the Board concerning his own appointment as the holder of an office or place of profit with the Company or another company in which the Company is interested (including the arrangement or variation of its terms or its termination).
- 143 Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms or the termination of the appointment) of two or more Directors to offices or places of profit with the Company or another company in which the Company is interested, a separate resolution may be put in relation to each Director. In such case, each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of its terms or its termination) and except (in the case of an office or place of profit with another company) where the other company is a company in which the Director owns one per cent or more of the issued equity share capital.
- 144 If any question arises at any meeting of the Board as to the materiality of the interest of a Director or as to the entitlement of a Director (in each case, other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, it shall be referred to the chairman of the meeting. His ruling shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to the Director has not been fairly disclosed to the Board. If the question relates to the chairman of the meeting, it shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but may not vote). The resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman as known to him has not been fairly disclosed to the Board and provided that any such question shall, for the purposes of disclosure of the interest in the accounts of the Company, be finally and conclusively determined by a majority of the Board (other than the Director concerned).

## **Directors' conflicts of interests**

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145.1 A Director must declare to the other Directors any situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the Company unless it relates to a contract, transaction or arrangement with the Company or the matter has been authorised by the Directors of the situation cannot be regarded as likely to give rise to a conflict of interest.

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

145.2.1 any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties);

145.2.2 a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of this Article 145.2 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

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

145.3 If a matter, or office, employment or position, has been authorised by the Directors in accordance with this Article 145 then:

145.3.1 the Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;

145.3.2 the Director may absent himself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed; and

145.3.3 the Director may make such arrangements as such Director thinks fit for board and committee papers to be received and read by a professional adviser on behalf of that Director.

145.4 A Director shall not, by reason of his office, be accountable to the Company for any



benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors pursuant to this Article 145 (subject in any such case to any limits or conditions to which such approval was subject).

### **Proceedings of directors**

- 146 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 and in case of an equality of votes the chairman shall have a second or casting vote. A Director may at any time, and the Secretary on the requisition of a Director shall, summon a Board meeting. A Director may waive notice of any meeting either prospectively or retrospectively.
- 147 Notice of a Board meeting may be given to a Director personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings during his absence are sent to him in writing at his last known address or any other address given by him to the Company for this purpose. In the absence of a request it shall not be necessary to give notice of a Board meeting to a Director who is absent from the United Kingdom. A Director may waive notice of a meeting either prospectively or retrospectively.
- 148 The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless fixed at any other number, shall be two, save that where all the Directors other than one Director (“**the Non-Conflicted Director**”) are precluded from forming part of the quorum pursuant to Article 140 or, if all the Directors other than one Director are not precluded from forming part of the quorum pursuant to Article 139 but nevertheless choose to abstain from voting on a matter because of a conflict of interests or potential conflict of interests not covered by Article 140 then the quorum necessary for the transaction of the business of the Directors shall be one Director provided that it is the Non-Conflicted Director.
- 149 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in the Board. If and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company, but not for any other purpose. If there are no Directors or no Director able or willing to act, any two members may summon a general meeting of members for the purpose of appointing Directors.
- 150 If the Directors have not appointed a chairman or vice-chairman pursuant to Article 125, or if at any meeting neither the chairman nor the vice-chairman is present within five minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairman of the meeting.
- 151 A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Directors.
- 152 A member of the Board, or of a committee of the Board, may participate in a meeting

of the Board or the committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

- 153 A resolution in writing, signed by all of the Directors entitled to notice of a meeting of the Directors (not being less than the number required to form a quorum) or by all of the members of a committee, shall be as valid as if it had been passed at a Board meeting or a meeting of the committee duly called and constituted. The resolution may consist of several documents in the like form each signed by one or more of the Directors or members of the committee. For the purpose of this Article, the signature of an alternate Director entitled to notice of a meeting of Directors shall suffice in lieu of the signature of the Director appointing him and if it is signed by a Director how has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.
- 154 All actions done by any Board meeting, or meeting of a committee of Directors, or by a person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any Director, or of the person acting as a Director, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if each of them had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.

