

NO. SC008349



**COMPANIES ACTS 1985 TO 2006**

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**A PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**LOW & BONAR PUBLIC LIMITED COMPANY**

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Incorporated the 10<sup>th</sup> day of August 1912

Approved by shareholders of the Company on 13 April 2018

Adopted by the board of the Company on 13 April 2018



**FRESHFIELDS BRUCKHAUS DERINGER**

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## PRELIMINARY

### 1. TABLE A NOT TO APPLY

The regulations in Table A in The Companies (Tables A to F) Regulations 1985 and in any Table A applicable to the Company under any former enactment relating to companies shall not apply to the Company and these Articles shall be the regulations for the management of the Company.

### 2. INTERPRETATION

2.1 In these Articles, except where the subject or context requires otherwise:.

**address** includes any postal address or any number or address used for the purposes of sending or receiving documents or information by electronic means;

**clear days** in relation to the sending of a notice means the period excluding the day on which a notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**Companies Acts** has the meaning given by section 2 of the Companies Act 2006;

**CREST Regulations** means the Uncertificated Securities Regulations 2001;

**Deferred Shares** means the deferred shares of 20 pence each in the capital of the Company;

**dividend** means dividend and/or bonus;

**electronic copy, electronic form and electronic means** have the meanings given to them by section 1168 of the Companies Act 2006;

**entitled by transmission** means, in relation to a share in the capital of the Company, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law;

**Executive Director** means a director who is the holder of any executive office with the Company (including, if the directors shall designate it to be such, the executive office of chairman or deputy chairman) or who is an employee of the Company required to devote the whole or substantially the whole of his time to such office or employment;

**hard copy and hard copy form** have the meanings given to them by section 1168 of the Companies Act 2006;

**month** means Calendar month;

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

**Operator** means CRESTCo Limited or such other person as may for the time being be approved by H M Treasury as Operator under the CREST Regulations;

**paid** means paid or credited as paid;

**paid-up** means paid-up or credited as paid-up;

**participating security** means a security, title to units of which is permitted by the Operator to be transferred by means of a relevant system;

**relevant system** means a computer based system, and procedures, which enable title to units of a security to be evidenced and transferred without a written instrument pursuant to the CREST Regulations;

**Seal** means the Common Seal of the Company;

**Securities Seal** means an official seal kept by the Company by virtue of section 39 or 40 of Companies Act 1985;

**subsidiary** means a company which is for the time being a subsidiary of the Company as that expression is defined by section 258 of the Companies Act 1985;

**these Articles** means these Articles of Association as from time to time altered by special resolution;

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

**Transfer Office** means the place where the Register of Members is situate for the time being;

**uncertificated share** means (subject to Regulation 42(11)(a) of the CREST Regulations) a share in the capital of the Company title to which is recorded on the Operator register of members of the Company and which may, by virtue of the CREST Regulations, be transferred by means of a relevant system and references in these Articles to a share being held in uncertificated form shall be construed accordingly;

**working day** has the meaning given by section 1173 of the Companies Act 2006;

**year** means Calendar year.

2.2 References to a document or information being **sent, supplied or given** to or by a person mean such document or information, or a copy of such document or information, being sent, supplied, given, delivered, issued or made available to or by, or served on or by, or deposited with or by that

person by any method authorised by these Articles, and **sending, supplying** and **giving** shall be construed accordingly.

2.3 References to **writing** mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether in electronic form or otherwise, and **written** shall be construed accordingly.

2.4 The expression **show of hands** shall include any form of voting including an electronic communication save to the extent restricted by the Companies Acts or the directors.

2.5 All such of the provisions of these Articles as are applicable to paid-up shares shall apply to stock and the words **share** and **shareholder** shall be construed accordingly; any references to stock which shall have been reconverted into shares shall be construed as referring to such shares.

2.6 The expressions debenture and debenture holder shall respectively include **debenture stock** and **debenture stockholder, loan stock** and **loan stockholder**.

2.7 The expression **employees' share scheme** shall bear the meaning ascribed to it by Section 783 of the Companies Act 1985.

2.8 The expressions **recognised clearing house** and **recognised investment exchange** shall mean any clearing house or investment exchange (as the case may be) granted recognition under the Financial Services and Markets Act 2000.

2.9 The expression **Secretary** shall include a deputy, assistant or temporary Secretary and any person appointed by the directors to perform any of the duties of the Secretary and, where two or more persons are appointed to act as Joint Secretaries, shall include any one of those persons.

2.10 Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.

2.11 References to any statute or statutory provisions shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

2.12 References to a share (or to a holding of shares) being in certificated or uncertificated form are references, respectively, to that share being a certificate or uncertificated unit of a security for the purposes of the CREST Regulations.

2.13 Save as aforesaid, any words or expressions defined in the Companies Acts in force at the date when these Articles are adopted shall (if not

inconsistent with the subject or context) bear the same meaning in these Articles.

2.14 A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.

2.15 The headings hereto are inserted for convenience only and shall not affect the interpretation of these Articles.

## II

### SHARE CAPITAL AND RIGHTS

#### A. GENERAL

#### 3. SHARE CAPITAL

3.1 The authorised share capital of the Company at the close of business on 11 March 2009 is £57,024,477.95 divided into £100,000 6 per cent. First Cumulative Preference Stock\*, £100,000 6 per cent. Second Cumulative Preference Stock\*, £200,000 5 ½ per cent. Third Cumulative Preference Stock\*, 514,204,951 Ordinary Shares of five pence each and an amount of Deferred Shares of 20 pence each equal to the number of Ordinary Shares in issue at the close of business on 11 March 2009.<sup>1</sup>

*\*By virtue of Section 46 of the Finance Act 1976, the amount of dividend receivable by the holders of 6 per cent. First Cumulative Preference Stock, 6 per cent. Second Cumulative Preference Stock and 5 ½ per cent. Third Cumulative Preference Stock is respectively 4.2 per cent., 4.2 per cent. and 3.85 per cent plus tax credit in each case.*

3.2 The respective rights attaching to the different classes of Preference Stock and Ordinary Shares shall be as follows:

(a) Rights as to income

*As regards income.* The profits which the Company may determine to distribute in respect of any financial year or other period for which its accounts are made up shall be applied, in the first place, in paying to the holders of the First Cumulative Preference Stock a fixed cumulative preferential dividend at the rate of 6 per cent., per annum: in the second place, in paying to the holders of the Second Cumulative Preference Stock a fixed cumulative preferential dividend at the rate of 6 per cent., per annum: and, in the third place, in paying to the holders of the Third Cumulative Preference Stock a fixed cumulative preferential dividend at the rate of 5½ per cent. per annum, and,

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<sup>1</sup> The number of Ordinary Shares in issue at close of business on 11 March 2009 is 154,571,152.

subject to any special rights which may be attached to any shares hereafter created or issued, the balance of the said profits shall be distributed among the holders of the Ordinary Shares.

(b) Rights as to capital

*As regards capital.* On a return of assets on liquidation or otherwise, the assets of the Company available for distribution among the members shall be applied, in the first place, in repaying to the holders of the First Cumulative Preference Stock the sum of £1 for each £1 of such stock held (together with a sum equal to any arrears or deficiency of the fixed dividend thereon to be calculated down to the date of the return of capital): in the second place, in repaying to the holders of the Second Cumulative Preference Stock the sum of £1 for each £1 of such stock held (together with a sum equal to any arrears or deficiency of the fixed dividend thereon to be calculated down to the date of the return of capital): and, in the third place, in repaying to the holders of the Third Cumulative Preference Stock the sum of £1 for each £1 of such stock held (together with a sum equal to any arrears or deficiency of the fixed dividend thereon to be calculated down to the date of the return of capital), and, subject to any special rights which may be attached to any shares hereafter created or issued, the balance shall belong to and be distributed among the holders of the Ordinary Shares.

