

**COMPANY NO: 5331770**

**THE COMPANIES ACT 1985**  
**A PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**  
**Of**  
**URANIUM MINES OF CANADA PLC**



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ARTICLES OF ASSOCIATION

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URANIUM MINES OF CANADA PLC

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1. **TABLE A**

No regulations set out in any schedule to any statute or statutory instrument concerning companies shall apply as regulations or articles of the Company.

2. **INTERPRETATION**

2.1 In these Articles unless the context otherwise requires:

<b>"Articles"</b>	means these Articles of Association in their present form or as from time to time amended and <b>"Article"</b> means one of these Articles;
<b>"Auditors"</b>	means the auditors for the time being of the Company or, in the case of joint auditors, any one of them;
<b>"Board"</b>	means the Board of Directors or the Directors present at a duly convened meeting of the Directors at which a quorum is present;
<b>"business day"</b>	means a day which is not a Saturday or Sunday or public holiday on which banks are open for business in the City of London;
<b>"certificated shares"</b>	means shares other than uncertificated shares;
<b>"class meeting"</b>	a meeting of the holders of a particular class of shares;
<b>"clear day's"</b>	means, in respect of any period of notice, that period excluding the day on which the notice is given or deemed to be given and the day for

	which it is given or on which it is to take effect;
<b>" Companies Acts"</b>	means every statute (including any orders, regulations and other subordinate legislation made under it) from time to time in force concerning companies insofar as the same applies to the Company;
<b>"Company"</b>	means Uranium Mines of Canada PLC;
<b>"CREST"</b>	means the electronic settlement system for securities traded on the London Stock Exchange and owned by CREST Co. Limited, or any similar system;
<b>"CREST Rules"</b>	means the rules made by CREST Co. Limited with respect to CREST;
<b>"CREST share"</b>	means a share which is noted on the register as being held through CREST in uncertificated form;
<b>"Director"</b>	means a director of the Company;
<b>"Executive Director"</b>	means a Director who is the holder of any employment or executive office with the Company;
<b>"holder"</b>	means (in relation to any share) the Member or Members whose name(s) is/are entered in the register as the holder or joint holders of that share;
<b>"Member"</b>	means a member of the Company;
<b>"London Stock Exchange"</b>	means London Stock Exchange plc;
<b>"Office"</b>	means the registered office of the Company;
<b>"ordinary shares"</b>	means ordinary shares of £0.05 each in the capital of the Company;
<b>"paid up"</b>	means paid up or credited as paid up and includes any sum payable by way of premium;
<b>"register"</b>	means the register of Members;
<b>"Seal"</b>	means the common seal of the Company or any official seal that the Company may be permitted to have under the Companies Acts;
<b>"Secretary"</b>	means any person appointed by the Board to perform any of the duties of the Secretary and includes a joint, temporary or assistant

Secretary;

**"Uncertificated Securities Regulations"**

means The Uncertificated Securities Regulations 1995 (SI 1995 No. 95/3272) as amended from time to time and any legislation which supplements or replaces such regulations;

**"uncertificated share"**

means a share which is noted on the register (or any branch register maintained by the Company) as being held in uncertificated form (whether through CREST or through some other electronic settlement system permitted by the Uncertificated Securities Regulations);

**"United Kingdom"**

means Great Britain and Northern Ireland.

- 2.1.1 unless the context requires otherwise, references to persons include individuals, bodies corporate and other legal persons; words importing the singular number only shall include the plural and vice versa; words importing any gender shall include all genders;
- 2.1.2 references to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted or as their application is modified by other provisions from time to time and shall include any provisions of which they are re-enactments (whether with or without modifications);
- 2.1.3 references to writing shall include typewriting, word processing, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form;
- 2.1.4 any words or expressions defined in the Companies Acts in force at the date when these Articles or any part of them are adopted shall bear the same meaning in these Articles or such part of them (as the case may be);
- 2.1.5 where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective, and where an extraordinary resolution is required a special resolution shall also be effective;
- 2.1.6 references to a meeting shall not be taken as requiring more than one person to be present at that meeting if the quorum requirement for the meeting can be satisfied by one person;
- 2.1.7 paragraph headings herein inserted for convenience only and shall not affect the construction of these Articles.

**COMPLIANCE WITH REQUIREMENTS AND RULES**

- 3. The Company must comply with any requirements from time to time of all applicable legislation, any applicable rules of the London Stock Exchange during the period that

any securities of the Company are admitted to listing on the London Stock Exchange and any resolutions passed by the Members when exercising any of the powers and rights contained in these Articles. For the avoidance of doubt, where such requirements, rules or resolutions are more stringent or onerous than the provisions of these Articles, the Company shall comply with such requirements, rules or resolutions.

#### **REGISTERED OFFICE**

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

#### **SHARE CAPITAL**

5. **Authorised share capital**

The authorised share capital of the Company is £10,000,000 divided into 200,000,000 ordinary shares of £0.05 each. Save as provided in all these Articles, all ordinary shares shall rank pari passu in all respects.

6. **Rights attaching to shares**

Subject to the provisions of the Companies Acts and these Articles and without prejudice to any rights attaching to any existing shares, the Company may issue shares with any preferred, deferred or special rights or restrictions whether in regard to dividends, voting, transfer, return of capital or otherwise. The rights and restrictions must either be approved by an ordinary resolution of the Members or be determined by the Board.

7. **Redeemable shares**

Subject to the provisions of the Companies Acts and these Articles and without prejudice to any rights attaching to any existing shares, the Company may issue shares which are required by their terms to be redeemed and shares which may be redeemed at the option of the Company or of the relevant Member.

8. **Variation of rights**

- 8.1 The rights attaching to any class of shares can be varied or abrogated at any time including during, or in contemplation of, a winding up of the Company. Any such variation or abrogation must be approved either in writing by Members holding at least three quarters in nominal value of that class of shares or by an extraordinary resolution of the Members holding that class of shares. The resolution must be passed at a class meeting of those Members.

- 8.2 All the provisions of these Articles relating to general meetings will, with any necessary changes, apply to class meetings called to consider varying or abrogating the rights attaching to any class of shares except that:

- 8.2.1 a quorum will be present if at least 2 Members holding shares of the relevant class are present in person or by proxy being Members who in any event own at least one third in nominal value of the shares of the relevant class;

- 8.2.2 on a poll every Member holding shares of the relevant class is entitled to one vote for every share of the relevant class which he holds;
- 8.2.3 any Member holding shares of the relevant class who is present in person or by proxy can demand a poll; and
- 8.2.4 at an adjourned meeting, one Member who holds shares of the relevant class, or his proxy, will represent a quorum.

## 9. **Deemed variation**

Subject to the provisions of the Companies Acts and these Articles and without prejudice to the rights attaching to any existing shares, the rights attaching to any class of shares shall not be regarded as having been varied or abrogated by the creation or issue of further shares ranking *pari passu* with those existing shares or by the reduction of the capital paid up on any existing shares or by the Company's purchase or redemption of any of its own shares.

## 10. **Unissued shares**

- 10.1 Subject to any direction to the contrary which may be given by the Company in general meeting, the directors are unconditionally authorised to allot, create, deal with or otherwise dispose of relevant securities (without the meaning of Section 80(2) of the Companies Act 1985) to such persons (including any director) on such terms and at such times as they think fit, but no shares shall be issued at a discount.
- 10.2 The maximum nominal amount of share capital which the directors may allot or otherwise dispose of in accordance with article 10.1 is the nominal amount of unissued shares at the date of incorporation of the Company or such other amount as is authorised by the Company in general meeting.
- 10.3 The authority conferred on the directors by articles 10.1 and 10.2 shall remain in force for a period of 5 years from the date of incorporation of the Company. This authority may be renewed by the Company in general meeting in accordance with section 80 of the Companies Act 1985.
- 10.4 Section 89(1) and section 90(1) to (6) of the Companies Act 1985 shall not apply to any allotment of equity securities by the Company.

## 11. **Payment of Commission**

The Company may in connection with the issue of any shares pay any commissions and brokers' fees permitted by the Companies Acts and such commissions or brokers' fees may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or by the grant of an option to call for an allotment of shares or partly in any way and partly in any other.

## 12. **Trusts not recognised**

For the purposes of these Articles, the Company will only recognise and deal with the registered holder of any share. If any share is held on any kind of trust, it makes no difference to the Company that the share may not be owned outright by the registered holder. The only exception to this, where the Company will recognise the

beneficial owner of a share held under a trust, is where the Company is obliged to do so by law or because of the order of a court of competent jurisdiction.

## **CERTIFICATES**

### **13. Entitlement to share certificates**

- 13.1 Subject to the Companies Acts and the requirements of the London Stock Exchange, every person whose name is entered as a holder of any shares in the register shall be entitled, without payment, to receive within 2 months of the allotment to him of any shares (or within such other period as the terms of issue shall provide) or within 2 months of his lodging a valid transfer of shares to him, one certificate for all the shares of any one class issued or transferred to him. If a Member wishes to receive more than one certificate for his shares of a particular class he must pay the Company's reasonable out-of-pocket expenses in respect of those additional certificates. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.
- 13.2 A Member who has transferred some but not all of the shares in respect of which he holds one certificate shall be entitled to a certificate for the balance without charge. Every certificate shall specify the number of shares to which it relates, the distinguishing number (if any) of the shares to which it relates and the amount paid up on them.
- 13.3 If and so long as all the issued shares of a particular class are fully paid, none of those shares shall have a distinguishing number. In all other cases each such share shall have a distinguishing number.
- 13.4 No certificate shall be issued in respect of shares of more than one class.
- 13.5 All forms of certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall be issued under Seal or in such other manner as the Board may authorise. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificate need not be autographic but may be affixed to such certificate by some mechanical means or may be printed thereon or that such certificate need not be signed by any person.

### **14. Replacement of share certificates**

- 14.1 If a share certificate is defaced, worn out, lost or destroyed the Board may cancel it and issue a replacement certificate without fee but on such terms (if any) as to evidence and indemnity and to payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement or wearing out, on delivery of the old certificate to the Company.
- 14.2 Where a Member holds two or more certificates for shares of one class, the Board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement for certificated shares of that class.
- 14.3 At the request of a Member, the Board may cancel a certificate and issue two or more in its place (representing certificated shares in such proportions as the Member

may specify), on surrender of the original certificate and on payment of such reasonable fee as the Board may decide.