### **Minutes**

- 155 The Directors shall cause minutes to be made in books provided for the purpose:
- 155.1 of all appointments of officers made by the Directors;
- 155.2 of the names of all the Directors present at each Board meeting and meeting of a committee of Directors;
- 155.3 of all resolutions and proceedings at meetings of the Company and of any class of members of the Company and of the Directors and of any committee of Directors.

The minutes, if purporting to be signed by the chairman of the meeting at which the appointments were made, or the Directors were present, or the resolutions were passed or proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company, or class of members of the Company, or Directors or committee (as the case may be), shall be sufficient evidence without any further proof of the facts stated in it.

### **Secretary**

- 156 The Secretary shall be appointed by the Directors at such remuneration and upon such terms as they think fit. The Secretary may be removed by the Directors. The Directors may appoint an assistant Secretary or assistant Secretaries and temporary substitutes for the Secretary. An assistant Secretary or temporary substitute shall for the purpose

of these Articles be deemed to be and may fulfil the duty of the Secretary subject to any limitation prescribed by the Directors.

- 157 A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

### **The seal**

- 158 The Seal shall be used only by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed. Unless otherwise determined and except as provided in Article 16.4, it shall be signed by a Director and by the Secretary or by a second Director or some other person approved by the Board.
- 159 The Company may exercise the powers conferred by section 49 of the Act with regard to having an official seal for use abroad, and the powers shall be vested in the Board.
- 160 A document signed by a Director and by the Secretary or another Director and expressed, in whatever form of words, to be executed by the Company shall have the same effect as if it were under seal. A document executed in this way which makes it clear on its face that it is intended to be a deed, in whatever form of words, has effect, upon delivery, as a deed.

### **Dividends**

- 161 The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company, by ordinary resolution in general meeting, may declare dividends accordingly. No dividend or interim dividend may be paid otherwise than in accordance with Part 23 of the Act.
- 162 No dividend shall be payable except out of the profits of the Company (including profits set aside to any reserve fund or in excess of the amount recommended by the Directors.
- 163 Except as otherwise provided by the rights attaching to the shares, all dividends must be declared and paid according to the amounts paid on the shares in respect of which the dividends are paid. For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portions of the period in respect of which the dividend is paid but, if any share is issued on terms providing that it ranks for dividend as from a particular date, the share shall rank for dividend accordingly.
- 164 The Directors must transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company are issued.
- 165 Subject to the provisions of the Statutes, the Directors may pay such interim dividends as appear to them to be justified by the profits of the Company. If the capital of the Company is divided into different classes of shares the Directors may

pay interim dividends in respect of those shares which confer on the holders deferred or non-preferred rights as well as in respect of those shares which confer on the holders preferential or special rights with regard to dividends, 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. Provided that the Directors act bona fide, they shall not incur any responsibility to the holders of any shares for any damage that they suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferred rights. The Directors may also pay half yearly or at other suitable intervals to be settled by them any dividend which is payable at a fixed rate if they are of the opinion that the profits justify the payment.

- 166 A general meeting declaring a dividend or bonus may, upon the recommendation of the Directors, direct payment of the dividend or bonus wholly or partly by the distribution of specific assets and, in particular, of paid up shares or Debentures of another company or in any one or more of these ways. The Directors shall give effect to the resolution and, where a difficulty arises in regard to the distribution, the Directors may settle it as they think expedient. In particular they may issue certificates in respect of fractions and fix the value for distribution of specific assets, may determine that cash payments are made to any members upon the footing of that value in order to adjust the rights of all parties and may vest the assets in trustees as may seem expedient to the Directors.
- 167 A resolution of the Company or of the Directors declaring a dividend may specify any date as the record date for the dividend, whether or not prior to the date on which the resolution is passed.
- 168 The Directors may deduct from any dividend or bonus payable to a member any sums presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 169 No unpaid dividend, bonus or interest shall bear interest as against the Company.
- 170 The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 171 The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is, under the provisions of these Articles relating to the transmission of shares, entitled to become a member, or which any person under those provisions is entitled to transfer, until he becomes a member in respect of the shares or duly transfers them.
- 172 A dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it, or by direct bank transfer to such bank account as the member or person entitled to it directs (and in case of joint holders to any one of them or to such person and such address or such bank account as the joint holders may direct), or by such other method of payment as the person or persons entitled to it may in writing agree. The cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the member, person entitled or joint holders direct. Payment of the cheque or warrant shall be a good discharge to the Company. Every cheque or warrant shall be sent at the risk of the person entitled

to the money which it represents.