(c) Prior-ranking capital of United Kingdom subsidiaries

*As regards prior-ranking capital of any United Kingdom subsidiary of the Company.* Except with the same sanctions or consents of the holders of the 6 per cent. First Cumulative Preference Stock, of the 6 per cent. Second Cumulative Preference Stock and of the 5½ per cent. Third Cumulative Preference Stock for the time being in issue as would be requisite to give effect to any variation of the rights attaching to such stocks (such sanctions or consents to be given as if such classes of stock were for this purpose separate classes of stock), no share in the capital of any United Kingdom subsidiary of the Company ranking in priority as to dividend or capital to the ordinary or voting shares of any such United Kingdom subsidiary of the Company shall be issued or transferred except to the Company or to another United Kingdom subsidiary of the Company and the Company shall exercise all voting and other rights and powers of control exercisable by the Company in relation to its United Kingdom subsidiaries so as to secure that no such issue or transfer shall (except as aforesaid) occur without such prior sanctions or consents as aforesaid. In this Article the expression **United Kingdom subsidiary** shall mean any subsidiary (i) incorporated in the United Kingdom and (ii) substantially the whole of whose business is carried on and substantially the whole of whose assets are situated within the United Kingdom.

3.3 The Deferred Shares shall have the rights, and shall be subject to the restrictions, set out in Articles 3.3(a) to 3.3(e) below:

- (a) A Deferred Share:
  - (i) does not entitle its holder to receive any dividend or other distribution;
  - (ii) does not entitle its holder to receive a share certificate in respect of the relevant shareholding, save as required by law;
  - (iii) does not entitle its holder to receive notice of, nor to attend, speak or vote at, any general meeting of the Company;
  - (iv) entitles its holder on a return of capital on a winding-up (but not otherwise) only to the repayment of the amount paid up on that share after payment of (i) the amounts entitled to be paid to holders of the £100,000 6 per cent. First Cumulative Preference Stock, £100,000 6 per cent. Second Cumulative Preference Stock and £200,000 5 ½ per cent. Third Cumulative Preference Stock in the share capital of the Company, as set out in Article 3.2, and (ii) the capital paid up on each ordinary share of five pence in the share capital of the Company and the further payment of £10,000,000 on each such ordinary share; and
  - (v) does not entitle its holder to any further participation in the capital, profits or assets of the Company.
- (b) The Deferred Shares shall not be capable of transfer at any time other than with the prior written consent of the directors of the Company.
- (c) The Company may at its option and is irrevocably authorised at any time after the creation of the Deferred Shares to:
  - (i) appoint any person to act on behalf of any holder of a Deferred Share, without obtaining the sanction of the holder, to transfer any or all of such shares held by such holder for nil consideration to any person appointed by the directors of the Company to be the custodian of such shares;
  - (ii) without obtaining the sanction of the holder, but subject to the statutes:
    - (A) purchase any or all of the Deferred Shares then in issue and to appoint any person to act on behalf of all holders of Deferred Shares to transfer and to execute a transfer of all the Deferred Shares to the Company for an aggregate consideration of one penny payable to one of the holders of Deferred Shares to be selected by lot (who

shall not be required to account to the holders of the other Deferred Shares in respect of such consideration); and

- (B) cancel any Deferred Share without making any payment to the holder.
- (d) Any offer by the Company to purchase the Deferred Shares may be made by the directors of the Company depositing at the registered office of the Company a notice addressed to such person as the directors shall have nominated on behalf of the holders of the Deferred Shares.
- (e) The rights attaching to the Deferred Shares shall not be, or be deemed to be, varied, abrogated or altered by:
  - (i) the creation or issue of any shares ranking in priority to the Deferred Shares;
  - (ii) the Company reducing its share capital;
  - (iii) the cancellation of any Deferred Share without any payment to the holder thereof; or
  - (iv) the redemption or purchase of any share, whether a Deferred Share or otherwise

and accordingly no consent thereto or sanction thereof by the holders of the Deferred Shares, or any of them, shall be required.

#### **4. ISSUE OF SHARES**

Subject to the provisions of Article 11 and without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by the next following Article), any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine (or, failing any such determination, as the directors may determine) and, subject as aforesaid and to the provisions of the Companies Acts, the Company may issue any shares which are, or at the option of the Company or of the holder thereof are to be liable, to be redeemed on such terms and in such manner as the Company, before the issue thereof, may by special resolution determine.

#### **B. VARIATION AND ABROGATION OF SHARE RIGHTS**

## **5. MANNER OF VARIATION OR ABROGATION OF SPECIAL RIGHTS OF ANY CLASS OF SHARES**

Subject to the provisions of the Companies Acts, whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated either with the consent in writing of the holders of three quarters in nominal value of the issued shares of the class, which consent shall be in hard copy form or in electronic form sent to such address (if any) for the time being specified by or on behalf of the Company for that purpose, or with the sanction of a special resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall, *mutatis mutandis*, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one third in nominal value of the issued shares of the class (but so that, if at any adjourned meeting a quorum as above defined is not present, any two holders of shares of the class present in person or by proxy shall be a quorum) and except also that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall, on a poll, have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes the special rights whereof are to be varied or abrogated.

## **6. CREATION OR ISSUE OF FURTHER SHARES**

6.1 The creation or issue of further shares ranking as regards participation in the profits or assets of the Company in any respect *pari passu* with the First Cumulative Preference Stock or with the Second Cumulative Preference Stock shall be deemed to be a variation of the special rights attached respectively to such stocks. The Company may from time to time create and issue preference shares ranking in all respects *pari passu* with the Third Cumulative Preference Stock but so that the aggregate amount in nominal value of all preference share capital for the time being issued shall not exceed the aggregate amount in nominal value of one half of the Ordinary Share Capital of the Company for the time being issued.

### **Effect on special rights**

6.2 Save as provided in this Article and in Article 3.2(c), the special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied or abrogated by the creation or issue of further shares ranking, as



regards participation in the profits or assets of the Company, in some or all respects *pari passu* therewith but in no respect in priority thereto.

### **C. INCREASE OF SHARE CAPITAL**

#### **7. POWER TO INCREASE CAPITAL**

The Company may from time to time (whether all the shares for the time being authorised shall have been issued or all of the shares for the time being issued shall have been called up or not) by ordinary resolution increase its capital by such sum, to be divided into new shares of such amounts, as the resolution shall prescribe.

#### **8. RIGHTS AND LIABILITIES ATTACHED TO NEW SHARES**

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

### **D. ALTERATION OF SHARE CAPITAL**

#### **9. ALTERATION OF SHARE CAPITAL**

9.1 The Company may by ordinary resolution:

(a) Power to consolidate shares.

Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:

(b) Power to sub-divide shares

Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Companies Acts) and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares:

(c) Power to cancel shares

Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled.

## **Settlement of consolidation difficulties**

9.2 Upon any consolidation of shares into shares of larger amount, the directors may settle any difficulty which may arise with regard thereto and, in particular, may, as between the holders of shares so consolidated, determine which shares are consolidated into each consolidated share and, in the case of any shares registered in the name of one holder (or joint holders) being consolidated with shares registered in the name of another holder (or joint holders), may make such arrangements for the allocation, acceptance or sale of the consolidated share or any fractions thereof and for the distribution of the net proceeds of any sale thereof as may be thought fit and, for the purpose of giving effect thereto, may appoint some person to transfer the consolidated share or any fractions thereof to the purchaser and to receive the purchase price thereof and any transfer executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity. So far as the Companies Acts allow, the directors may treat shares of a member in certificated form and in uncertificated form as separate holdings in giving effect to sub-divisions and/or consolidations and may cause any shares arising on consolidation or sub-division and representing fractional entitlements to be entered in the Register of Members as shares in certificated form where this is desirable to facilitate the sale thereof.

## **10. POWER TO REDUCE CAPITAL**

Subject to the provisions of the Companies Acts, the Company may by special resolution reduce its authorised and issued share capital or any capital redemption reserve fund or share premium account or other undistributable reserve in any manner and with and subject to any confirmation or consent required by law.

### **III**

## **SHARES**

### **A. GENERAL**

## **11. SHARES AT DISPOSAL OF DIRECTORS**

Subject to the provisions of the Companies Acts relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto and of these Articles, all unissued shares (whether forming part of the original or any increased capital) shall be at the disposal of the directors and they may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and for such consideration and on such terms and conditions as they think proper.

## **12. POWER TO PAY COMMISSIONS AND BROKERAGE**

The Company may, in connection with the issue of any shares, exercise all the powers of paying commission and brokerage to the full extent conferred or permitted by the Companies Acts.