## **UNCERTIFICATED SHARES**

### **15. CREST**

15.1 Under the Uncertificated Securities Regulations, the Board may allow the ownership of a class or classes of shares to be evidenced without share certificates and for these shares to be transferred through CREST. The Board may select and make arrangements for any class of shares to participate in CREST, provided that the shares of the class are identical in all respects. Provided that the Board complies with the Uncertificated Securities Regulations and the rules of CREST, it may also withdraw a class of shares from being transferred through CREST and from allowing ownership of them to be evidenced without share certificates.

15.2 These Articles will not apply to CREST shares to the extent that they are inconsistent in any way with:

15.2.1 holding shares in uncertificated form;

15.2.2 transferring shares through CREST; or

15.2.3 any provision of the Uncertificated Securities Regulations.

15.3 CREST shares may be changed to become certificated shares and certificated shares may be changed to become CREST shares, provided that the requirements of the Uncertificated Securities Regulations and the rules and practices of CREST are observed. The Board will record in the register whether particular shares are held as certificated shares or CREST shares.

15.4 CREST shares do not form a class of shares separate from certificated shares with the same rights.

### **16. Uncertificated shares**

16.1 Without limiting the provisions of Article 15, title to any securities of the Company may be evidenced and transferred without a written instrument in accordance with statutory regulations from time to time made under the Companies Acts or in any lawful manner, and the Board shall have power to implement any arrangements it may think fit for any such evidencing and transfer which accord with those regulations or which are otherwise lawful.

16.2 For the purpose of effecting any actions by the Company, the Board may determine that if a Member holds shares both in uncertificated form and in certificated form, those holdings shall be treated as separate holdings.

16.3 Where the Company is entitled under the Companies Acts or under these Articles to dispose of, forfeit, enforce a lien, sell or otherwise procure the sale of any shares which are held in uncertificated form, that entitlement (to the extent permitted by the Uncertificated Securities Regulations and/or the rules of CREST) shall include the right to:

- 16.3.1 request or require the deletion of any computer-based entries relating to the holding of those uncertificated shares; and/or
- 16.3.2 require in writing any holder of those uncertificated shares to change those uncertificated shares into certificated form within such a period as the Company may specify, prior to completion of any disposal, sale or transfer of those uncertificated shares; and/or
- 16.3.3 direct the holder of those uncertificated shares to take such steps as may be necessary to sell or transfer those shares; and/or
- 16.3.4 appoint any person to take such other steps in the name of the holder of those uncertificated shares as may be required to effect a transfer of those uncertificated shares and any such steps shall be as effective as if they had been taken by the holder of those uncertificated shares; and/or
- 16.3.5 transfer those uncertificated shares by entering the name of the transferee in the register in respect of those shares as a transferred share; and/or
- 16.3.6 otherwise rectify or change the register in respect of those uncertificated shares in such manner as may be appropriate; and/or
- 16.3.7 take such other action as may be necessary to enable those uncertificated shares to be registered in the name of the person to whom the uncertificated shares have been sold or disposed of or in such other name as that person may direct.

## **LIEN ON SHARES**

### **17. Company's lien on shares not fully paid up**

The Company has a lien on all partly paid shares. This lien has priority over any other lien or charge over any partly paid share. The lien covers any money which the registered holder of the share still has to pay the Company in respect of that share. The Board may at any time waive any lien either completely or in part.

### **18. Enforcing lien by sale**

18.1 If a Member does not pay to the Company what is due on a share the Board may enforce the Company's lien on that share. It may do this by selling that share in any way it may decide. The Board may not, however, sell any share until each of the following conditions has been satisfied:

- 18.1.1 the money owed on the share must be due and owing;
- 18.1.2 the Board must have given written notice to the Member, the notice must have stated how much money is due, the notice must have demanded payment of that sum and must have stated that the share may be sold if the money is not paid; and
- 18.1.3 at least 14 clear days must have passed since the notice was given to the Member.

In order to give effect to any such sale, the Board may authorise same person to execute in the name and on behalf of the holder of the shares (or the persons entitled to the shares by transmission) any document or instrument required to transfer the shares to the purchaser or as it may direct. The purchaser shall not be required to see to the application of the purchase money and title to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale of the transferred shares.

- 18.2 If the Board sells any shares under Article 18.1, the proceeds will first be used to pay the Company's expenses associated with the sale. The remaining proceeds will be used to pay the amount which is immediately payable on the shares and the balance will (on surrender to the Company of the certificate representing the shares (if any)) be paid to the person whose shares were sold or the persons (if any) entitled by transmission to the shares sold. The Company will, however, retain a lien over any money which remains due to the Company on the shares but which is not immediately payable. The Company will have the same rights over this money as it had over the shares immediately before they were sold.

## **CALLS ON SHARES**

### **19. Calls**

- 19.1 Subject to the terms on which the shares may have been issued, the Board may at any time call on Members to pay any money which has not yet been paid to the Company on shares held by them. The Board must make any such call by writing to the relevant Members, stating when and where the payment is to be made, and it must give at least 14 clear days' notice of the date on which payment is to be made. A Member who is the subject of a call will remain liable to pay the call even if he subsequently transfers the shares on which the call was made. Any call may be revoked or postponed as the Board may determine.
- 19.2 If the terms on which a share is issued require any amount to be paid at the time it is allotted or at any fixed date, this amount will be treated as a call. If the amount is not paid, the provisions of these Articles relating to a call will apply just as they would apply to any amount which becomes due because of a call.
- 19.3 The Board may, on the issue of shares, differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
- 19.4 Unless the Board otherwise agrees, no Member shall be entitled to receive any dividend or to be present and vote at any general meeting or at any class meeting either personally or by proxy or be counted in any quorum or to exercise any right as a Member until such time as he has paid all calls for the time being due and payable on any share held by him together with all interest and expenses (if any) owed by him to the Company.

### **20. Payment on calls**

- 20.1 A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 20.2 The joint holders of a share shall be jointly and severally liable to pay all calls made in respect of it.

**21. Interest due on non payment and early payment of calls**

- 21.1 If a call is made and the person from whom the money is due does not pay it, he will also be liable to pay interest on the amount unpaid from the day it was due until it is actually paid. The Board will determine the appropriate of interest which shall not exceed 15 per cent per annum. The Board may decide that any such interest, or any part of it, need not be paid.
- 21.2 The Board may, if it thinks fit, receive from any Member all or any part of the money uncalled and unpaid on any share held by him and, on all or any of the money so advanced, the Board may (until that money would, but for such advance, be due and owing) pay interest at such a rate not exceeding 15 per cent. per annum, as may be agreed between the Board and the Member.

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

Whenever any law of any country, state or place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment, or permits any government or taxing authority or government official to require the Company to make any payment (i) in respect of any shares held by any Member or (ii) in respect of any dividends or other money due or payable or accruing due or which may become due or payable to that Member by the Company or (iii) in respect of or for or on account of any Member, and whether in consequence of:

- 22.1 the death of that Member;
- 22.2 the non-payment of any income tax or other tax by that Member;
- 22.3 the non-payment of any estate, probate, succession, death, stamp or other duty by the executor or administrator of that Member or by or out of his estate; or
- 22.4 any other act or thing;

the Company in every such case:

- 22.4.1 shall be fully indemnified by that Member or his executor or administrator from all liability arising by virtue of any such law; and
- 22.4.2 may recover as a debt due from that Member or his executor or administrator (wherever constituted or residing) any money paid by the Company under or in consequence of any such law, together with interest at the rate of 15 per cent per annum on it from the date of payment to the date of repayment.

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

**FORFEITURE OF SHARES**

**23. Notice in respect of unpaid calls**

- 23.1 If a Member fails to pay a call or an instalment of a call when it is due, the Board may send him (or any person entitled to the relevant shares on transmission) a notice requiring payment of the unpaid amount, together with interest (if any) which may have accrued on the unpaid amount and any costs and expenses incurred by the Company as a result of the non-payment.
- 23.2 The notice shall name a day (not being less than 14 clear 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 on or before the day and at the place appointed, the shares in respect of which that call was made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited and, in any such case, references in these Articles to forfeiture shall include surrender.
- 24. Forfeiture of non-compliance with notice**
- 24.1 If the notice is not complied with, the shares it relates to can be taken from the Member, or forfeited, at any time while any amount remains outstanding on them. The Board can forfeit the shares by passing a resolution to that effect. When shares are forfeited, the Member also loses his right to any dividend or other amounts due on those shares and which have not been paid to him.
- 24.2 After a share has been forfeited, the person whose share has been forfeited must be notified. However, no forfeiture shall be invalidated by any omission to give any such notice.
- 24.3 Until cancelled in accordance with the requirements of the Companies Acts, a forfeited share shall be deemed to be the property of the Company and may, subject to the provisions of the Companies Acts, be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder of it or entitled to it or to any other person on such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be revoked by the Board on such terms as the Board may think fit.
- 24.4 A person whose shares have been forfeited shall automatically cease to be a Member in respect of those shares and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall, however, remain liable to pay to the Company all the money which at the date of forfeiture was then payable by him to the Company in respect of the shares with interest on that money at the rate of 15 per cent per annum (or such lower rate as the Board may determine) from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for the consideration received on disposal of them.
- 24.5 A statutory declaration by a Director or the Secretary that a share has been forfeited in accordance with the provisions of these Articles and stating the date on which it was forfeited shall, as against all persons claiming to be entitled to that share, be conclusive evidence of the facts stated in it. The declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition of it and a certificate for the share under the Seal delivered to the person to whom it is sold or disposed of shall (subject if necessary to the execution of an instrument of transfer) constitute a good title to the share. Subject to the execution of any necessary transfer, that person shall be registered as the holder of the share and shall be discharged from all calls made on it prior to the sale or

disposition of it and that person shall not be bound to see to the application of the purchase money or other consideration (if any) nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings relating to the forfeiture or disposal of the share. That person shall not (except by agreement with the Company) become entitled to any dividend which might have accrued on the share before completion of the sale or disposition of it to him.

- 24.6 The forfeiture of a share shall involve the extinction at the time of forfeiture of all interests in and all claims and demands against the Company in respect of the share and of all sums then paid up on that share and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Company, except only such of those rights and liabilities as are expressly saved in these Articles or which the Companies Acts give or impose in the case of past members.
- 24.7 The Board may accept the surrender of a share liable to be forfeited and in that case references in these Articles to forfeiture also include references to surrender.

## **TRANSFERS OF SHARES**

### **25. Form of transfer**

- 25.1 Subject to such of the restrictions of these Articles as may be applicable, any Member may transfer all or any of his certificated shares by a written instrument of transfer in the usual common form or in any other manner (whether or not by written instrument) which the Board may approve. Any written 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, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect of the transferred share. All instruments of transfer, when registered, may be retained by the Company.
- 25.2 A Member may transfer all or any of his uncertificated shares in accordance with the Uncertificated Securities Regulations.