- 173 If in respect of dividends or other sums payable in respect of any shares cheques or warrants have been sent through the post in accordance with the provisions of the preceding Article but have been returned undelivered or left uncashed during the periods for which they are valid or bank transfers have not been accepted either:

173.1 on two consecutive occasions; or

173.2 on any one occasion and reasonable enquiries have failed to establish another address or account of the person entitled to the sums,

the Company need not thereafter despatch further cheques or warrants or give instructions for bank transfers in payment of dividends or other sums payable on or in respect of the shares in question until the member or other person entitled thereto shall have communicated with the Company and supplied in writing to the Office a new address or account to be used for the purpose

- 174 If several persons are registered as joint holders of a share, any one of them may give an effectual receipt for any dividend or other monies payable on or in respect of the share and the Directors may deduct from the dividends or other sums payable in respect of any share held jointly by several persons all sums of money (if any) presently payable to the Company from any one or more of the registered holders on account of calls or otherwise in relation to shares in the Company held in the joint names of all (but not some only) of such registered holders.

- 175 All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and so that the Company shall not be obliged to account for any interest or other income derived from them nor shall it be constituted a trustee in respect of them or be responsible for any loss thereby arising. Any interest or profits earned on unclaimed dividends invested or otherwise made use of shall belong to the Company. Dividends unclaimed for 12 years after the date they were declared or they became due for payment shall, unless the Directors otherwise resolve, be forfeited and revert to the Company.

- 176 Any dividend or other moneys payable in respect of a share shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such other moneys shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

- 177 The Board may pay the dividends or other moneys payable on shares in respect of which any person is entitled to be registered as holder by transmission to such person upon production of such evidence as would be required if such person desired to be registered as a member in respect of such shares.

### **Scrip dividends**

- 178 The Directors may, if authorised by an ordinary resolution, offer any holders of shares one or more of the following options:

- 178.1 instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any shares held by them, either to invest the cash in subscribing for new shares, payable in full or by instalments, or in paying up in full or by instalments any unpaid or partly paid shares held by them; or
- 178.2 instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any shares held by them, to elect to receive new shares credited as fully paid; or
- 178.3 to forego their entitlement to all or any part (to be determined by the Directors) of any dividend declared or payable on any shares held by them and to take instead fully paid bonus shares; or
- 178.4 any other option in respect of all or any part (to be determined by the Directors) of any dividend on any shares held by them as the Directors determine.
- 179 In relation to the above options, the following provisions apply:
- 179.1 the ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period but such period shall end not later than the beginning of the annual general meeting in the fifth year following that in which such resolution is passed;
- 179.2 the entitlement of each holder of shares to new shares shall be such that the relevant value of the entitlement shall be, as nearly as possible, equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that the holder elects to forego. In calculating the entitlement, the Directors may, at their discretion, adjust the figure obtained by dividing the relevant value by the amount payable on the shares up or down so as to procure that the entitlement of each shareholder to new shares is represented by a simple numerical ratio. For this purpose, “relevant value” shall be calculated by reference to the average of the middle market quotations for the Company's shares on the London Stock Exchange as derived from the Daily Official List, on such five consecutive dealing days as the Directors determine, provided that the first day is on or after the day on which the shares are first quoted “ex” the relevant dividend, or in such other manner as may be determined by or in accordance with the ordinary resolution;
- 179.3 on or as soon as practicable after announcing that they are to declare or recommend any dividend the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention and shall, after determining the basis of allotment if they decide to proceed with the offer, notify the holders of shares in writing of the right of election offered to them and specify the procedure to be followed and the place at which and the latest time by which elections must be lodged in order for elections to be effective;
- 179.4 the Directors shall not proceed with any election unless the Company has sufficient authority to allot new shares and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;
- 179.5 the Directors may exclude from any offer any holders of shares where the Directors

believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them;