## **13. EXCLUSION OF TRUSTS ETC.**

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder. The Company shall, however, be entitled to register trustees (including trustees, judicial factors, official assignees or other officers appointed by any court of competent jurisdiction) and/or executors or administrators as such and to accept and act on the signatures and/or instructions of any of them.

## **14. POWER TO PURCHASE OWN SHARES**

Subject to the provisions of the Companies Acts, the Company is hereby authorised to purchase its own shares (including any redeemable shares or those of its holding company (if any)).

## **B. CERTIFICATES FOR SHARES AND OTHER SECURITIES**

### **15. EXECUTION OF CERTIFICATES**

15.1 Notwithstanding any other article or provision of these Articles, the directors may from time to time determine, either generally or in any particular case, the method by which any certificate issued by the Company in respect of the Company's shares, stock, debentures or other securities shall be authenticated or executed by or on behalf of the Company and, in particular:

- (a) the directors may dispense with the need to affix the common seal, or any official seal, of the Company to such certificate;
- (b) the directors may determine the manner, and by whom, any such certificate is to be signed, and may dispense with the need for such certificate to be signed and executed in any way;
- (c) the directors may permit the signature or a facsimile of the signature of any person to be applied to such certificate by any mechanical or electronic means in place of that person's actual signature,

and any certificate issued in accordance with the requirements of the directors shall, as against the Company, be *prima facie* evidence of the title of the

person named in that certificate to the shares, stock, debentures or other securities comprised in it.

## **16. ISSUE OF CERTIFICATES**

Every person whose name is entered as a member in the Register of Members shall be entitled without payment to receive, within one month after allotment or lodgment of transfer (or within such other period as the terms of issue shall provide), one certificate for all his shares of any one class or (upon payment of such reasonable sum, if any, for every certificate after the first as the directors shall from time to time determine) several certificates, each for one or more of his shares of any one class provided that, in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons shall be sufficient delivery to all. No certificate need be issued in respect of shares, debentures or other securities held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of whom the Company is not required by law to prepare and issue a certificate.

## **17. BALANCE CERTIFICATES**

Where a member (not being a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange as aforesaid) transfers part only of the shares comprised in a share certificate, the old certificate shall be cancelled and, to the extent that the balance is to be held in certificated form, a new certificate for the balance of such shares issued in lieu without charge.

## **18. REPLACEMENT SHARE CERTIFICATES**

18.1 If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of expenses of the Company in connection with the request as the directors may think fit.

18.2 Any two or more certificates representing shares of any one class held by any member may, at his request, be cancelled and a single new certificate for such shares issued in lieu without charge.

18.3 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the directors may, if they think fit, comply with such request.

18.4 In the case of shares held jointly by several persons, any request under this Article may be made by any one of the joint holders.

## **C. CALLS ON SHARES**

### **19. POWER TO MAKE CALLS**

The directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue. Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked wholly or in part and a time or times fixed for payment may be postponed as the directors may determine.

### **20. TIME OF CALL**

A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed and may be made payable by instalments.

### **21. LIABILITY OF JOINT HOLDERS**

The joint holders of a share shall be jointly and severally liable to pay all calls and instalments of calls in respect thereof.

### **22. INTEREST AND COSTS ON UNPAID CALL**

If a call or instalment thereof in respect of a share is not paid in full before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum outstanding from the day appointed for payment thereof to the time of actual payment at such reasonable rate as the directors determine and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of the non-payment of such call or instalment but the directors shall be at liberty in any case or cases to waive payment of such interest, costs, charges and expenses wholly or in part.

### **23. SUM DUE ON ALLOTMENT TO BE DEEMED A CALL**

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

23.2 Any sum paid up on any share of the Company issued otherwise than as fully paid-up (whether as to the nominal value of such share or any premium payable therefor) shall be appropriated in satisfaction of the outstanding nominal amount of such share and any premium therefor in the proportion which the nominal amount of such share bears to the premium at which such share was issued.

#### **24. POWER TO DIFFERENTIATE**

The directors 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 of such calls.

#### **25. PAYMENT IN ADVANCE OF CALLS**

The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys (whether on account of nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and, upon the money so received (until and to the extent that the same would but for such advance become payable), the directors may at their absolute discretion pay interest at such reasonable rate as the member paying such sum and the directors agree upon in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. No sum paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable. The directors may also at any time repay the amount so advanced upon giving to such member one month's notice in writing.

### **D. FORFEITURE OF AND LIEN ON SHARES**

#### **26. NOTICE REQUIRING PAYMENT OF CALL ETC. ON SHARE**

If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest thereon and costs, charges and expenses due in accordance with the provisions of Article 22.

#### **27. NOTICE TO STATE TIME AND PLACE FOR PAYMENT**

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

## **28. FORFEITURE OF SHARE ON NON-COMPLIANCE WITH NOTICE**

28.1 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments and interest and costs, charges and expenses due in respect thereof has been made, be forfeited by a resolution of the directors to that effect but, at any time before the sale, re-allotment or other disposal of the share as hereinafter provided, the forfeiture may be cancelled on such terms as the directors think fit. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture.

### **Notice of forfeiture**

28.2 Where any share has been forfeited, notice thereof shall forthwith be given to the person who was before forfeiture the holder thereof or entitled to the share by reason of the death or bankruptcy of such holder, as the case may be, but no forfeiture shall be in any way invalidated by any omission or neglect to give such notice of forfeiture.

### **Surrender in lieu of forfeiture**

28.3 The directors may accept a surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture shall include surrender.

## **29. SALE OF SHARE FORFEITED OR SURRENDERED**

29.1 Subject to the provisions of the Companies Acts, a share so forfeited or surrendered shall be deemed the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the directors shall think fit and whether with or without all or any part of any amount previously paid on the share being credited as paid-up. The directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

### **Redemption of forfeited or surrendered share**

29.2 Notwithstanding any such forfeiture or surrender as aforesaid, the directors may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of, permit the said share to be redeemed upon the terms of payment of all calls or instalments and interest and costs, charges and expenses due in respect thereof and upon any further, or upon any other, terms they may think fit.

**30. MEMBER'S RIGHTS AND LIABILITIES AS RESPECTS FORFEITED OR SURRENDERED SHARE**

A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall, notwithstanding the forfeiture or surrender, remain liable to pay to the Company all moneys which, at the date of forfeiture or surrender, were presently payable by him to the Company in respect of the shares with interest thereon, at such reasonable rate as the directors may determine, from the date of forfeiture or surrender until payment and, at their absolute discretion, the directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender and may waive payment of such interest either wholly or in part.

**31. COMPANY'S LIEN FOR MONEYS PAYABLE ON SHARES**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also, so far as permitted by the Companies Acts, have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a single member for all debts and liabilities of such member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends payable thereon. The directors may at any time (either generally or in any particular case or cases) waive any lien which has arisen and may resolve or agree that any share shall, for a limited period or otherwise, be (or be issued on terms that it is) exempt wholly or partially from the provisions of this Article.

**32. SALE OF SHARE SUBJECT TO LIEN**

The Company may sell in such manner as the directors think fit any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after notice in writing, stating and demanding payment of the sum presently payable and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

**33. APPLICATION OF PROCEEDS OF SALE**

The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are presently payable and any residue shall (subject to a like lien for debt or liability not presently payable as existed upon the share prior to the sale) be paid to the holder of



the share immediately before the sale. For giving effect to any such sale the directors may authorise some person to transfer the shares sold to the purchaser.

**34. TITLE TO FORFEITED OR SURRENDERED SHARE OR SHARE SOLD TO SATISFY LIEN**

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

34.2 Where a share has been forfeited and the certificate thereof is not delivered up to the Company, the directors may issue a new certificate for the share, distinguishing it as they think fit from the certificate not delivered up.

**E. SHARES OF UNTRACED MEMBERS**

**35. POWER TO SELL SHARES OF UNTRACED MEMBERS**

35.1 The Company shall be entitled to sell (at a price which the Company shall use its reasonable endeavours to ensure is the best obtainable) the shares of a member or the shares to which a person is entitled by means of transmission if and provided that:

- (a) during the period of not less than twelve years prior to the date of the publication of the advertisements referred to in paragraph (b) below all warrants and cheques sent by the Company through the post in a prepaid envelope addressed to the member at his registered address or to the person so entitled at the address shown in the Register of Members as his address have remained uncashed: and
- (b) the Company shall following the expiry of said period of twelve years have inserted advertisements both in a national daily newspaper published in the United Kingdom and in a newspaper circulating in the area of the said address giving notice of its intention to sell the said shares: and
- (c) during the said period of twelve years and the period of three months following the publication of the said advertisements (or, if published on

different dates, the first thereof) the Company has had no indication that such member or person can be traced: and

- (d) notice shall have been given to the London Stock Exchange of its intention to make such sale.