### **26. Rights to decline registration of a transfer**

- 26.1 Subject to Article 54 and the requirements of the London Stock Exchange, the Board may also, in its absolute discretion and without giving a reason, refuse to register the transfer of a share or the renunciation of an allotment of a share unless all of the following conditions are satisfied:
- 26.1.1 it is in respect of only one class of shares;
  - 26.1.2 it is in favour of a single transferee or renounee or not more than four joint transferees or renounees;
  - 26.1.3 it is in respect of a share which is fully paid;
  - 26.1.4 it is in respect of a share upon which the Company has not lien;
  - 26.1.5 it is duly stamped (if so required); and

26.1.6 in the case of a certificated share, it is delivered for registration to the Office or such other place as the Board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person where a certificate has not been issued, or in the case of a renunciation) and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

Notwithstanding the provisions of this Article, the Board may not refuse to register the transfer or a share in the circumstances referred to in paragraphs 26.5.3 or 26.5.4 if that share has been admitted to listing on the Official List and any refusal to register a transfer of it would prevent dealings in that share from taking place on an open and proper basis.

26.2 The Board may refuse to register the transfer of uncertificated shares in such other circumstances as may be permitted or required by the Uncertificated Securities Regulations and/or the CREST Rules.

26.3 The Board may refuse to register a transfer of any share to a person known to be a minor, bankrupt or person who is mentally disordered or a patient for the purpose of any statute relating to mental health.

26.4 If the Board declines to register a transfer it shall, within 2 months or such other period (if any) as may be prescribed by the Companies Acts, send to the transferee notice of the refusal together with the instrument of transfer which the Board has declined to register.

**27. No fee for registration**

The Company may not charge any fees for registering a share transfer or making any other amendment to the register.

**28. Title to transferred shares**

The transferor of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register in respect of it.

**29. Closing of register**

Subject to the Companies Acts and the requirements of the London Stock Exchange, the register may be closed at such times and for such periods as the Board may from time to time determine, not exceeding in whole 30 days in each year, upon notice being given by advertisement in a leading national daily newspaper and in such other newspaper (if any) as may be required by the Companies Acts.

**30. Transmission of shares**

30.1 If a sole Member dies, his personal representatives will be the only people whom the Company will recognise as being entitled to his shares. This is also the case if a Member who is the last survivor of joint Members dies. If a joint Member dies and is survived by other joint Members, the Company will deal with the surviving joint

Members. These Articles do not discharge the estate of any Members from any liability whether the Member is a sole or joint Member.

- 30.2 If someone becomes automatically entitled to a share by law, the Board must note his entitlement in the register. The person must provide the Board with any proof of his entitlement they require. They will then note his entitlement within 2 months of receiving sufficient proof.
- 30.3 If a person becomes automatically entitled to a share by law, he can either be registered as the holder of the share himself or choose another person to be registered as the holder of the share. If he chooses to be registered himself, he must let the Company know by notice in writing. If he chooses to have another person be registered as the holder of the share, he must transfer the share to the person he has selected. The Board may at any time ask any person automatically entitled to a share by law to choose to be registered as the holder of it or to transfer the share to another person. If he does not comply with any such request within 60 days, the Board can withhold payment of any money due in respect of that share until someone has been properly registered as the holder of it. For the purpose of these Articles, a letter or transfer form signed by the person entitled by law will be treated as if it was signed by the original holder of the share.
- 30.4 A person automatically entitled to a share by law is entitled to receive any dividends or other money relating to that share. He is not, however, entitled to attend and vote at any general meeting or at any class meeting until he is registered as the holder of the share but otherwise he shall have the same rights as the original holder of the share.

### **ALTERATION OF SHARE CAPITAL**

#### **31. Increase, consolidation, sub-division, cancellation and conversion**

The Members in general meeting may from time to time by ordinary resolution do any of the following:

- 31.1.1 increase the Company's share capital by such sum to be divided into such shares of such amount as the resolution prescribes;
- 31.1.2 consolidate, or consolidate and then divide, all or any of its share capital into shares of a large nominal amount than its existing shares;
- 31.1.3 subject to the provisions of the Companies Acts and these Articles, divide some or all of its shares into shares of a smaller nominal amount and the resolution may provide that one or more of these shares may be given deferred, preferential or other special treatment concerning dividends, capital, voting or other matters;
- 31.1.4 cancel any shares which have not been taken, or agreed to be taken, by anyone at the date of the resolution and reduce the amount of the Company's share capital by the amount of the cancelled shares;
- 31.1.5 convert any unissued shares from one class into another class or otherwise alter or vary the rights attaching to any unissued shares.

#### **32. Fractions**

32.1 Whenever as the result of any consolidation, division or sub-division of shares any difficulty arises, the Board may settle it as it thinks fit and in particular (but without limitation to the absolute discretion enjoyed by the Board in this respect) where the number of shares held by any Member is not an exact multiple of the number of shares to be consolidated into a single share and as a result of any such consolidation that Member would become entitled to a fraction of a consolidated share:

32.1.1 the Board may determine which of that Member's shares are to be treated as giving rise to the fractional entitlement and may consolidate those shares into a single consolidated share with those of any other Member or Members which are also determined by the Board to be treated as giving rise to a fractional entitlement and the Board may, on behalf of all such Members, sell that consolidated share for the best price reasonably obtained to any person (including the Company) and shall distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those Members (except that any amount due to a Member of less than £3.00 or such other sum as the Board may from time to time determine may be retained for the benefit of the Company); or

32.1.2 provided that the necessary unissued shares are available, the Board may issue to that Member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such an issue being deemed to have been effected prior to consolidation) and the amount required to pay up any such shares shall be appropriated at the Board's discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including its share premium account or capital redemption reserve) or to the credit of the Company's profit and loss account. In relation to such a capitalisation the Board may exercise all the powers conferred on it by Article 148 without an ordinary resolution of the Members.

32.2 For the purposes of any sale of consolidated shares in accordance with Article 32.1, the Board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with, the directions of the purchaser, and the transferee shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in relation to the sale.

### **33. Reduction of capital**

Subject to the provisions of the Companies Act and to any rights for the time being attaching to any shares, the Members may by special resolution reduce the Company's share capital, any capital redemption reserve or its share premium account in any way.

### **34. Purchase of own shares**

Subject to the provisions of the Companies Acts and to any rights for the time being attaching to any shares, the Company may purchase any of its own shares of any class (including redeemable shares). When shares are to be repurchased and there are other shares which can be converted into the class of shares to be repurchased, the holders of those convertible shares must pass an extraordinary resolution at a

class meeting of them to approve the repurchase of those shares. No such resolution is required if the terms on which those convertible shares were issued permit such a repurchase. The Board is not required to select the shares to be repurchased in any particular manner.

**35. Conversion into stock**

35.1 The Company may from time to time by ordinary resolution convert any fully paid up shares into stock and may reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class in the capital of the Company into stock, any shares of that class which subsequently become fully paid up and rank pari passu in all other respects with those shares shall, by virtue of this Article and any such resolution, be converted into stock transferable in the same units as the shares already converted.

35.2 The holders of stock may transfer it or any part of it in the same manner and subject to the same regulations as the shares from which the stock arose might prior to conversion have been transferred. The Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not, without the sanction of an ordinary resolution of the Company, exceed the nominal amount of each of the shares from which the stock arose.

35.3 The holders of stock shall, according to the amount of stock held by them, have the same rights as regards dividends, voting at general meetings and at class meetings and other matters as if they held the shares from which the stock arose, but no such right (except as to participation in dividends and in assets on a reduction of capital or a winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred any such right.

35.4 All the provisions of these Articles applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" when used in these Articles shall include "stock" and "stockholder" respectively.

## **GENERAL MEETINGS**

**36. Annual general meetings**

Each year the Company must hold an annual general meeting. The Board will decide when and where to hold the annual general meeting.

**37. Extraordinary general meetings**

Any general meeting which is not an annual general meeting is called an extraordinary general meeting.

**38. Convening of extraordinary general meetings**

The Board may convene an extraordinary general meeting at any time.

**39. Notice of general meetings**

39.1 An annual general meeting or a meeting called for the passing of a special resolution shall be called by not less than 21 clear days' notice in writing and a meeting (other

than an annual general meeting or a meeting called for the passing of a special resolution) shall be called by not less than 14 clear days' notice in writing. The notice shall specify the place, day and time of meeting, and, in the case of special business, the general nature of that business and there shall appear with reasonable prominence in every such notice a statement to the effect that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend on a poll vote instead of him and that a proxy need not be a member of the Company. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Subject to the provisions of the Companies Acts, notice of every general meeting shall be given in manner specified in these Articles to all Members other than those who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Auditors.

39.2 Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Article, it shall be deemed to have been duly called if it is so agreed:

39.2.1 in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote at it; and

39.2.2 in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

39.3 The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send any such instrument of proxy to, or the non-receipt of notice of a meeting or of such an instrument of proxy by, any person entitled to receive any such notice shall not invalidate the proceedings at that meeting.

#### 40. **Arrangements for simultaneous meetings**

40.1 The Board may, if it thinks fit, convene any general meeting at, or adjourn any general meeting to, more than one place.

40.2 The notice of such a general meeting shall specify the place at which the chairman of the meeting shall preside ("the primary venue") and the Board shall make arrangements for simultaneous attendance at and participation in the general meeting by Members at one or more other places (whether adjoining the primary venue or elsewhere) provided that the persons attending at any particular place shall be able to see and hear and be seen and heard by persons attending at the other place or places at which the meeting is convened, whether by audio-visual links or otherwise.

40.3 The Board may from time to time make such arrangements for the purpose of controlling the level of attendance at any particular place (whether by the issue of tickets or the imposition of some means of selection or otherwise) as it, in its absolute discretion, thinks fit and may from time to time vary any such arrangements or make new arrangements in place of them provided that a Member who is not entitled to attend, whether in person or by proxy, at any particular place shall be entitled so to attend at the other place or one of the other places at or to which the meeting is

convened or adjourned. The entitlement of any Member so to attend the meeting or adjourned meeting at such a place shall be subject to any such arrangements as may be in force for the time being and by the notice of meeting or adjourned meeting stated to apply to the meeting.