- 179.6 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on shares in respect of which an election has been made (the “**elected shares**”) and instead additional shares shall be allotted to the holders of the elected shares on the basis of allotment calculated as stated above. For this purpose the Directors shall capitalise, out of any amount standing to the credit of any reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or any other undistributable reserve) whether or not it is available for distribution or any of the profits which could otherwise have been applied in paying dividends in cash as the Directors determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on that basis and apply it in paying up in full the appropriate number new shares for allotment and distribution to the holders of the elected shares on that basis;
- 179.7 the additional shares when allotted shall rank *pari passu* in all respects with the fully paid shares of that class then in issue except that they will not be entitled to participate in the relevant dividend or in that part of the dividend in respect of which the right of election was offered;
- 179.8 the Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of shares may elect to receive shares credited as fully paid instead of cash in respect of all future rights offered to that holder under this Article until the election mandate is revoked or deemed to be revoked in accordance with the procedure;
- 179.9 the Directors may undertake and do such acts and things as they consider necessary or expedient for the purpose of giving effect to this Article including (without limitation) making such provisions as they think fit in relation to any fraction of a share which may or would arise from the application of this Article (including provisions whereby, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the Company rather than to the shareholders concerned or under which fractional entitlements are accrued or retained and in each case accumulated on behalf of any shareholder and the accruals or retentions are applied to the allotment of fully paid shares by way of bonus to, or cash subscription on behalf of, the shareholder).

### **Accounts**

- 180 The Directors shall cause true accounts to be kept:
- 180.1 of the sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- 180.2 of all sales and purchases of goods by the Company; and
- 180.3 of the assets and liabilities of the Company.
- 181 The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No

member (other than as Director) shall have any right of inspecting any account, book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.

- 182 The Directors shall not be bound, unless expressly instructed so to do by a special resolution of the Company in general meeting, to publish any list or particulars of the securities or investments held by the Company or to give to any shareholder any information relating to them.
- 183 Once at least in every year the Directors shall lay before the Company in a general meeting a profit and loss account giving a true and fair view of the profit or loss of the Company for the financial year to which it relates and a balance sheet giving a true and fair view of the state of affairs of the Company as at the date at which it is made out and containing a general summary of the capital, the assets and the liabilities of the Company arranged under suitable heads. If the Company is a holding company as defined by the Statutes, there shall also (except in so far as the Statutes otherwise permit) be laid before the Company in general meeting a consolidated balance sheet dealing with the state of affairs at the end of the Company's financial year of the Company and its then subsidiary undertakings and a consolidated profit and loss account dealing with the profit or loss for the Company's financial year of the Company and its then subsidiary undertakings. The Directors shall in preparing every such profit and loss account and balance sheet and consolidated profit and loss account and consolidated balance sheet have regard to the applicable provisions of the Statutes.
- 184 Every balance sheet, profit and loss account, consolidated balance sheet and consolidated profit and loss account shall be signed in such manner as is required by the Statutes. There shall be attached to the balance sheet a report by the Directors as required by the Statutes.
- 185 Except as provided in Article 186, a copy of the report by the Directors and of the Auditors' report, accompanied by the balance sheet (including every document required by law to be annexed or attached to it), and profit and loss account, consolidated balance sheet and consolidated profit and loss account, shall, at least 21 days before the general meeting at which copies of those documents are to be laid, be delivered or sent in Electronic Form or by means of a website or by post or to the registered address of every member and every holder of Debentures of the Company. If any shares or securities of the Company are admitted to trading on AIM, such number of copies of each of these documents, as shall be reasonably required by the Nominated Adviser, shall at the same time be forwarded to the Nominated Adviser. If any shares or securities of the Company are admitted to the Official List of the UK Listing Authority and are admitted to trading on the main market of the London Stock Exchange, the required number of copies of each of these documents shall at the same time be forwarded to its appropriate department.
- 186 The Company may, in accordance with section 426 of the Act and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in Article 185. Copies of the documents referred to in Article 185 need not be sent:



- 186.1 to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware; or
- 186.2 to more than one of the joint holders of shares or debentures in respect of those shares or debentures,

provided that any member of debenture holder to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

### **Reserves**

- 187 The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied. Pending application the sum reserved may either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors think fit. The Directors may, without placing them to reserve, carry forward any profits which they think it prudent not to divide.