35.2 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such shares or any of them and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares. A statutory declaration in writing that the declarant is a director or Secretary of the Company and that a share has been duly sold on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company shall account to the member or other person entitled to such shares for the net proceeds of such sale and shall be deemed to be his debtor, and not a trustee for him, in respect of the same. Any moneys not accounted for to the member or other person entitled to such shares shall be carried to a separate account and shall be a permanent debt of the Company. Moneys carried to such separate accounts may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit.

35.3 In the case of shares in uncertificated form, the foregoing provisions of this Article are subject to any restrictions applicable under the CREST Regulations.

## **F. TRANSFER OF SHARES**

### **36. FORM OF TRANSFER OF SHARE**

36.1 Without prejudice to any power of the Company to register as shareholder a person to whom the right to any share has been transmitted by operation of law, all transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and, in the case of a share which is not a fully paid share, shall also be signed by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Register of Members in respect thereof.

36.2 Notwithstanding any other provision of these Articles, 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 and the directors shall have power to implement any arrangements they may think fit for such evidencing and transfer which accord with those regulations.

36.3 All transfers of shares which are in uncertificated form may be effected by means of a relevant system.

### **37. SUSPENSION OF REGISTRATION OF TRANSFERS**

Subject to the provisions of the Companies Acts, the registration of transfers may be suspended at such times and for such period as the directors may from time to time determine and either generally or in respect of any class of shares but the Register of Members shall not be closed for more than thirty days in any year, except that in respect of any shares which are participating securities, the Register shall not be closed without the consent of the Operator.

### **38. DIRECTORS' POWERS TO DECLINE TO REGISTER TRANSFER**

38.1 The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of a share which is not a fully paid share or is a share on which the Company has a lien; provided that the directors shall not refuse to register any transfer or renunciation of partly paid shares which are listed on the London Stock Exchange on the grounds that they are partly paid shares in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis. For the purposes of this Article, any partly paid share in respect of which the holder shall have advanced all of the moneys uncalled thereon pursuant to the provisions of Article 25 shall be deemed to be a fully paid share.

38.2 In the case of a transfer of shares in certificated form by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

#### **Deposit of transfers**

38.3 The directors may also decline to register any transfer unless:

- (a) the instrument of transfer is in respect of only one class of share, is duly stamped and is deposited at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do) but in the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgement of share certificates shall only be necessary if and to the extent that certificates have been issued to such recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of the shares in question; and

- (b) in the case of a transfer of shares (whether fully paid or not) to joint holders, the number of joint holders to whom the shares are transferred does not exceed four.

### **Notice of refusal to register transfer**

38.4 If the directors refuse to register a transfer, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

### **39. INSTRUMENT OF TRANSFER TO BE RETAINED**

All instruments of transfer which are registered shall (but subject to the provisions of Article 141) be retained by the Company save that any instrument of transfer which the directors may decline to register shall (except in any case of fraud) be returned to the person depositing the same.

### **40. NO FEE FOR REGISTRATION OF TRANSFERS ETC.**

No fee shall be charged by the Company in respect of the registration of any transfer, probate, letters of administration, certificate of marriage or death, power of attorney, order of court or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.

### **41. PRODUCTION AND DURATION OF POWERS OF ATTORNEY**

All powers of attorney granted by members for the purpose of exercising any right in connection with their shares or the transfer thereof which may be lodged with, produced or exhibited to the Company or any of its officers shall, as between the Company and the grantor of such powers, be taken and deemed to continue and remain in full force and effect until such time as express notice in writing of the revocation of the same shall have been given and lodged at the Office. The Company shall not be bound to allow the exercise of any act or matter by an attorney for a member unless the power of attorney or an office copy or notarially certified copy thereof be produced and registered with the Company.

### **42. RENUNCIATION OF ALLOTMENT**

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

## **G. TRANSMISSION OF SHARES**

### **43. TRANSMISSION OF SHARE ON DEATH**

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

### **44. REGISTRATION OF EXECUTORS AND TRUSTEES IN BANKRUPTCY**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, subject as hereinafter provided and upon supplying to the Company such evidence as the directors may reasonably require to show his title to the share, either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and to the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or transfer was a transfer executed by such member.

### **45. RIGHTS OF UNREGISTERED EXECUTORS AND TRUSTEES IN BANKRUPTCY**

A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall upon such evidence being produced as may from time to time be required by the directors as to his entitlement, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled, in respect of the share, to receive notice of or attend or vote at meetings of the Company or, save as aforesaid, to exercise, in respect of the share, any of the rights or privileges of a member until he shall have become registered as the holder thereof, provided always that the directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and that, if the notice is not complied with within sixty days, the directors may thereafter withhold payment of all dividends, bonuses and other moneys payable in respect of the share until the requirements of the notice have been complied with.

## IV

### STOCK

#### 46. POWERS TO CONVERT SHARES INTO STOCK AND TO RECONVERT STOCK

The Company may from time to time by ordinary resolution convert any paid-up shares into stock or reconvert any stock into paid-up shares of any denomination. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock, such further shares, upon being fully paid, shall, *ipso facto*, be converted into stock ranking *pari passu* in all respects with the existing stock of that class and transferable in the same units as that existing stock.

#### 47. TRANSFER OF STOCK

The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might, previously to conversion, have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (each not, without the sanction of an ordinary resolution of the Company, being greater than the nominal amount of each of the shares from which the stock arose) as the directors may from time to time determine.

#### 48. RIGHTS OF STOCKHOLDERS

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except as regards participation in the dividends and profits and, on a winding-up, in the assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

## V

### GENERAL MEETINGS

#### A. GENERAL

#### 49. ANNUAL GENERAL MEETINGS

The directors shall convene, and the Company shall hold, an Annual General Meeting in accordance with the requirements of the Companies Acts.

## **50. GENERAL MEETINGS**

The directors may, whenever they think fit, and shall on requisition in accordance with the Companies Acts, convene a General Meeting. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any director may convene a General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

### **B. NOTICE AND BUSINESS OF GENERAL MEETINGS**

## **51. NOTICE**

51.1 An Annual General Meeting shall be called by twenty-one clear days' notice at the least and any other General Meeting by fourteen clear days' notice at the least given in manner hereinafter mentioned to all members other than such as are not under the provisions of these Articles or under the terms of issue of the shares they hold entitled to receive such notices from the Company provided that the Company may determine that only those persons entered on the Register at the close of business on a day determined by the Company, such day being no more than twenty-one days before the day that notice of the meeting is sent provided also that a General Meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed :

- (a) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of a General Meeting, by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

The auditors are entitled to receive all notices of, and other communications relating to, any General Meeting which any member is entitled to receive.

### **Omission or non-receipt of notice or proxy instrument**

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

## **52. CONTENTS OF NOTICE**

52.1 Every notice calling a General Meeting shall specify the time, date and place of the meeting (including without limitation any satellite meeting place arranged for the purposes of Article 55, which shall be identified as such in the notice) and the general nature of the business to be dealt with, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and to speak and vote instead of him and that a proxy need not be a member of the Company.

52.2 In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

52.3 In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business and, if any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.

52.4 For the purposes of determining which persons are entitled to attend or vote at a General Meeting and how many votes such person may cast, the Company may specify in the notice of the General Meeting a time, not more than 48 hours before the time fixed for the General Meeting (which, if the directors so specify, shall be calculated taking no account of any part of a day which is not a working day), by which a person must be entered on the Register of Members in order to have the right to attend or vote at the meeting.