40.4 For the purpose of these Articles, any such meeting shall be treated as being held at the primary venue.

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

#### **41. Business to be conducted at general meetings**

41.1 All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of:

41.1.1 the declaration and sanctioning of dividends;

41.1.2 the consideration and adoption of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the accounts;

41.1.3 the election of Directors in place of those retiring (by rotation or otherwise);

41.1.4 the appointment of Auditors where special notice of the resolution for such appointment is not required by the Companies Acts; and

41.1.5 the fixing of, or the determining of the method of fixing, the remuneration of the Directors and of the Auditors.

#### **42. Quorum**

42.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, at least 2 Members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

42.2 If within 5 minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such other day and at such other time or place as the chairman of the meeting (or, in default, the Board) may determine and at any such adjourned meeting one Member present in person or by proxy and entitled to vote shall be a quorum. The Company shall give not less than 7 days' notice in writing of any meeting adjourned for more than 28 days through want of a quorum and the notice shall state the quorum requirement.

#### **43. Entitlement to attend general meetings**

43.1 Each Director shall be entitled to attend and speak at any general meeting of the Company. The chairman of the meeting may permit anyone to attend and speak at any general meeting.

**44. Chairman of general meetings**

44.1 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 such chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within 5 minutes after the time appointed for holding the meeting, 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 shall elect one of their number to be chairman.

**45. Security at general meetings**

45.1 The Board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The Board is entitled to refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions.

**46. Corporate representatives**

46.1 A corporation (whether or not it is a company within the meaning of the Companies Acts) which is a Member can authorise any person to act as its representative at any meeting. This person is called a corporate representative. The directors of the corporation must pass a resolution to appoint the corporate representative. If the governing body of the corporation is not a board of directors, the resolution can be passed by its governing body. A corporate representative can exercise all the powers on behalf of the corporation which the corporation could exercise if it were an individual shareholder. This includes the power to vote on a show of hands when the corporate representative is personally present at a meeting. The corporation shall, for the purpose of these Articles, be regarded as if it were present in person at the meeting. The Directors or the Secretary or the person authorised may require evidence of the authority of a corporate representative before permitting him to exercise his powers

46.2 Any vote cast by a corporate representative, and any demand by him for a poll, will be valid even though he is, for any reason, no longer authorised to represent the corporation. However, this does not apply if written notice of the fact that he is no longer authorised has been received at the Office before the day of the relevant meeting, or adjourned meeting, or before the day a poll is taken.

**47. Adjournment of a general meeting**

47.1 The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) or, if it shall not be practical to ascertain the views of the meeting, at his own discretion, adjourn the meeting from time to time and from place to place for an indefinite period. In particular (without prejudice to any other powers he may have under these Articles or at common law), the chairman of

the meeting may, at his own discretion, adjourn any meeting if (1) the number of persons wishing to attend cannot be conveniently accommodated in the place or places appointed for the meeting; (2) it is necessary to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; (3) the unruly conduct of persons attending the meeting prevents or is likely to prevent the ordinary continuation of the business of the meeting; or (4) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted. No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more or for an indefinite period, at least 7 clear day's notice of the adjourned meeting shall be given specifying the place, the date and the time of the adjourned meeting and the general nature of the business to be transacted and shall be given in the same manner as in the case of the original meeting.

- 47.2 Save as expressly provided by these Articles, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**48. Amendments to resolutions**

- 48.1 Any ruling of the chairman of the meeting given in good faith shall be conclusive as to whether any resolution or amendment is in order or not. 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. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it has been voted upon. In the case of a resolution duly proposed as a special or extraordinary resolution no amendment to it (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon and, in the case of a resolution duly proposed as an ordinary resolution, no amendment to it (other than a mere clerical error to cancel a patent error) may be considered or voted on unless either at least 48 hours prior to the time appointed for the holding of the meeting or adjourned meeting at which the ordinary resolution is to be proposed, notice in writing of the amendment and of the intention to propose it has been lodged at the Office or the chairman of the meeting in his absolute discretion decides that it may be considered or voted on.

- 48.2 If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all Members entitled and wishing to attend, the meeting is duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a Member who is unable to be accommodated is able to (i) participate in the business for which the meeting has been convened, (ii) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere and (iii) be heard and seen by all other persons present in the same way.

**49. Votes of members**

- 49.1 Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every Member who is present in person at a general meeting of the Company shall have one vote, and on a poll every

Member who is present in person or by proxy shall have one vote for each share of which he is the holder.

49.2 In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.

49.3 In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.

49.4 A Member who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, committee, curator bonis or other person in the nature of such court, and such guardian, receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as that Member for the purposes of any general meeting, provided that such evidence as the Board may require to prove the authority of the person claiming to vote shall have been deposited at the Office (or at such other place in the United Kingdom as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll in respect of which it is intended to vote.

49.5 If:

49.5.1 any objection shall be raised to the qualification of any voter; or

49.5.2 any votes have been counted which ought not to have been counted or which might have been rejected; or

49.5.3 any votes are not counted which ought to have been counted

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote was objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that it may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

49.6 No Member shall, unless the Board otherwise determines, be entitled to vote at any general meeting or meeting of the holders of any class of shares either personally or by proxy or to be reckoned in a quorum or to exercise any other right conferred by membership in relation to meetings of the Company or of the holders of any class of shares unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non-payment.

## 50. Polls

- 50.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is duly demanded before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll. Subject to the provisions of the Companies Acts, a poll may be demanded by:
- 50.1.1 the chairman of the meeting; or
  - 50.1.2 at least 3 Members present in person or by proxy and entitled to vote; or
  - 50.1.3 any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to attend and vote at the meeting; or
  - 50.1.4 any Member or Members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sums paid up on all shares conferring that right.
- 50.2 A demand by a proxy is deemed to be a demand by the member appointing the proxy. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.
- 50.3 If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 50.4 A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time (being not later than 30 days after the date of the demand) and place as the chairman shall direct. He may appoint scrutineers, who need not be Members and may fix a time and place for declaring the result of the poll. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 50.5 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, and it may be withdrawn with the consent of the chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier. A demand so withdrawn shall validate the result of a show of hands declared before the demand was made.
- 50.6 On a poll votes may be given either personally or by proxy.
- 50.7 A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

## 51. **Proxies**

- 51.1 Instruments appointing a proxy may be in any common form or in such other form as the Board may approve.
- 51.2 Subject to the Companies Acts and the requirements of the London Stock Exchange, the Company may send an instrument of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent the instrument shall provide for two-way voting (without prejudice to a right to abstain) on all resolutions set out in the notice of meeting.
- 51.3 An instrument appointing a proxy shall be signed by the appointor or by his attorney authorised by him in writing or, if the appointor is a corporation, either under its seal or signed on its behalf by an officer, attorney or other person duly authorised to sign it.
- 51.4 The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, must be delivered to the Office (or to such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent with the notice convening the meeting or adjourned meeting) 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 or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 24 hours before the time appointed for the taking of the poll and in default an instrument of proxy shall not be treated as valid.
- 51.5 A proxy need not be a Member.
- 51.6 A Member may appoint more than one proxy to attend on the same occasion. When 2 or more valid but differing instruments appointing a proxy are delivered for the same share for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which instrument was last validly delivered, none of them shall be treated as valid in respect of that share.
- 51.7 The deposit of an instrument appointing a proxy does not prevent a Member attending and voting in person at the meeting or an adjournment of the meeting or on a poll.
- 51.8 The instrument appointing a proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates.
- 51.9 No instrument appointing a proxy shall be valid after 12 months from the date named in it as the date on which it was signed or sealed (as the case may be).
- 51.10 The instrument appointing a proxy confers on the proxy the authority to demand or join in demanding a poll and to vote as the proxy thinks fit on any resolution or any amendment of any resolution put to, or other business which may properly come before, the meeting or meetings for which it is given but it shall not confer any further right to speak at the meeting, except with the consent of the chairman.
- 51.11 A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or incapacity of the principal, or

revocation of the instrument appointing a proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument appointing a proxy is given, provided that no intimation in writing of such death, incapacity, revocation or transfer shall have been received by the Company at the Office (or such other place in the United Kingdom as may be specified for the delivery of instruments appointing a proxy in the notice convening the meeting or other document sent with any such notice) at least 48 hours before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument appointing a proxy is used.

**52. Written resolutions**

A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present is as effective as if it had been passed at a general meeting duly convened and held. The resolution in writing may consist of several instruments in the same form each duly executed by or on behalf of one or more Members. If the resolution in writing is described as a special resolution or as an extraordinary resolution, it has effect accordingly.

**53. Class meetings**

A meeting of the holders of a particular class of shares shall be convened and conducted as nearly as possible in the same way as a general meeting, except that:

- 53.1 no Member, other than a Director, is entitled to notice of it or to attend unless he is a holder of shares of that class;
- 53.2 no vote may be given except in respect of a share of that class and, on a poll, every Member holding shares of that class is entitled to one vote for every share of that class which he holds;
- 53.3 the quorum at the meeting is 2 Members holding shares of that class present in person or by proxy being Members who in any event hold at least one-third in nominal value of the shares of that class;
- 53.4 the quorum at an adjourned meeting is 2 persons holding shares of that class who are present in person or by proxy; and
- 53.5 a poll may be demanded by a Member present in person or by proxy and entitled to vote at the meeting.

**FAILURE TO DECLARE INTERESTS IN SHARES**

**54. Power to require disclosure of interests**

The Companies Acts permit the Company to send out notices to those it knows or it believes to have an interest in its shares. In the notice, the Company will ask for details of those who do have an interest (within the meaning of section 212 of the Companies Act 1985) and the extent of their interest in a particular holding of shares. In these Articles any such notice is referred to as a "**statutory notice**" and the holding of shares is referred to as the "**identified shares**". If the Company issues a statutory notice in respect of any particular shares to a person who is not the registered holder of the shares it shall at the same time send a copy of that notice to

the relevant Member but the accidental omission to send a copy of any such notice or the non receipt by the Member of any such copy shall not invalidate the statutory notice.

## 55. **Compliance with notice requiring disclosure of interests**

- 55.1 When somebody receives a statutory notice, he has 14 days to comply with it. If he does not do so, the Company can give a further notice in respect of the identified shares, known as a "**restriction notice**". The restriction notice will take effect from when it is delivered. A person may be regarded by the Company as having failed to comply with a statutory notice if he has failed or refused to give all or any part of the information requested in it or if he had given information which he knows to be false in a material particular or has recklessly given information which is false in a material particular.
- 55.2 The restriction notice will apply to any new shares issued to the holder of the identified shares where the new shares are issued as a result of any rights attaching to the identified shares. The Board may also make the restrictions in the restriction notice apply to any right to an allotment of new shares associated with the identified shares.
- 55.3 If a Member receives a restriction notice, he can ask the Company for a written explanation of why the notice was given, or why it has not been cancelled. The Company must respond within 14 days of receiving any such request.