### **Capitalisation of profits and reserves**

- 188 Subject to section 551 of the Act and Part 23 of the Act, the Company in general meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise an amount standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that it is set free for distribution among the members who would have been entitled to it if distributed by way of dividend and in the same proportions on condition that it is not paid in cash but is applied either in or towards paying up any amounts unpaid on shares held by the members or paying up in full new shares or Debentures of the Company to be allotted and distributed, credited as fully paid up, to and among those members in those proportions, or partly in the one way and partly in the other. The Directors shall give effect to the resolution.
- 189 Whenever a resolution is passed under the preceding Article, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised. Subject to section 551 of the Act, the Directors shall make all allotments and issues of fully paid shares, Debentures or securities, if any, and generally shall do all acts and things required to give effect to the resolution. The Directors may make such provision by the issue of certificates in respect of fractions or by payment in cash or otherwise as they think fit for the case of shares, Debentures or securities becoming distributable in fractions. The Directors may authorise any person to enter into an agreement with the Company, on behalf of the members interested, providing for the allotment to them, credited as fully paid up, of any shares, Debentures or securities to which they may be entitled upon the capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application of their proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under the authority shall be effective and binding on all the members.

- 190 The profits of the company to which this Article applies shall be any undivided profits of the Company not required for paying fixed dividends on any preference shares or other shares issued on special conditions and shall be deemed to include:
- 190.1 any reserves arising from appreciation in capital assets or ascertained by valuation, and
- 190.2 any other amounts for the time being standing to any reserve or reserves including capital redemption reserve and share premium account,

provided that to the extent required by the Statutes the Company shall not apply an unrealised profit in paying up debentures or any amounts unpaid on any of its issued shares and the only purpose to which sums standing to share premium account or capital redemption reserve shall be applied pursuant to this Article shall be the payment up in full of new shares to be allotted and distributed as aforesaid.

### **Notices**

- 191 Any notice or document may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to him at his registered address as appearing in the register of members. A member whose registered address is not within the United Kingdom shall not be entitled to receive any notice, document or information from the Company unless he gives to the Company an address (not being an electronic address) within the United Kingdom at which notices, documents or information may be given to him. In the case of joint holders of a share, notices shall be given to that one of the joint holders whose name stands first in the register of members and notice given to him shall be sufficient notice to all the joint holders.
- 192 A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company (and, where such person is one of the joint holders of a share, all the joint holders) shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 193 If the Company has suspended the despatch of cheques or warrants to any member or other person entitled thereto in accordance with the provisions of these Articles or, if on two consecutive occasions notices have been sent through the post to any member or other person entitled thereto at his registered address or address for service but have been returned undelivered, such member or other person entitled thereto shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Office a new registered address or address within the United Kingdom for the service of notices.
- 194 Any notice or other document, if served by post, shall be deemed to have been served at the expiration of 24 hours after the time when the letter containing it is posted. In proving service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted. Any notice or other document delivered to or left at a registered address or address for service or otherwise than by post shall be deemed to have been served on the day it is so delivered or left.

- 195 Any notice or document delivered or sent by post to or left at the registered address of any member shall, notwithstanding that the member is then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in his name as sole or joint holder, unless at the time of the service of the notice or document his name has been removed from the register as the holder of the share. The service shall for all purposes be deemed a sufficient service of the notice or document on all persons interested in the share (whether jointly with or as claiming through or under him).
- 196 A notice required to be given by the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If by reason of the suspension or curtailment of postal services within the United Kingdom the Directors reasonably believe that a notice of a general meeting, if sent by post is unlikely to be delivered within seven days of posting, the Company may, at its sole discretion and either in addition to or in substitution for, convene a general meeting by notice advertised in at least one national newspaper. The notice shall be deemed to have been duly served on all members entitled to it at noon on the day when the advertisement appears. The Company shall send confirmatory copies of the notice by post if at least 48 hours prior to the meeting the posting of notices to addressees within the United Kingdom again becomes practicable.
- 197 Every person who by operation of law, transfer or other means becomes entitled to any share shall be bound by every notice in respect of the share which, prior to his name and address being entered in the register of members, has been duly given to the person from whom he derives his title other than a notice given under Article 52 or section 793 the Act. A member who holds shares on behalf of another person may nominate that person to enjoy information rights pursuant to section 147 of the Act.