## **53. CIRCULATION OF MEMBER'S RESOLUTION AND STATEMENT**

The directors shall, on the requisition of members in accordance with the provisions of the Companies Acts, but subject as therein provided:

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

## **C. PROCEEDINGS AT GENERAL MEETINGS**

### **54. QUORUM**

No business shall be dealt with at any general meeting unless a quorum is present, but the absence of a quorum shall not preclude the choice or appointment of a chairman, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, two qualifying



persons present at a meeting and entitled to vote on the business to be dealt with are a quorum, unless:

- (a) each is a qualifying person only because he is authorised under the Companies Acts to act as a representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or
- (b) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

For the purposes of this Article, a “qualifying person” means (i) an individual who is a member of the Company, (ii) a person authorised under the Companies Acts to act as a representative of a corporation in relation to the meeting, or (iii) a person appointed as proxy of a member in relation to the meeting.

## **55. GENERAL MEETINGS AT MORE THAN ONE PLACE**

55.1 The board may resolve to enable persons entitled to attend a General Meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to vote at, the General Meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the general meeting is satisfied that adequate facilities are available throughout the General Meeting to ensure that members attending at all the meeting places are able to:

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

The chairman of the General Meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place.

## **56. CHAIRMAN**

The chairman of the directors, failing whom the deputy chairman, shall preside as chairman at a General Meeting. If there be no such chairman or deputy chairman, or if at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the directors present shall choose one of their number (or, if no director be present or if all the

directors present decline to take the chair, the members present shall elect one of their number) to be chairman of the meeting.

**57. ADJOURNMENT IF QUORUM NOT PRESENT**

If within five minutes from the time appointed for a General Meeting (or such longer time not exceeding one hour as the chairman of the meeting may think fit to allow) 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 and place (or, in the case of a meeting held at a principal meeting place and a satellite meeting place, such other places) as the chairman of the meeting may determine, and, if at such adjourned meeting a quorum is not present within five minutes from the time appointed for holding the meeting, the members present in person or by proxy shall, whatever the number of shares held by them, be a quorum.

**58. ADJOURNMENT WITH CONSENT OR UPON DIRECTION**

The chairman of any General Meeting at which a quorum is present may, with the consent of the meeting (and shall, if so directed by the meeting) adjourn the meeting from time to time or *sine die* and from place to place (or, in the case of a meeting held at a principal meeting place and a satellite meeting place, to such other places) but 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 *sine die*, the time and place (or, in the case of a meeting held at a principal meeting place and a satellite meeting place, the places) for the adjourned meeting shall be fixed by the directors.

**59. NOTICE OF ADJOURNED MEETING**

When a General Meeting is adjourned for ninety days or more, or *sine die*, not less than seven days' notice of the adjourned meeting shall be given in manner proper for an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**60. AMENDMENTS TO RESOLUTIONS**

If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

## **D. VOTING AT GENERAL MEETINGS**

### **61. VOTING BY SHOW OF HANDS**

61.1 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 (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of Article 62.

#### **Declaration by chairman of result**

61.2 Unless a poll be demanded in accordance with the provisions of Article 62 (and the demand be not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

### **62. DEMAND FOR POLL**

62.1 Before or on the declaration of the result of voting on a show of hands, a poll may be demanded by either:

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

62.2 No poll shall be demanded on the election of a chairman of the meeting or on a question of adjournment.

62.3 A demand for a poll may be withdrawn at any time before the conclusion of the meeting or before any adjournment thereof or before the taking of the poll, whichever is the earliest, and once withdrawn may not be repeated.

62.4 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.

62.5 The appointment of a proxy to vote on a matter at a meeting authorises the proxy to demand, or join in demanding, a poll on that matter. In applying the provisions of this Article, a demand by a proxy counts (i) for the purposes of paragraph 62.1(b) of this Article, as a demand by the member, (ii) for the purposes of paragraph 62.1(c) of this Article, as a demand by a member representing the voting rights that the proxy is authorised to exercise, and (iii) for the purposes of paragraph 62.1(d) of this Article, as a demand by a member holding the shares to which those rights are attached.

### **63. TIME FOR TAKING POLL**

A poll demanded in accordance with the provisions of Article 62 shall (unless the demand be withdrawn) be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. Unless the chairman otherwise directs, no notice need be given of a poll not taken immediately.

### **64. MANNER OF TAKING POLL**

A poll demanded in accordance with the provisions of Article 62 shall (unless the demand be withdrawn) be taken in such manner (including the use of ballot or voting papers or tickets or the use of electronic communication) as the chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and, if so directed by the meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

### **65. VOTES ON A POLL**

On a poll votes may be given, in the case of an individual, either personally or by proxy and, in the case of a corporation, by a duly authorised representative or proxy and a person entitled to cast more than one vote need not use all his votes or cast all the votes he uses in the same way.

### **66. CHAIRMAN'S CASTING VOTE**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is taken shall be entitled to a casting vote in addition, in case of voting by show of hands, to any vote to which he may be entitled as a member and, in case of voting by poll, in addition to any votes to which he may be entitled as a member or as a duly authorised representative or proxy of a member.

## **67. OBJECTIONS AND ERRORS**

If (i) any objection shall be raised to the qualification of any voter or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting or the result of any poll on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or, in the case of a poll, on or within twenty-four hours of the declaration of the result of the poll, at which the vote objected to is given or tendered or at which the error occurs. Any such objection made in due time and any such error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting or adjourned meeting or the result of the poll on any resolution if the chairman shall decide that the same is of sufficient magnitude to invalidate such decision or result. The decision of the chairman on such matters shall be final and conclusive and every vote not disallowed as the result of any such objection or error shall be valid for all purposes.

## **E. VOTES OF MEMBERS AT GENERAL MEETINGS**

### **68. VOTING RIGHTS OF MEMBERS**

Subject to Article 52.4 and any special rights or restrictions as to voting attached to any class of shares and/or stocks by or in accordance with these Articles, on a show of hands every member, who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, shall have one vote and every proxy present who has been duly appointed by a member entitled to vote on the resolution shall have one vote. On a poll every member who is present in person or by a proxy, or, in the case of a corporation, by a duly authorised representative or proxy, shall have four votes for every £1 of First and/or Second Cumulative Preference Stock of which he is the holder and one vote for every £1 of Third Cumulative Preference Stock of which he is the holder and one vote for every Ordinary Share of which he is the holder provided always that the Cumulative Preference Stock of any class shall not entitle the holders thereof to receive notice of or attend or vote at any General Meeting unless either:

- (a) at the date of the notice convening the meeting the dividend on that class is twelve months in arrears and so that, for this purpose, the dividend on the First, Second and Third Cumulative Preference Stocks respectively shall be deemed to be payable half-yearly on the First day of March and the First day of September in every year in respect of the six months ending on those dates; or
- (b) the business of the meeting includes the consideration of a resolution directly varying or abrogating the rights and privileges attached to that class of Cumulative Preference Stock.

## 69. VOTING RIGHTS OF JOINT HOLDERS

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 exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the share.

## 70. VOTING RIGHT OF MEMBER INCAPABLE OF MANAGING HIS OWN AFFAIRS

Where a judicial factor, *curator bonis*, curator, committee, receiver or other person (by whatever name called) in the nature thereof has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of inability for whatever reason to manage his own affairs, the directors may, in their absolute discretion, upon or subject to production, by such time and at such place as the directors may in such discretion prescribe, of such evidence of the appointment as the directors may require, permit such person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

## 71. NO RIGHT TO ATTEND AND VOTE IN CERTAIN CIRCUMSTANCES

71.1 No member shall, unless the directors otherwise determine, be entitled to be present or to be counted in a quorum or to vote either personally or by proxy or otherwise at any General Meeting of the Company or at any separate General Meeting of the holders of any class of the shares of the Company or upon a poll or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of shares in the Company of which he is the holder (whether alone or jointly with any other person), together with interest, costs, charges and expenses (if any), remains unpaid.

71.2 If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under section 793 of the Companies Act 2006 and is in default for the prescribed period in supplying to the Company the information thereby required, then (unless the directors otherwise determine) in respect of:

- (a) the shares comprising the shareholding account in the Register of Members which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the **default shares** which expression shall include any further shares which are issued in respect of such shares); and
- (b) any other shares held by the member,

the member shall (for so long as the default continues) not nor shall any transferee to which any of such shares are transferred other than pursuant to

an approved transfer or pursuant to Article 71.3(b) be entitled to be present or to vote either personally or by proxy at a General Meeting of the Company or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to General Meetings of the Company or meetings of the holders of any class of shares of the Company.