## 56. **Restrictions**

A restriction notice will state that the identified shares in respect of which it is given will no longer entitle the holder of them to attend or vote at any general meeting or class meeting or to appoint a proxy or corporate representative for such meetings. If the identified shares in respect of which the restriction notice is given make up 0.25 per cent or more (in nominal value or in number) of the Company's shares, or any class of shares, the restriction notice may also contain further restrictions. It may specify that:

- 56.1.1 the Board may withhold any dividends or other money or scrip dividends payable in respect of the identified shares and the Board shall have no obligation to pay interest on any such withheld money; and
- 56.1.2 the Board may refuse to register a transfer of any of the identified shares unless they have been sold outright to an independent third party who is not connected with the relevant Member or with anyone else who the Company believes to be interested in the shares (but any sale through a stock exchange on which the Company's shares are listed or by way of acceptance of a take-over offer (within the meaning of section 428 of the Companies Act 1985) will be treated as a sale to an independent third party).

## 57. **Cancellation or suspension of a restriction notice**

- 57.1 Once a restriction notice has been given, the Board is free to cancel or suspend its effect at any time it thinks fit. In addition, it must cancel the restriction notice within 7 days of being satisfied that all information requested in the statutory notice has been supplied. If any of the identified shares are sold and the Board is satisfied that they

were sold outright to an independent third party, the transferred shares will no longer be affected by the restriction notice.

57.2 When a restriction notice is cancelled or stops being effective, the Company will pay any money which it had withheld to the person who would have received the money originally. The Member, or person automatically entitled to the shares by law, can ask the Company to pay it to someone else. The Company will not pay interest on this money.

**58. Rights additional to those granted by law**

58.1 The rights given to the Company in this Article are additional to any statutory rights which it might have.

## **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

**59. Number of Directors**

Unless and until otherwise determined by the Members by ordinary resolution, the number of Directors (other than alternate Directors) shall not be less than 2 and not more than 10.

**60. Power of Company to appoint Directors**

The Members may by ordinary resolution elect any willing person to be a Director, either to fill a vacancy or as an additional Director. Any appointment must comply with the Articles.

**61. Power of Board to appoint Directors**

The Directors may also pass a resolution to appoint any willing person to be a Director, either to fill a vacancy or as an additional Director. Any Director appointed by the Directors must retire from office at the next annual general meeting and shall not be taken into account in determining the identity or number of directors to retire by rotation at that meeting. He may, however, be reappointed by the Members. Any appointment must comply with the Articles.

**62. Power of removal by ordinary resolution**

In accordance with the provisions of the Companies Acts 1985, the Members may by ordinary resolution remove any Director from office at any time and may elect a person to replace a Director who has been removed in this way by passing an ordinary resolution. Any person so appointed shall be treated, for the purpose of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he was appointed was last appointed or re-appointed as a Director.

**63. Persons eligible as Directors**

63.1 The only people who may be elected as Directors at a general meeting are the following:

63.1.1 Directors retiring at that meeting;

- 63.1.2 anyone recommended by the Directors; or
- 63.1.3 anyone nominated by at least 50 Members or by Members holding at least 5 per cent (in nominal value or number) of the shares which grant the holder the right to attend and vote at the meeting and they must deliver:
  - 63.1.3.1 a written notice to the Office not less than 7 nor more than 42 days before the day of the meeting which must state that they intend to nominate that person for election as a Director;
  - 63.1.3.2 written details of the particulars of that person which, if he is elected as a Director, would be required to be included in the Company's register of Directors; and
  - 63.1.3.3 written confirmation from that person that he is willing to be elected.
- 63.2 A resolution for the appointment of 2 or more persons as Directors by a single resolution is void unless an ordinary resolution that the resolution for appointment is proposed in this way has first been agreed to by the meeting without a vote being cast against it.
- 63.3 A Director shall not be required to hold shares in the Company.
- 63.4 No person is incapable of being appointed as a Director because he is 70 years of age or older. Special notice is not required in connection with the appointment or the approval of the appointment of any such person. No Director is required to vacate his office because he has reached the age of 70 and section 293 of the Companies Act 1985 does not apply to the Company. Where a general meeting is convened at which, to the knowledge of the Board, a Director is to be proposed for appointment or reappointment who is at the date of the meeting 70 years of age or older, the Board shall give notice of his age in the notice convening the meeting or in a document accompanying the notice, but the accidental omission to do so does not invalidate the proceedings or the appointment or reappointment of that Director at that meeting.

#### 64. **Disqualification of Directors**

In addition to the other provisions in the Companies Acts and these Articles relating to the retirement of Directors, a Director will no longer be a Director if:

- 64.1 he writes a letter of resignation which is delivered at a meeting of the Directors or to the Office; or
- 64.2 his resignation is requested by notice in writing (or notices in writing which are identical in all respects) signed by all of the other Directors who are not less than 2 in number; or
- 64.3 he is or has been suffering from mental ill health and the Directors pass a resolution stating that he has ceased to be a Director; or
- 64.4 he (and any alternate Director appointed by him) has missed Board meetings for a continuous period of 6 months without permission from the Board and the Board passes a resolution stating that he has ceased to be a director; or

- 64.5 a bankruptcy order is made against him or he makes any arrangement or composition with his creditors; or
- 64.6 he is prohibited from being or ceases to be a Director by virtue of legislation or any power conferred on the Directors or Members under these Articles; or
- 64.7 without the permission of the chairman of the directors he becomes a director, auditor or other officer of any company which, or a subsidiary of which, carries on any business carried on by the Company or its subsidiaries and the Directors pass a resolution stating that he has ceased to be a Director; or
- 64.8 his appointment as an executive director is terminated or expires and the Directors resolve that his office is vacated.

A resolution of the Board declaring a Director to have ceased holding office on the basis of one or more of the provisions of this Article shall be conclusive as to the facts and grounds stated in that resolution. When a Director ceases to be a Director for any reason, he will also automatically cease to be a member of any committee or sub-committee appointed by the Directors

#### **65. Retirement of Directors**

- 65.1 At every annual general meeting one-third of the Directors who are subject to retirement by rotation shall retire from office. Notwithstanding any other provision of these Articles, each Director must retire at the third annual general meeting following his appointment or re-appointment in general meeting. A Director retiring at a general meeting shall retain office until the close of that meeting.
- 65.2 Subject to the Companies Acts and these Articles, the Directors to retire by rotation at an annual general meeting include, so far as necessary to obtain the number required, first, a Director who wishes to retire and not offer himself for reappointment and, second, those Directors who have been longest in office since their last appointment or reappointment. As between two or more Directors who have been in office an equal length of time, the Director to retire shall, in default of agreement between them, be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time but before the close of the meeting.
- 65.3 A Director who retires at the annual general meeting shall be eligible for re-election.

#### **66. Executive Directors**

- 66.1 The Board may from time to time appoint one or more of its body to be Executive Director or to hold any other employment or executive office with the Company for such period (subject to the Companies Acts) and upon such terms as the Board may determine and may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination.

66.2 An Executive Director shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

67. **President**

The Board shall have power from time to time to appoint a President and one or more Vice-Presidents of the Company and to determine the period for which any President or Vice-President may hold office. Any such appointment may be honorary or the appointee, if not a Director, may be paid such remuneration (not exceeding the ordinary remuneration of a Director) as the Board shall in their discretion think fit. A President or Vice-President (not being also a Director) may if the Board so resolve attend and speak at meetings of the Directors but shall not be entitled to attend and vote at any such meeting.

68. **Alternate directors**

68.1 Each Director shall have the power to appoint any person to be his alternate Director and may at his discretion remove any alternate Director so appointed by him. If the alternate Director to be appointed is not another Director, the appointment, unless previously approved by the Board, shall have effect only upon and subject to it being approved by the Board and his consent to act as a Director in the form prescribed by the Companies Acts is delivered to the Office. Any appointment or removal of an alternate Director shall be made by notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board.

68.2 An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to attend and vote as a Director at any meeting of the Board or committee of the Board at which the Director appointing him is not personally present and may at any such meeting exercise and discharge all the functions, powers and duties of his appointor as a Director and, for the purposes of the proceedings at any such meeting the provisions, of these Articles shall apply as if he were a Director.

68.3 Every person acting as an alternate Director shall (except as regards the power to appoint an alternate Director and remuneration and any requirement to hold a share qualification) be subject in all respects to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent as if he were a Director but an alternate Director shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part (if any) of the remuneration otherwise payable to the Director appointing him as that Director may by notice in writing to the Company from time to time direct.

68.4 Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director) but shall only count as one Director for the purpose of determining whether a quorum is present. The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.

- 68.5 An alternate Director shall automatically cease to be an alternate Director if his appointor ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him of an alternate Director in accordance with these Articles which was in force immediately before his retirement shall remain in force as though he had not retired.
- 68.6 An alternate Director need not be a Member and is not counted in reckoning the number of Directors for the purpose of Article 59.
- 69. Directors' fees and expenses**
- 69.1 The Directors (other than alternate Directors) shall be entitled to receive as fees for their services as directors of the Company such sum as the Board may from time to time determine provided that the aggregate amount of the fees paid to the Directors in any financial year must not exceed £75,000 or such larger sum determined by the Members by ordinary resolution. In addition, the Directors may receive remuneration paid either under employment or service contracts or other provisions of these Articles or by payments to companies of which they are directors.
- 69.2 If the Board (or any committee of it) considers that a particular Director has acted for the Company in a way which goes beyond his ordinary duties as a Director, it can choose to pay him additional remuneration. This amount can be in addition to any fees due to him as a Director or in addition to any remuneration paid to him as an executive and may be paid in any form.
- 69.3 The Company shall pay the reasonable travel, hotel and incidental expenses properly incurred by Directors in attending general meetings, class meetings, meetings of the Board and meetings of committees of the Board and in any other way connected with the Company's business or in the performance of their duties as Directors.
- 69.4 The Board (or any committee of it) may exercise the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or insurance or otherwise, for any Director or former Director who has held, but no longer holds, any executive office or employment with the Company, or with any body corporate which is or has been a subsidiary of the Company, or any predecessor in business of the Company or of any such subsidiary, or for any member of his family (including a spouse and a former spouse), or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay any premiums for the purchase or provision of any such benefit. Any such benefit to any other Director or his family or dependants needs an ordinary resolution.