### **Electronic communication by the Company**

- 198 In addition to the methods of service set out above, the Company is generally and unconditionally authorised to use electronic communications with its shareholders and in particular to send or supply any notice or other document (including, without limitation, the Company's annual accounts and reports, or any summary financial statements) to its shareholders by making them available on a website. Accordingly, the Company may, subject to the provisions of the Statutes, give or send to any members any notice or other document (excluding a share certificate) by electronic communication where:
- 198.1 the Company and that member have agreed to the use of electronic communication for sending copies of documents to the member and:
- 198.1.1 the documents are documents to which the agreement applies; and
- 198.1.2 copies of the documents are sent using electronic communication to such address (or to one of such addresses if more than one) as may for the time being be notified by the member to the Company for that purpose; or

- 198.2 the Company and that member have agreed to that member having access to documents on a website (instead of the documents being sent to him) and:
- 198.2.1 the documents are documents to which the agreement applies; and
  - 198.2.2 the text and images in the documents can be (as appropriate) read or seen using the naked eye; and
  - 198.2.3 the member is notified in a manner for the time being agreed for the purpose between the member and the Company of:
    - (i) the presence of the documents on a website;
    - (ii) the address of that website;
    - (iii) the place on that website where the documents may be accessed and how they may be accessed; and
    - (iv) the period of time for which the documents will be available on the website, which must be the period specified in any applicable provision of the Statutes or, if there is no such period specified, for a period of not less than twenty-eight days from the date of notification or, if later, until the conclusion of any general meeting to which the documents relate; and
  - 198.2.4 the documents are published on that website throughout the period referred to in this Article, provided that, if the documents are published on that website for a part but not all of such period, the documents will be treated as published throughout that period if the failure to publish those documents throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.
- 199 Where a notice or other document is given or sent by electronic communication in the manner referred to in Article 198.1, it shall be deemed to have been given or sent at the expiration of two hours from the time it was sent to the electronic address supplied by the member. Where a notice or other document is given or sent by electronic communication in the manner referred to in Article 198.2, it shall be deemed to have been given or sent at the later of: (a) the expiration of two hours from the time of its publication on a website and (b) the time at which the member is deemed to have been notified of the publication of the notice or document on the website in accordance with Article 198.2.3. Proof that a notice or other document given or sent by electronic communication was given or sent in accordance with current guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice or document was sent or given.
- 200 Nothing contained in these Articles shall oblige the Company to use communications in Electronic Form, the use of which is, subject to the Statutes, solely at the Company's discretion.
- 201 In the case of joint holders of a share:

- 201.1 it shall be sufficient for all notices, documents and other information to be given, sent or supplied in Electronic Form to the Joint holder whose name stands first in the register of members in respect of the joint holding only, and
- 201.2 the agreement of the first named holder that notices, documents and information may be given, sent or supplied in Electronic Form or by being made available on a website shall be binding on all the joint holders.
- 202 A member of the Company shall be deemed to have agreed that the Company may send a notice or other document in accordance with this Article if that member is deemed by a provision in the Statutes to have agreed that the notice or document may be so sent and references in this Article to being agreed between a member and the Company or being agreed by a member, include a member being taken or deemed to have agreed in accordance with the Statutes.
- 203 Any notice or other document may be served or delivered by the Company by reference to the register as it stands at any time not more than 15 days before the date of service or delivery, no change in the register of members after that time shall invalidate that service or delivery.