71.3 Where the default shares represent at least 0.25 per cent. of the issued shares of the class in question, the directors may in their absolute discretion by notice (a ***direction notice***) to such member direct that:

- (a) any dividend or part thereof or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member; and/or
- (b) no transfer of any of the shares held by such member shall be registered unless the transfer is an approved transfer or:
  - (i) the member is not himself in default as regard supplying the information required; and
  - (ii) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the directors to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares.

Upon the giving of a direction notice its terms shall apply accordingly.

71.4 The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice.

71.5 Save as herein provided, any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect at the end of a period of seven days (or such shorter period as the directors may determine) following receipt by the Company of the information required by such direction notice and the directors being fully satisfied that such information is full and complete.

71.6 Any direction notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with Article 71.3(b) above.

71.7 For the purposes of this Article:

- (a) a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a notice under the said section 793 of the Companies Act 2006 and either
  - (i) the member has named such person as being so interested or
  - (ii) (after taking into account the response of the member to the said notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
- (b) the prescribed period is 14 days from the date of service of the notice under the said section 793; and
- (c) a transfer of shares is an approved transfer if:
  - (i) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer for a company (as defined in Section 974 of the Companies Act 2006); or
  - (ii) the directors are satisfied that the transfer is made pursuant to a *bona fide* sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with any person appearing to be interested in such shares including any such sale made through a recognised investment exchange or through any other stock exchange outside the United Kingdom on which the Company's shares are normally traded. For the purposes of this subparagraph any associate (as that term is defined in Section 435 of the Insolvency Act 1986) shall be included amongst the persons who are connected with the member or any person appearing to be interested in such shares.

71.8 The provisions of this Article are in addition and without prejudice to the provisions of the Companies Acts.

## **F. PROXIES AND CORPORATION REPRESENTATIVES**

### **72. PROXY OR REPRESENTATIVE NEED NOT BE A MEMBER**

A proxy or a duly authorised representative of a corporation need not be a member of the Company.

### **73. FORM OF APPOINTMENT OF PROXY**

73.1 Where the appointment of a proxy is expressed to have been or purports to have been made, sent or supplied by a person on behalf of the holder of a share:



- (a) the Company may treat the appointment as sufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder;
- (b) that holder shall, if requested by or on behalf of the Company at any time, send or procure the sending of any written authority under which the appointment has been made, sent or supplied or a copy of such authority certified notarially or in some other way approved by the board, to such address and by such time as may be specified in the request and, if the request is not complied with in any respect, the appointment may be treated as invalid; and
- (c) whether or not a request under this Article has been made or complied with, the Company may determine that it has insufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder and may treat the appointment as invalid..

#### **74. DELIVERY OF PROXY INSTRUMENT**

74.1 The appointment of a proxy shall:

- (a) if in hard copy form, be delivered by hand or by post to the Office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose:
  - (i) in the notice convening the meeting; or
  - (ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting;

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (b) if in electronic form, be received at any address to which the appointment of a proxy may be sent by electronic means pursuant to a provision of the Companies Acts or to any other address specified by or on behalf of the Company for the purpose of receiving the appointment of a proxy in electronic form in:
  - (i) the notice convening the meeting; or
  - (ii) any form of proxy sent by or on behalf of the Company in relation to the meeting; or
  - (iii) any invitation to appoint a proxy issued by the Company in relation to the meeting;

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (c) in either case, where a poll is taken more than 48 hours after it is demanded, be delivered or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

if in hard copy form, where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any director. In calculating the periods mentioned in this Article, the board may specify, in any case, that no account shall be taken of any part of a day that is not a working day.

#### **75. ISSUE OF PROXY FORMS**

The board may, if it thinks fit, but subject to the provisions of the Companies Acts, at the Company's expense send hard copy forms of proxy for use at the meeting and issue invitations in electronic form to appoint a proxy in relation to the meeting in such form as may be approved by the board. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned. A member may appoint more than one proxy to attend on the same occasion, provided that each such proxy is appointed to exercise the rights attached to a different share or shares held by that member.

#### **76. VALIDITY OF PROXY APPOINTMENT**

76.1 A proxy appointment which is not delivered or received in accordance with Article 74 shall be invalid. When two or more valid proxy appointments are delivered or received in respect of the same share for use at the same meeting, the one that was last delivered or received shall be treated as replacing or revoking the others as regards that share, provided that if the Company determines that it has insufficient evidence to decide whether or not a proxy appointment is in respect of the same share, it shall be entitled to determine which proxy appointment (if any) is to be treated as valid. Subject to the Companies Acts, the Company may determine at its discretion when a proxy appointment shall be treated as delivered or received for the purposes of these Articles.

#### **77. EFFECT AND DURATION OF PROXY INSTRUMENT**

A proxy appointment shall be deemed to entitle the proxy to exercise all or any of the appointing member's rights to attend and to speak and vote at a meeting of the Company in respect of the shares to which the proxy appointment relates. The proxy appointment shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates, provided that no instrument appointing a proxy

shall be valid after the expiration of six months from the date stated therein as its date of execution.

**78. INTERVENING DEATH OR INSANITY OF PRINCIPAL, REVOCATION OF AUTHORITY OR TRANSFER OF SHARE**

A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made or by the transfer of the share in respect of which the instrument of proxy is given provided that no intimation in writing of such death, insanity or revocation or transfer shall have been received by the Company at the Office or, where the appointment of the proxy was confirmed in an electronic communication, at the address at which such appointment was duly received at least twenty-four hours before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) of the time appointed for the taking of the poll at which the vote is cast.

**79. CORPORATION REPRESENTATIVES**

Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. A copy of the resolution authorising such person to act certified by an officer of the corporation or other duly authorised person (or such other evidence to the like effect as the directors may decide to accept) shall, on request, be produced at or before the commencement of the meeting to which it relates.

**VI**

**DIRECTORS**

**A. GENERAL**

**80. NUMBER OF DIRECTORS**

Subject as hereinafter provided, the directors shall not be less than two in number but the Company may, by ordinary resolution, from time to time vary the minimum number and/or fix, and from time to time vary, a maximum number of directors.

**81. NO QUALIFICATION SHARES REQUIRED**

Neither a director nor an alternate director shall be required to hold any shares of the Company by way of qualification. A director (and any other person invited by the chairman to do so) who is not a member of the Company shall nevertheless be entitled to attend and speak at all General

Meetings of the Company and at all meetings of any class of members of the Company.

## **82. ORDINARY REMUNERATION OF DIRECTORS**

The ordinary remuneration of the directors who do not hold executive office for their services (excluding amounts payable under any other provision of these Articles) shall not exceed in aggregate £450,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine. Subject thereto, each such director shall be paid a fee for their services (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the board.

## **83. EXPENSES**

The directors shall be entitled to be repaid all such reasonable travel, hotel, subsistence and incidental expenses as they may incur in attending and returning from meetings of the directors or of any committee of the directors or General Meetings or otherwise in or about the business of the Company.

## **84. REMUNERATION FOR EXECUTIVE OR OTHER SERVICES**

Any director who holds any executive office (including for this purpose the office of chairman or deputy chairman whether or not such office is held in an executive capacity) or who serves on any committee or who, by request, goes or resides abroad or who otherwise performs services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director, may be paid, in addition to or in lieu of ordinary remuneration under Article 82 as the directors may determine, such remuneration by a lump sum or by way of salary, commission, participation in profits or otherwise, or by any or all of these modes or partly by one and partly by another or others, as the directors may determine and so that such remuneration may be of any description.

## **85. EXECUTIVE DIRECTORS**

85.1 Subject to the provisions of the Companies Acts, the directors may from time to time appoint one or more of their body to be an executive director on such terms and, as they may determine, either for a fixed term or without any limitation as to the period for which he is to be an Executive director and may continue any person appointed to be an Executive director in any executive office or employment held by him before he was so appointed and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or terminate any such appointment and may appoint another or others in his or their place or places.

85.2 The appointment of any director to the office (whether or not designated to be an executive office) of chairman or deputy chairman or to be Managing or Joint or deputy Managing director or Chief Executive or Joint or deputy Chief Executive shall automatically determine if he cease from any

cause to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

85.3 The appointment of any Executive director (other than an Executive director holding any of the offices specified in paragraph 85.2 of this Article) to any executive office or employment under the Company shall not automatically determine if he cease from any cause to be a director, unless the contract or resolution under which he holds such office or employment shall expressly state otherwise, in which event the termination of such office or employment if he cease to be a director shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company, the intent of the foregoing provisions being that the tenure by any person (other than as aforesaid) of the office of director and his tenure of any other executive office or employment under the Company shall (subject as aforesaid) be distinct.