## **DIRECTORS' INTERESTS**

### **70. Permitted interests**

Subject to the provisions of the Companies Acts and Article 72.3:

- 70.1 a Director may hold any other office or place of profit with the Company (except that of Auditor) as well as being a Director for such periods and on such terms as the Board may determine, and may be paid such extra remuneration in respect of that other office (whether by way of salary, commission, participation in profits or

otherwise) as the Board may determine, and any such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article;

- 70.2 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 those professional services as if he were not a Director;
- 70.3 a Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be 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 such other company;
- 70.4 a Director may contract with or be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is interested, either with regard to his tenure of any office or employment or as vendor, purchaser or in any other manner whatever, and no such contract, arrangement, transaction or proposal shall be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefit realised by any such contract, arrangement transaction or proposal.

**71. Declaration of interests**

71.1 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract 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 so interested. For the purposes of this Article, a general notice to the Board by a Director to the effect that:

71.1.1 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 that company or firm; or

71.1.2 he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him within the meaning of the Companies Acts

shall be a sufficient declaration of interest under this Article in relation to any such contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to procure that it is brought up and read at the next Board meeting after it is given.

**72. Directors not to vote on matters in which they are interested**

72.1 A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms of that appointment or the termination of that appointment).

- 72.2 Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms of that appointment or the termination of that appointment) of 2 or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and any 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 the terms of his appointment or the termination of his appointment).
- 72.3 Except as provided in this Article, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board or of a committee of the Board in respect of any contract, arrangement, transaction or proposal which he and/or any person connected with him (within the meaning of section 346 of the Companies Act 1985) has an interest which is a material interest, and if he shall do so his vote shall not be counted, but (in the absence of some other material interest than is indicated below) this prohibition shall not apply to any of the following matters namely:
- 72.3.1 the giving of any security, guarantee or indemnity in respect of money lent 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 subsidiary undertakings;
  - 72.3.2 the giving by the Company or by any of its subsidiary undertakings of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or of any of its subsidiary undertakings in respect of which the Director has assumed the responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - 72.3.3 any proposal concerning his participation in any offer of shares in or debentures or other securities of the Company or of any of its subsidiary undertakings to be issued pursuant to any offer or invitation to holders of securities of the Company or of any of its subsidiary undertakings or concerning his participation in the underwriting or sub-underwriting of any such securities;
  - 72.3.4 any contract or arrangement in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
  - 72.3.5 a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "relevant company"), if he does not to his knowledge hold an interest in shares (as that term is used in sections 198 to 211 of the Companies Act 1985) representing one per cent or more of either any class of the equity share capital of or the voting rights in the relevant company;
  - 72.3.6 any proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or a share option scheme, share incentive scheme or profit-sharing scheme which either relates both to Directors and employees of the Company or of any of its subsidiary undertakings and does not provide in respect of any Director as such any privilege or advantage not

accorded to the employees to which such scheme or fund relates or has been approved by or is conditional on approval by the Inland Revenue for taxation purposes;

- 72.3.7 any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for the benefit of and against any liability incurred by any Directors or persons who include Directors.
- 72.4 Where a company in which a Director holds one per cent. or more of either any class of the equity share capital or of the voting rights is materially interested in a transaction, then that Director shall also be regarded as being materially interested in that transaction.
- 72.5 If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than the chairman of the meeting) to vote or be counted in the quorum and that question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to that Director shall be final and conclusive. If such a question shall arise in respect of the chairman of the meeting, that question shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but shall not vote on the resolution) and the resolution shall be final and conclusive.
- 72.6 The Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.
- 72.7 For the purposes of this Article 72, the interests of a person who is for the purposes of the Companies Acts connected with (within the meaning of section 346 of the Companies Act 1985) a Director is treated as the interest of the Director and, in relation to an alternate Director, the interest of his appointor is treated as the interest of the alternate Director in addition to an interest which the alternate Director otherwise has. This Article applies to an alternate Director as if he were a Director otherwise appointed.
- 72.8 For the purposes of this Article 72, an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

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

### **73. Discretion of the Board**

Subject to the provisions of the Companies Acts, the Memorandum of Association of the Company, these Articles and any directions given by special resolution of the Members in general meeting, the business of the Company shall be managed by the Board, which may pay all the expenses incurred in forming and registering the Company and may exercise all the powers of the Company (whether relating to the management of the business of the Company or otherwise). No alteration to the Memorandum of Association of the Company, no alteration to these Articles and no direction given by the Members in general meeting shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or direction had not been given. The general powers given by this Article shall not be

limited or restricted by any special authority or power given to the Board by any other Article.

**74. Power of the Board to act in the absence of sufficient Directors**

If the number of Directors is less than the minimum required by these Articles or decided by the Company by ordinary resolution, the remaining Director or Directors may act only for the purposes of appointing an additional Director or Directors to make up that minimum or convening a general meeting of the Company for the purpose of making any such appointment. If no Director or Directors is or are able or willing to act, 2 Members may convene a general meeting for the purpose of appointing Directors. An additional Director appointed in this way holds office (subject to these Articles) only until the end of the next annual general meeting after his appointment unless he is reappointed during that meeting.

**75. Power of Board to delegate**

The Board may delegate to any Director any of its powers, authorities and discretions on such terms and conditions and with such restrictions as it thinks fit (including the power to sub-delegate), and either collaterally with, or to the exclusion of, its own exercise of those powers authorities and directors, and may from time to time revoke or vary all or any of such powers/authorities and discretions but no person dealing in good faith and without notice of any such revocation or variation shall be affected by such revocation or variation.

**76. Committees of the Board**

76.1 The Board may delegate any of its powers, authorities and discretion to committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit. Any committee so formed shall, in the exercise of the powers, authorities and discretion so delegated, conform to any regulations which may be imposed on it by the Board. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that:

76.1.1 the number of members of any committee who are not members of the Board shall be less than one half of the total number of members of that committee; and

76.1.2 no resolution of any committee shall be effective unless a majority of the members of the committee present at the meeting at which the resolution is passed are members of the Board; and

76.1.3 the chairman of each committee shall be a Director and in the case of any equality of votes the chairman of the committee shall have a second or casting vote.

76.2 The meetings and proceedings of any committee consisting of 2 or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under Articles 187 and 188.

**77. Local boards**

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 such local boards, or any 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, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies in the local board and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed by the local board, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected by such revocation or variation.

**78. Power of attorney**

The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such periods and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of the persons dealing with any such attorney as the Board may think fit. In particular, without limitation, the Board may grant the power to sub-delegate and may retain or exclude the right of the Board to exercise the delegated powers, authorities or discretion's collaterally with the agent. The Board may at any time revoke or alter the terms and conditions of the appointment or delegation.

**79. Divisional directors**

79.1 The Board may appoint any person or manager as a divisional director or with such other title as the Board may from time to time determine. Any such divisional director shall not be or be deemed to be a Director within the meaning of the Companies Acts or these Articles. The appointment and remuneration (if any) of any divisional director shall be determined by the Board with full powers to make such arrangements as the Board may think fit. For the avoidance of doubt the Board shall have the right to enter into any contract on behalf of the Company or transact any business of any description without the knowledge and approval of the divisional directors excepting that no act shall be done that would impose any personal liability on any or all of the divisional directors except with his or their knowledge or consent.

79.2 No divisional director shall be entitled to attend or be present at or to receive notice of any meeting of the Board or of any committee but the Board shall be at liberty at any time to request a divisional director to attend any meeting of the Board or a committee of the Board but divisional directors present at such meetings shall not be counted in the quorum and shall not be entitled to vote at any such meeting.

79.3 The appointment of a person to be a divisional director shall not (unless otherwise agreed between him and the Company) affect the terms and conditions of his employment (if any) by the Company whether as regards duties, remuneration, pension or otherwise and he shall cease to be a divisional director if he resigns as such or (as the case may be) in the event of his ceasing to be in employment of the Company or an associated company or in the event of his being removed as a divisional director by a resolution of the Board provided that termination of any such

an appointment shall not of itself affect the terms and conditions of his employment (if any) by the Company.

79.4 Subject to the provisions of the Companies Acts, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such regulations as it may think fit respecting the keeping of any such register.

**80. Records of Board proceedings**

The Board shall cause minutes or records to be made in books provided for the purpose:

80.1.1 of all appointments of officers made by the Board;

80.1.2 of the names of the Directors present at each meeting of the Board or of a committee of the Board; and

80.1.3 of all resolutions and proceedings at all meetings of the Company, of the holders of any class or classes of shares in the Company and of the Board and of any committee of the Board.

**81. Pensions and other benefits**

The Board on behalf of the Company may, subject to the provisions of the Companies Acts, exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any Director or former Director or the relations, connections or dependants of any Director or former Director, provided that no pension, annuity or other allowance or benefit (except such as may be provided for by 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 such a Director or former Director without the approval of an ordinary resolution of the Company. A Director or former Director shall not be accountable to the Company or the Members for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

**82. Provision for employees**

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

**PROCEEDINGS OF THE BOARD**

**83. Regulation of Board meetings**

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

**84. Convening Board meetings**

One Director may, and the Secretary shall at the request of a Director, convene a Board meeting at any time on reasonable notice.

**85. Notice of Board meetings**

Notice of a Board meeting shall be regarded as having been properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director may waive notice of any meeting either prospectively or retrospectively provided that for the purpose of determining the validity of any business conducted at any meeting no retrospective waiver given more than 7 days after the date of the start of the meeting shall be effective. If no request in writing is made, it is not necessary to give notice of a Board meeting to a Director who is absent from the United Kingdom.

**86. Quorum for Board meetings**

86.1 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be 2. A person who is an alternate Director but not also a Director shall be counted in the quorum if his appointor is not present. Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of that Board meeting if no other Director objects and if a quorum of Directors would not otherwise be present.

86.2 The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, 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, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or for convening general meetings of the Company but not for any other purpose. If there are no Directors able or willing to act, then any 2 Members may convene a general meeting for the purpose of appointing Directors.

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

**87. Chairman of the Board**

The Board may appoint a member of its body as chairman and may appoint one or more deputy chairmen of its meetings and determine the period for which any person is to hold such office. If no such chairman or deputy chairman is elected, or if at any meeting neither the chairman nor any deputy chairman is present within 5 minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting. If two or more deputy chairmen are present, the senior of them shall act as chairman, seniority being determined by length of office since their last appointment or reappointment or deemed reappointment. As between 2 or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by those directors and alternate directors (in the absence of their appointors) present. A chairman or deputy chairman may be an Executive Director or hold employment with the Company.

**88. Committees of the Board**

Each and every power, authority or discretion under these Articles vested in the Board may be delegated by the Board to a committee in accordance with the provisions of Article 76 and no such power, authority or discretion shall be regarded as being incapable of delegation to such a committee.