#### **Communication to the Company**

- 204 A notice or document or information is validly sent or supplied by a member to the Company in hard copy form if it is sent or supplied by hand or by post (in a prepaid envelope) to:
- 204.1 an address specified by the company for the purpose;
- 204.2 the Company's registered office; or
- 204.3 an address to which any provision of the Statutes authorises the document or information to be sent or supplied.
- 205 A notice or document or information may only be sent or supplied by a member to the Company in Electronic Form if the Company has notified the members that the notice or document or information may be sent or supplied in that form (and not revoked that agreement) and if it is authenticated in such manner as the Directors may determine from time to time.
- 206 Subject to Article 204, where a notice or document or information is sent or supplied by in Electronic Form, it may only be sent or supplied to an address:
- 206.1 specified for the purpose by the Company (generally or specifically); or
- 206.2 deemed by a provision of the Statues to have been so specified.
- 207 Subject to Article 204, where a notice or document or information is sent or supplied by in Electronic Form by hand or by post, it must be sent or supplied to an address to which it could validly be sent if it were in hard copy form in accordance with Article 205.

#### **Authentication of documents**

- 208 Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including these Articles) and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts.. Except in the case of manifest error a document which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in good faith that the document is true and complete and in the case of a copy of a resolution or an extract from the minutes of the Board or any committee of the Board that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting. Where any books, records, documents or accounts are elsewhere than at the Company's head office, the local manager or other officer of the Company having the custody of them shall be deemed to be a person appointed by the Directors under this Article.

### **Destruction of documents**

- 209 The Company shall be entitled to destroy (a) all instruments of transfer of shares and all other documents on the faith of which entries are made in the register of members at any time after the expiration of six years from the date of registration, (b) all dividend mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording, and (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation. If the Company destroys a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant, it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document mentioned above so destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company. Nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any document at an earlier date than that provided above or if the condition as to good faith and absence of notice is not met. References in this Article to the destruction of any document include references to its disposal in any manner.

### **Discovery and secrecy**

- 210 No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter in the nature of a trade secret or secret process which relates to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the members of the Company to communicate to the public.

### **Auditors**

- 211 The Company shall at each annual general meeting appoint Auditors to hold office until the next annual general meeting.

- 212 No Director or other officer of the Company and no person who is a partner of or in the employment of an officer of the Company, and no corporation may be appointed as an Auditor. The duties of the Auditors shall be regulated in accordance with the Statutes.
- 213 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 at the time of his appointment he was not qualified for appointment.

### **Winding up**

- 214 On a winding up of the Company, the balance of the assets available for distribution, after deduction of any provision made under section 247 of the Act and subject to any special rights attaching to any class of shares, shall be applied in repaying to the members of the Company the amounts paid up on the shares held by them together with any premium paid up or credited as paid up on the issue of such shares. Any surplus assets will belong to the holders of any ordinary shares then in issue according to the numbers of shares held by them in proportion to the amounts paid up on the shares held by them together with any premium paid up or credited as paid up on the issue of such shares or, if no ordinary shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them.
- 215 If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of properties of different kinds. He may for that purpose set such value as he deems fair upon any one or more class or classes of property and may determine how the division is carried out as between the members or different classes of members. He may, with the same authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the same authority thinks fit, but no contributory shall be compelled to accept any shares in respect of which there is a liability.
- 216 The power of sale of a liquidator includes a power to sell wholly or partially for shares or Debentures, or other obligations of another company either then already constituted or about to be constituted, for the purpose of carrying out the sale.

### **Indemnity and insurance**

- 217 Subject to the provisions of the Statutes, the Directors, executive Directors, Secretary and other officers of the Company, and their respective executors or administrators, shall to the extent permitted by the Statutes be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices, unless incurred through their own wilful neglect or default. Including, for the avoidance of doubt, civil and criminal proceedings (unless judgment is given against the person seeking the indemnity.) None of them shall be answerable for the acts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any monies or assets of the Company

are lodged or deposited for safe custody, or for the insufficiency or deficiency or any security upon which any monies of the Company are placed out or invested, or for any other loss or damage which happens in the execution of their offices, unless resulting from their own wilful neglect or default.

- 218 Subject to the provisions of the Statutes, the directors may purchase and maintain insurance at the expense of the Company for the benefit of any director or other officer or auditor of the Company or of any other company which is a subsidiary or subsidiary undertaking of the Company or in which the Company has an interest whether direct or indirect or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such other company or subsidiary undertaking is or has been interested indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done by him as a director, officer, employee auditor or trustee.