#### **86. PENSIONS, ETC. FOR DIRECTORS OR EX-DIRECTORS**

Subject to the provisions of the Companies Acts, the directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits and annuities, gratuities or any other forms of *ex gratia* payments or other allowances or benefits to (or to any person in respect of any director) or ex-director of the Company or of any subsidiary thereof whether or not such director or ex-director holds or has held any executive office or any office or place of profit under the Company or any of its subsidiaries and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund and to pay premiums. A director or ex-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.

### **B. APPOINTMENT AND RETIREMENT OF DIRECTORS**

#### **87. VACATION OF OFFICE OF DIRECTOR**

Without prejudice to the provisions of Article 89, the office of a director shall be vacated in any of the following events, namely:

- (a) if he shall become prohibited by law from acting as a director;
- (b) if he gives notice of his resignation in hard copy or electronic form and the directors shall resolve to accept such offer;
- (c) if he shall become bankrupt or insolvent or have a receiving order made against him or shall compound with his creditors generally;
- (d) if an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of

a judicial factor, *curator bonis*, curator, committee, receiver or other person (by whatever name called) in the nature thereof to exercise powers with respect to his property or affairs or if for any reason he shall be incapable of managing his own affairs and the directors shall resolve that his office be vacated;

- (e) if both he and his alternate director appointed pursuant to the provisions of these Articles (if any) are, without the permission of the directors, absent from meetings of the directors for six consecutive months or, if during a shorter period, for six consecutive meetings of the directors and the directors resolve that his office be vacated;
- (f) if he shall be removed from office by notice in writing served upon him signed by all his co-directors, but so that, in the case of a director holding an executive office which automatically terminates on his ceasing to be a director, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office; or
- (g) if he shall be removed from office in accordance with Article 93.

#### **88. RETIREMENT OF DIRECTORS BY ROTATION**

At each Annual General Meeting one third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one third) shall retire from office provided that, if at any Annual General Meeting the number of directors who are subject to retirement by rotation shall be two, one of such directors shall retire and, if the number of such directors shall be one, that director shall retire; Without prejudice to the foregoing, each director shall be subject to retirement at the third Annual General Meeting after his last re-election as a director.

#### **89. SELECTION OF DIRECTORS TO RETIRE BY ROTATION**

The directors to retire by rotation shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-election. Any further directors so to retire shall be those of the other directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that, as between persons who became or were last re-elected directors on the same day, those to retire shall (unless they otherwise agree among themselves) 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 directors 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 the date of such notice but before the close of the Meeting. A retiring director shall, subject to the provisions of the Companies Acts and of these Articles, be eligible for re-election.

## **90. FILLING VACATED OFFICE**

90.1 Subject to the provisions of these Articles, the Company, at the meeting at which a director retires under any provision of these Articles, may by ordinary resolution fill the office being vacated by electing thereto the retiring director or some other person eligible for election. In default, the retiring director shall be deemed to have been re-elected except in any of the following cases:

- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such director is put to the meeting and lost;
- (b) where such director has given notice in writing to the Company that he is unwilling to be re-elected; or
- (c) where the default is due to the moving of a resolution in contravention of the provisions of the next following Article.

90.2 The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring director who is re-elected or deemed to have been re-elected will continue in office without break.

## **91. ELECTION OF DIRECTORS TO BE VOTED ON INDIVIDUALLY**

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

## **92. NOTICE OF INTENTION TO PROPOSE ELECTION OF DIRECTOR**

No person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election as a director at any General Meeting unless, not less than seven nor more than forty-two days (inclusive of the day on which the notice is given) before the day appointed for the meeting, there shall have been notice in hard copy or electronic form given by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

## **93. REMOVAL OF DIRECTORS**

The Company may, in accordance with and subject to the provisions of the Companies Acts, by ordinary resolution of which special notice has been given remove any director from office notwithstanding any provision of these

Articles or of any agreement between the Company and such director, but without prejudice to any claim he may have for damages for breach of any such agreement, and by a like resolution appoint another person in place of a director so removed from office, and any person so appointed shall be treated for the purpose of determining the time at which he or any other director is to retire by rotation as if he had become a director on the day on which the director in whose place he is appointed was last elected a director. In default of such appointment, the vacancy arising upon the removal of a director from office may be filled by the directors as a casual vacancy.

#### **94. POWERS TO FILL CASUAL VACANCIES OR APPOINT ADDITIONAL DIRECTORS**

The Company may by ordinary resolution elect any person to be a director either to fill a casual vacancy or as an additional director. Without prejudice to the foregoing, the directors shall have power at any time and from time to time to appoint any person to be a director either to fill a casual vacancy or as an additional director, but so that the total number of directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any person so appointed by the directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

### **C. ALTERNATE DIRECTORS**

#### **95. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

95.1 Any director may at any time, by notice in hard copy or electronic form appoint any person (not being a director) to be his alternate director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the directors, shall have effect only upon and subject to being so approved and the directors shall not approve the appointment of the same person to be an alternate to more than one of the directors for the time being.

#### **Termination of appointment**

95.2 The appointment of an alternate director shall determine on the happening of any event which, if he were a director, would cause him to vacate such office or if his appointor ceases to be a director provided that, if any director retires but is re-appointed or is deemed to have been re-appointed at the meeting at which such retirement took effect, any appointment made by him and duly approved under this Article which was in force immediately prior to his retirement shall continue to operate after his re-appointment as if he had not retired.

#### **Right to receive notices etc.**

95.3 An alternate director shall (subject as provided in Article 105) be entitled to receive notices of meetings of the directors and shall be entitled to



attend and vote as a director at any such meeting at which the director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a director and, for the purposes of the proceedings at such meeting, the provisions of these Articles shall apply as if he were a director. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. To such extent as the directors may from time to time determine in relation to any committees of the directors, the foregoing provisions of this paragraph shall also apply, *mutatis mutandis*, to any meeting of any such committee of which his appointor is a member. Save as aforesaid, an alternate director in his capacity as such shall not have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

### **Officer of Company**

95.4 Every person acting as an alternate director shall be an officer of the Company, shall be subject in all respects to the provisions of these Articles relating to directors (except provisions as regards power to appoint an alternate and remuneration), 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.

### **Contracts, expenses etc.**

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

## **D. INTERESTS OF DIRECTORS**

### **96. AUTHORISATION UNDER S175 OF THE COMPANIES ACT 2006**

96.1 For the purposes of section 175 of the Companies Act 2006, the board may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company. Any such authorisation will be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and

- (b) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

96.2 The board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted. The board may vary or terminate any such authorisation at any time.

96.3 For the purposes of the Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

#### **97. DIRECTOR'S CONTRACT WITH THE COMPANY**

Provided that he has disclosed to the board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the Companies Act 2006 apply, in which case no such disclosure is required) a director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (c) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested.

#### **98. REMUNERATION, BENEFITS ETC.**

A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:

- (a) the acceptance, entry into or existence of which has been approved by the board pursuant to Article 96 (subject, in any such case, to any limits or conditions to which such approval was subject); or
- (b) which he is permitted to hold or enter into by virtue of paragraph (a), (b) or (c) of Article 97;

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006.

## **99. NOTIFICATION OF INTERESTS**

Any disclosure required by Article 97 may be made at a meeting of the board, by notice in writing or by general notice or otherwise in accordance with section 177 of the Companies Act 2006.

## **100. DUTY OF CONFIDENTIALITY TO ANOTHER PERSON**

Unless otherwise provided for by the board under an authorisation given pursuant to Article 96.2, a director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article applies only if the existence of that relationship has been approved by the board pursuant to Article 97. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he fails:

- (a) to disclose any such information to the board or to any director or other officer or employee of the Company; and/or
- (b) to use or apply any such information in performing his duties as a director of the Company.

## **101. CONSEQUENCES OF AUTHORISATION**

Where the existence of a director's relationship with another person has been approved by the board pursuant to Article 97 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he:

- (a) absents himself from meetings of the board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.