**89. Voting at a Board meeting**

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

**90. Participation in Board meetings by telephone**

Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or a similar form of communication equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in the quorum and be entitled to vote. Subject to the Companies Acts, all business transacted in this way by the Board or by a committee of the Board is for the purposes of these Articles deemed to be validly and effectively transacted at a meeting of the Board or of a committee of the Board although fewer than 2 Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting then is.

**91. Written resolutions of the Directors**

A resolution in writing signed by all the Directors (or their duly appointed alternates) for the time being entitled to receive notice of a meeting of the Board (provided that number is sufficient to constitute a quorum) or by all the members of a committee of the Board for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of that committee duly called and constituted. Any such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned. Signature of any such resolution may be evidenced by facsimile transmission. Any such resolution if signed by a Director need not be signed by his alternate and to be effective, need not be signed by a Director who is prevented by these Articles from voting on the relevant matter.

**92. Irregularity in Board proceedings**

All acts done by the Board or by any committee of it or by any person acting as a Director or as a member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or of that committee or of the person acting as a Director or as a member of that committee or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been properly appointed and was qualified and had continued to be a Director or a member of that committee and had been entitled to vote.

## **BORROWINGS**

### **93. Borrowing powers**

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company.

94. The Board may exercise all the powers of the Company to create and 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.

## **SECRETARY**

95. Subject to the provisions of the Companies Acts, the Secretary or joint Secretaries shall be appointed by the Board for such a period, for such remuneration and on such conditions as it may think fit and any Secretary so appointed may be removed by the Board.

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

## **AUTHENTICATION OF DOCUMENTS**

97. Any Director or the Secretary or any persons appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the holders of any class of shares of the Company or the Board or any committee of the Board and any books, records, documents and accounts relating to the business of the Company and certify copies thereof or extracts therefrom as true copies or extracts. A document purporting to be a copy or production or the minutes of or an extract from the minutes of a meeting of the Company or the holders of any class of shares of the Company or of the Board or any committee of the Board that is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

## **SEALS**

98. The Board shall provide for the safe custody of every Seal. The Board may decide who will sign an instrument to which a Seal is affixed (or, in the case of a share certificate, on which the Seal may be printed) either generally or in relation to a particular instrument or type of instrument. The Board may also decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means. Unless otherwise decided by the Board:

- 98.1 share certificates and certificates issued in respect of debentures or other securities (subject to the provisions of the relevant instrument) need not be signed or, if signed, a signature may be applied by mechanical or other means or may be printed; and
- 98.2 every other instrument to which a Seal is affixed shall be signed by one Director and by the Secretary or a second Director.

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

## **DIVIDENDS AND OTHER PAYMENTS**

### **100. Dividends to be declared by Members**

- 100.1 Subject to the provisions of Companies Acts and these Articles, the Members may by ordinary resolution declare dividends to be paid to the Members according to their rights and interests in the profits available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board.

### **101. Entitlement to dividends**

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

- 101.1 all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on that share; and
- 101.2 all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly;

### **102. Power of Board to pay interim dividends**

Subject to the provisions of the Companies Acts, the Board may declare and pay such interim dividends (including, without limitation, a dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares with preferred rights, unless at the time of payment a preferential dividend is in arrears. If the Board acts in good faith, it does not incur any liability to the holders of shares conferring preferred rights for a loss they may suffer by the lawful payment of an interim dividend on shares ranking after those with preferred rights.

### **103. Amounts due from Members may be deducted from dividends**

The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.

### **104. Dividends due to persons automatically entitled to shares by law**

The Board may retain the dividends payable on or in respect of shares which any person is entitled to by transmission of shares or that any person is under those provisions entitled to transfer until that person becomes a Member in respect of those shares or transfers the same.

105. **No interest on dividends**

Subject to the terms on which any share was issued, no dividend or other money payable by the Company on or in respect of any share shall bear interest against the Company.

106. **Payment of dividends**

106.1 The Company may pay any dividend, interest or other amount payable in respect of a share:

106.1.1 in cash; or

106.1.2 by cheque, warrant or money order made payable to or to the order of the person entitled to the payment (and may, at the Company's option, be crossed "account payee" where appropriate); or

106.1.3 by a bank or other funds transfer system to an account designated in writing by the person entitled to the payment; or

106.1.4 by means of CREST in respect of an uncertificated share; or

106.1.5 by such other method as the person entitled to the payment may in writing direct.

106.2 Any cheque, warrant or money order will be sent by post addressed to the holder at his registered address

107. **Dividends due to joint holders**

Where a share is held jointly or 2 or more persons are jointly entitled by transmission to a share the Company shall pay any dividend, interest or other amount payable in respect of that share to the joint holder whose name appears first in the register in respect of that share, or to any one person entitled by transmission to the share, and in either case that holder or person may give an effective receipt for the payment.

108. **Dividends not received**

Every cheque, warrant or money order sent by post is sent at the risk of the person entitled to the payment. If payment is made by bank or other funds transfer, by means of CREST or by another method at the direction of the person entitled to the payment, the Company is not responsible for amounts lost or delayed in the course of making that payment.

109. **Uncashed dividends**

If, in respect of a dividend or other amount payable in respect of a share, on any one occasion:

109.1 a cheque, warrant or money order is returned undelivered or left uncashed; or

109.2 a transfer made by a bank or other funds transfer system is not accepted

and reasonable enquiries have failed to establish another address or account of the person entitled to the payment the Company is not obliged to send or transfer a dividend or other amount payable in respect of that share to that person until he notifies the Company of an address or account to be used for that purpose. If the cheque, warrant or money order is returned undelivered or left uncashed or transfer not accepted on two consecutive occasions, the Company may exercise this power without making any such enquiries.

#### **110. Forfeiture of dividends**

Any dividend unclaimed after 12 years from the date that such dividend became due for payment shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a share into a separate account shall not make the Company a trustee in respect of it.

#### **111. Dividends in specie**

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

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

#### **112. Capitalisation of reserves**

Subject to the provisions of the Companies Acts and to the rights attaching to any existing shares, the Board may, with the authority of an ordinary resolution:

- 112.1 resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account) whether or not available for distribution;
- 112.2 appropriate the sum resolved to be capitalised to the Members in proportion to the nominal amount of the shares (whether or not fully paid) held by them and apply that sum on their behalf in or towards:
  - 112.2.1 paying up the amounts (if any) for the time being unpaid on shares held by them; or
  - 112.2.2 paying up in full unissued shares or debentures of a nominal amount equal to that sum; and
- 112.3 allot the shares or debentures, credited as fully paid, to the Members (or as they may direct) in those proportions, or partly in one way and partly in the other provided that:

- 112.3.1 the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to Members credited as fully paid; and
- 112.3.2 in a case where any sum is applied in paying up amounts for the time being unpaid on any shares or in paying up in full debentures, the amount of the net assets of the Company at that time is not less than the aggregate of the called up share capital of the Company and its undistributable reserves as shown in the latest audited accounts of the Company or such other accounts as may be relevant and would not be reduced below that amount by the payment of such sums;
- 112.4 resolve that any shares so allotted to any Member in respect of a holding by him of any partly paid shares shall, so long as those shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- 112.5 make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit of them for the Company rather than for the holders of shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- 112.6 authorise a person to enter (on behalf of all the Members concerned) into an agreement with the Company providing for either:
- 112.6.1 the allotment to the Members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation; or
- 112.6.2 the payment by the Company on behalf of the Members (by the application of their respective proportions of the reserves or profits resolved to be capitalised) of the amounts or any part of the amounts remaining unpaid on their existing shares,
- an agreement made under this authority being effective and binding on all those Members; and
- 112.7 generally do all acts and things required to give effect to any such ordinary resolution.

**113. Record dates**

Notwithstanding any other provision of these Articles, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and any such record date may be on or at any time before or after any date on which that dividend, distribution, allotment or issue is declared, paid or made.

**114. Scrip dividends**

- 114.1 Subject to the Companies Acts, the Board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares in either case credited as fully paid ("**new shares**") instead of cash in respect of all or part of a dividend or dividends specified by the ordinary resolution, subject to any exclusions, restrictions or other arrangements the Board may in its absolute

discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.

- 114.2 Where any such resolution is to be proposed at a general meeting and the resolution relates in whole or in part to a dividend to be declared at that meeting, the resolution declaring the dividend shall take effect at the end of that meeting.
- 114.3 Any such resolution may relate to a particular dividend or to all or any dividends declared or paid within a specified period, but that period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which the resolution is passed.
- 114.4 The Board shall determine the basis of allotment of new shares so that, as nearly as may be considered convenient without involving the rounding up of fractions, the value of the new shares (including a fractional entitlement) to be allotted (calculated by reference to the average quotation, or the nominal value of the new shares, if greater) equals (disregarding an associated tax credit) the amount of the dividend which would otherwise have been received by the holder (the "relevant dividend"). For this purpose the "average quotation" of each of the new shares is the average of the middle-market quotations for a fully-paid share of the Company of that class derived from the Daily Official List of the London Stock Exchange on the business day on which the relevant class of shares is first quoted "ex" the relevant dividend (or such other date as the Board may deem appropriate to take account of any subsequent issue of shares by the Company) and the 4 subsequent dealings days or shall be as determined in such other manner as the Board may determine and which it considers to be fair and reasonable. A certificate by the Auditors as to the amount of the relevant dividend shall be conclusive evidence of that amount.
- 114.5 The Board may make any provision it considers appropriate in relation to an allotment made or to be made pursuant to this Article 114 (whether before or after the passing of the resolution under Article 114.1) including, without limitation:
- 114.5.1 the giving of notice to holders of the right of election offered to them;
  - 114.5.2 the provision of forms of election (whether in respect of a particular dividend or dividends generally);
  - 114.5.3 determination of the procedure for making and revoking elections;
  - 114.5.4 the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective; and
  - 114.5.5 the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the holders concerned).
- 114.6 The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made (the "elected shares"); instead new shares are allotted to the holders of the elected shares on the basis of allotment calculated in accordance with the provisions of Article 114.4. For that purpose, the Board may resolve to capitalise out of amounts standing to the credit of the Company's reserves (including its share premium account, capital redemption reserve and profit and loss account), whether

or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the Board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to Article 112. In relation to the capitalisation the Board may exercise all the powers conferred on it by Article 112 without an ordinary resolution of the Company.

- 114.7 The new shares shall rank *pari passu* in all respects with each other and with the fully-paid shares of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date.
- 114.8 The Board may terminate, suspend or amend any offer of the right to receive new shares in lieu of a cash dividend at any time.

## **RECORDS**

### **115. Form of records**

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

### **116. Accounting records**

- 116.1 The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions in accordance with the requirements of the Companies Acts.
- 116.2 The accounting records shall be kept at the Office or, subject to the Companies Acts, at such other place or places as the Board may think fit and shall always be open to inspection by the officers of the Company. No Member (other than an officer of the Company) shall have any right to inspect any accounting record or book or document of the Company except as conferred by law or authorised by the Board.
- 116.3 A printed copy of every balance sheet and profit and loss account together with the report of the Board on them and including every other document required by law to be annexed to them, which is to be laid before the Company in general meeting, together with a copy of the Auditors' report, shall be sent to each person entitled to them at least 21 days before the date of the meeting in accordance with the requirements of the Companies Acts. The Company need not, if the Board so decides, send copies of the documents referred to in this Article to Members but may, instead, send them a summary financial statement derived from the Company's balance sheet and profit and loss account and the report of the Board on them, in such form and containing such information as may be required by the Companies Acts provided that copies of the documents referred to in this Article shall be sent to any Member who wishes to receive them and the Company shall comply with the provisions of the Companies Acts as to the manner in which it is to ascertain whether a Member wishes to receive them.

## AUDIT

117. Auditors shall be appointed and their duties regulated in accordance with the Companies Acts.

## NOTICES

### 118. Notices to be in writing

Any notice to be given to or by any person in accordance with the provisions of these Articles shall be in writing, except that a notice convening a Board meeting or a meeting of a committee of the Board need not be in writing.

### 119. Service of notice on members

119.1 The Company may give any notice or document (including a share certificate) to a Member, either personally or by sending it by post or other delivery service in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address or by any other means authorised in writing by the Member concerned. In the case of a Member registered on an overseas branch register any such notice or document may be posted either in the United Kingdom or in the territory in which that branch register is maintained.

119.2 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register in respect of the joint holding. Any notice so given shall be sufficient notice to all the joint holders.

119.3 Where a Member (or, in the case of joint holders, the person first named in the register) has a registered address outside the United Kingdom but has notified the Company of an address within the United Kingdom at which notices or other documents may be given to him, he shall be entitled to have notices given to him at that address; but otherwise no such Member shall be entitled to receive any notice or document from the Company.

119.4 If on 3 consecutive occasions notices or other documents have been sent through the post to any Member at his registered address or his address for the service of notices but have been returned undelivered, that Member shall not subsequently be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or an address within the United Kingdom for the service of notices.

### 120. Notice in case of death, bankruptcy or mental disorder

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

## **121. Evidence of service**

121.1 Any Member present, in person or by proxy, at any meeting of the Company or of the holders of any class of shares of the Company shall be deemed to have received due notice of that meeting, and of the purposes for which that meeting was called.

121.2 Any notice, certificate or other document, addressed to a Member at his registered address or address for service in the United Kingdom shall, if sent by post, be deemed to have been served or delivered on the day after the day when it was put in the post (or, where second-class mail is employed, on the second day after the day when it was put in the post). Proof that an envelope containing the notice, certificate or document was properly addressed and put into the post as a prepaid letter shall be conclusive evidence that the notice was given. Any notice, certificate or other document not sent by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day on which it was so delivered or left.

## **122. Notice binding on transferees**

Every person who, by operation of law, transfers or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice given by the Company under section 212 of the Companies Act 1985) which, before his name is entered in the register, has been duly given to a person from whom he derives his title.

## **123. Notice by advertisement**

Any notice to be given by the Company to the Members or any of them, and not otherwise provided for by these Articles, shall be sufficiently given if it is given by advertisement in at least one national daily newspaper published in the United Kingdom and, where the Company keeps an overseas branch register, in at least one daily newspaper published in the territory in which any such register is maintained. Any notice given by advertisement shall be deemed to have been served at noon on the day on which the advertisement first appears.

## **124. Suspension of postal services**

If at any time by reason of the threat of or of the suspension, interruption or curtailment of postal services within the United Kingdom the Company is or would be unable effectively to convene a general meeting or class meeting by notices sent through the post, a general meeting or class meeting may be convened by a notice advertised in at least one national daily newspaper with appropriate circulation and, where the Company keeps an overseas branch register, in at least one daily newspaper published in the territory in which that register is maintained. Any such notice shall be deemed to have been duly served on all members entitled to it at noon on the day on which the first of such advertisements appears. In any such case the Company shall send confirmatory copies of the notice by post if at least 7 days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

## **UNTRACED MEMBERS**

## **125. No obligation to correspond with untraced Members**

When the registered address of any Member appears to the Board to be incorrect or out of date that Member may, if the Board so resolves, be treated as if he had no registered address and the Company will not subsequently be obliged to send to that Member cheques, warrants, notices of meetings or copies of the documents referred to in Article 225 or any of them; provided that no such resolution shall be proposed by the Board until cheques or warrants sent to the registered address of that Member have been returned by the Post Office or left uncashed on at least 2 consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish any new address for that Member.

**126. Power to sell shares held by untraced Members**

126.1 The Company shall be entitled to sell at the best price reasonably obtainable any share of a Member or any share to which a person is entitled by transmission if and provided that:

126.1.1 for a period of 12 years in the course of which at least 3 dividends have become payable in respect of the share in question, no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the Member or to the person entitled by transmission to the share at his address on the register or the other last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person entitled by transmission; and

126.1.2 following the end of the period of 12 years the Company has given notice of its intention to sell that share by advertisement in both a leading national newspaper and in a newspaper circulating in the area of the address on the register or other last known address of the Member or the person entitled by transmission to the share; and

126.1.3 for a further period of 3 months after the date of the last advertisement and prior to the exercise of the power of sale the Company has not received any communication from the Member or person entitled to the share by transmission; and

126.1.4 the Company has first given notice in writing to the London Stock Exchange of its intention to sell that share if the share is of a class listed on the London Stock Exchange.

126.2 In addition to the power of sale conferred by this Article, if during the relevant period or a further period ending on the date when all the requirements of this Article have been satisfied an additional share has been allotted or issued in right of that held at the beginning of, or previously so allotted or issued during, those periods and all the requirements of this Article have been satisfied in respect of the additional share, the Company is entitled to sell the additional share.

126.3 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of any such share and any such instrument of transfer shall be as effective as if it had been executed by the registered holder of or the person entitled by transmission to that share. The Company shall account to the Member or other person entitled to that share for the net proceeds of sale and shall

be deemed to be his debtor and not a trustee for him in respect of those proceeds. Any money not accounted for to the Member or any other person entitled to that share shall be carried to a separate account and shall be a permanent debt of the Company. Money carried to such a separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity or invalidity in the proceedings connected with the sale of the share.

### **DESTRUCTION OF DOCUMENTS**

127. The Company may destroy:
- 127.1.1 any share certificate which has been cancelled, at any time after the expiry of one year from the date of such cancellation;
  - 127.1.2 any dividend mandate or any variation or cancellation of it or any notification of change of name or address, at any time after the expiry of 2 years from the date such mandate, variation, cancellation or notification was recorded by the Company;
  - 127.1.3 any instrument of transfer of shares which has been registered, at any time after the expiry of 6 years from the date of registration; and
  - 127.1.4 any other document on the basis of which any entry in the register is made, at any time after the expiry of 6 years from the date an entry in the register was first made in respect of it.
128. It shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed in accordance with the provisions of this Article was a valid and effective document in accordance with the recorded particulars of it in the books or records of the Company, provided always that:
- 128.1.1 the provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
  - 128.1.2 nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as specified in this Article or in any case where the conditions of this Article are not fulfilled; and
  - 128.1.3 references in this Article to the destruction of any document include references to its disposal in any manner.

### **WINDING-UP**

129. **Power of the Board to wind up the Company**

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

**130. Division of assets**

Subject to the rights attaching to any shares issued on any special terms and conditions, on a return of assets on a winding up or otherwise, the surplus assets of the Company after the discharge of its liabilities shall belong to and be distributed amongst the holders of shares in proportion to the number of such shares held by them respectively after deducting in respect of any ordinary share not fully paid up the amount remaining unpaid on it (whether or not then payable).

**131. Distribution in specie**

If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the Members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of Members. Any such division may be otherwise than in accordance with the existing rights of the Members, but if any division is resolved otherwise than in accordance with such rights, the Members shall have the same right of dissent and consequential rights as if that resolution were a special resolution passed pursuant to section 110 of the Insolvency Act 1986. The liquidator may, with the like sanction, vest the whole or any part of the whole of the assets in trustees on such trusts for the benefit of the Members as he with the like sanction shall determine, but no Member shall be compelled to accept any assets on which there is a liability.

**132. Transfer or sale under section 110 Insolvency Act 1986**

A special resolution sanctioning a transfer or sale to another company duly passed pursuant to section 110 of the Insolvency Act 1986 may in the like manner authorise the distribution of any shares or other consideration receivable by the liquidator among the Members otherwise than in accordance with their existing rights, and any such determination shall be binding on all the Members, subject to the right of dissent and consequential rights conferred by that section.

**INDEMNITY**

133. Subject to the provisions of the Companies Acts, every Director, alternate Director, Secretary, manager, officer and Auditor of the Company shall be entitled to be indemnified out of the funds of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, whether civil or criminal, which relate to:

133.1 proceedings (whether civil or criminal) in which judgement is given in his favour or in which he is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his part; or

133.2 in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

134. The Board, on behalf of the Company, may exercise all the powers of the Company to purchase and maintain insurance for the benefit of:

134.1 a Director, alternate Director, Secretary, manager, officer or Auditor of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect); or

134.2 trustee of a retirement benefits scheme or other trust in which a person referred to in (a) above is or has been interested,

indemnifying him against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.

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**Name, Address and Description of Subscribers**

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for and on behalf of  
TLAW Secretaries Limited  
Beshoffs Solicitors  
3<sup>rd</sup> Floor Office  
83 Marylebone High Street  
London W1U 4QW

John Merfyn Roberts  
Four Farrundells House  
Boughton Hall Avenue  
Send, Woking  
Surrey GU23 7DD

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**DATED** this 12 day of January 2005

**WITNESS TO THE ABOVE SIGNATURE on behalf of TLAW Secretaries Limited**

Name: Gemma Bryan  
Occupation: Secretary  
Address: 6 Severns Field, Epping, Essex, CM16 5AP

**WITNESS TO THE ABOVE SIGNATURE of John Merfyn Roberts**

Name: Annie Richards  
Occupation: Officer  
Address: Glenmore, Thames Street, Weybridge, Surrey, KT13 8JP