## **102. WITHOUT PREJUDICE TO EQUITABLE PRINCIPLES OR RULE OF LAW**

The provisions of Articles 100 and 101 are without prejudice to any equitable principle or rule of law which may excuse the director from:

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in Article 101, in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles.

## **103. EXERCISE OF VOTING POWERS IN OTHER COMPANIES**

The directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing them or any of them to be directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company and any director, or alternate director, may vote in favour of the exercise of such voting rights and may be counted in the quorum present in respect of such exercise unless he be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights.

## **104. RESTRICTIONS ON VOTING**

104.1 Save as otherwise provided by these Articles, a director shall not vote in respect of any contract or arrangement or any other proposal whatever in which he has to his knowledge any interest which can reasonably be regarded as likely to give rise to a conflict with the interests of the Company otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company (and if he shall do so his vote shall not be counted) nor shall he be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

104.2 A director shall (unless he has to his knowledge some material interest other than those indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

- (a) any contract, arrangement or proposal for the giving of any guarantee, security or indemnity to him in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;

- (b) any contract, arrangement or proposal for the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) any contract, arrangement or proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-writing thereof;
- (d) any contract, arrangement or proposal 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;
- (e) a contract, arrangement, transaction or proposal concerning any other body corporate in which he or any person connected with him is interested, directly or indirectly, and whether as an officer, shareholder, creditor or otherwise, if he and any persons connected with him do not to his knowledge hold an interest (as that term is used in sections 820 to 825 of the Companies Act 2006) representing one per cent. or more of either any class of the equity share capital (excluding any shares of that class held as treasury shares) of such body corporate (or any other body corporate through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (f) any contract, arrangement or proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme or employees' share scheme under which he may benefit and which relates both to directors and employees of the Company or of any of its subsidiaries and which does not accord to any director as such any privilege or advantage not generally accorded to the employees to which such fund or scheme relates and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;
- (g) any contract, arrangement or proposal for the benefit of employees of the Company or of any of its subsidiaries under which the director benefits in a similar manner as the employees; or
- (h) a contract, arrangement, transaction or proposal concerning any insurance which the Company is empowered to purchase or maintain for, or for the benefit of, any directors of the Company or for persons who include directors of the Company.

104.3 Where proposals are under consideration concerning the appointment (including the fixing or varying of the terms thereof or the termination thereof) of two or more directors to offices or employments with the Company or any other company in which the Company is interested, such proposals may be divided and considered in relation to each director separately and in such case each of the directors concerned (if not debarred from voting under paragraph 104.2(e) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the fixing or varying of the terms thereof or the termination thereof) and except (in the case of an office or employment with any such other company as aforesaid) where the other company is a company in which the director is the holder of or beneficially interested in one per cent. or more of the issued shares of any class of such company (or of any third company through which his interest is derived).

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

104.5 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.

## **E. PROCEEDINGS OF THE DIRECTORS**

### **105. MEETINGS OF DIRECTORS**

105.1 Subject to the provisions of these Articles, the directors may meet together at such place as they may from time to time determine for the despatch of business and adjourn and otherwise regulate their meetings as they think fit. A meeting of the directors may (for the purpose of this Article and Articles 106 to 111) include a conference between directors some or all of whom are in different places provided that each director who participates is able:

- (a) to hear each of the other participating directors addressing the meeting; and

- (b) if he so wishes, to address each of the other participating directors simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when this Article 105 is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. Any director may, by prior notice to the Secretary, indicate that he wishes to participate in the meeting in such manner, in which event, the directors shall procure that an appropriate conference facility is arranged.

### **Summoning**

105.2 A director may, and the Secretary on the requisition of a director shall, at any time summon a meeting of the directors.

### **Notice**

105.3 Subject as hereinafter provided, notice of every meeting of the directors specifying the place, day and hour of meeting and the general nature of the business to be transacted thereat shall be given to each director and alternate director for the time being. Notice of a meeting of the directors shall be deemed to be duly given to a director and an alternate director if it is given to him personally or by word of mouth or sent to him at his last known address or any other address given by him to the Secretary for the purpose provided that it shall not be necessary to give notice of a meeting of the directors to any director or alternate director for the time being absent from the United Kingdom and that the accidental omission to give notice of a meeting of the directors to any director or alternate director shall not invalidate the proceedings of such meeting. Any director or alternate director may waive notice of any meeting of the directors and any such waiver may be prospective or retrospective.

### **Quorum**

105.4 The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. For the purposes of this Article, an alternate director shall be counted in a quorum but so that not less than two individuals present in person shall constitute a quorum. Any director who ceases to be a director at a meeting of the directors may continue to be present and to act as a director and be counted in the quorum until the conclusion of the meeting if no other director objects and if otherwise a quorum of directors would not be present. A meeting of the directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the directors.

## **Chairman and Deputy Chairman**

105.5 The directors may elect from their number a chairman and a deputy chairman and determine the period for which each is to hold office. If no chairman or deputy chairman shall have been elected, or if at any meeting of the directors neither be present within five minutes after the time appointed for holding the same, the directors present shall choose one of their number to be chairman of the meeting.

## **Voting**

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

## **106. PROCEEDINGS IN CASE OF VACANCIES**

The continuing directors or a sole continuing director may act notwithstanding any vacancies, 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 may act (whether or not their number is below the number fixed by or in accordance with these Articles as the quorum for meetings of the directors) for the purpose of filling such vacancies to that minimum number or of summoning General Meetings of the Company but not for any other purposes. If there be no directors or director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing directors.

## **107. DELEGATION OF POWERS TO INDIVIDUAL DIRECTOR**

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

## **108. DELEGATION OF POWERS TO COMMITTEE**

The directors may from time to time appoint committees consisting of one or more members of their body and (if thought fit) one or more other person co-opted as hereinafter provided and may designate the chairman thereof and may delegate any of their powers or discretions (other than the powers to borrow and to make calls) to any such committee (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the directors) upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke,



withdraw, alter or vary all or any of such powers (but no person dealing in good faith and without notice of such revocation, withdrawal, alteration or variation shall be affected thereby) and may revoke such delegation and discharge any such committee. Any committees so formed shall, in the exercise of the powers or discretions so delegated, conform to any regulations which may from time to time be imposed by the directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than directors and for such co-opted members to have voting rights as members of the committee but so that (i) the number of co-opted members shall not exceed one half of the total number of members of the committee and (ii) no resolution of the committee shall be effective unless not less than one half of the members of the committee present at the meeting are directors.

#### **109. PROCEEDINGS OF COMMITTEES**

If no chairman be designated under Article 108, a committee formed thereunder may appoint a chairman of its meetings; if no such chairman be appointed, or if at any meeting he be not present within five minutes after the time appointed for holding the same, the members thereof present shall choose one of their number to be chairman of such meeting. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors, so far as the same are applicable and are not superseded by any regulations made by the directors under Article 108.

#### **110. RESOLUTIONS IN WRITING OF DIRECTORS OR COMMITTEES**

A resolution in writing agreed to by all the directors entitled to receive notice of and vote at a meeting of the board or of a committee of the board (not being less than the number of directors required to form a quorum of the board) shall be as valid and effectual as if it had been passed at a meeting of the board or (as the case may be) a committee of the board duly convened and held. For this purpose:

- (a) a director signifies his agreement to a proposed written resolution when the Company receives from him a document indicating his agreement to the resolution authenticated in the manner permitted by the Companies Acts for a document in the relevant form;
- (b) the director may send the document in hard copy form or in electronic form to such address (if any) for the time being specified by the Company for that purpose;
- (c) if an alternate director signifies his agreement to the proposed written resolution, his appointor need not also signify his agreement; and
- (d) if a director signifies his agreement to the proposed written resolution, an alternate director appointed by him need not also signify his agreement in that capacity.

### **111. VALIDITY OF ACTS OF DIRECTORS AND COMMITTEE MEMBERS DESPITE FORMAL DEFECT**

All acts done by any meeting of directors, or of a committee formed under Article 108 or by any person acting as a director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or member of such committee and had been entitled to vote.

## **F. GENERAL POWERS AND DUTIES OF DIRECTORS**

### **112. GENERAL POWER OF DIRECTORS TO MANAGE COMPANY'S BUSINESS**

112.1 The business of the Company shall be managed by the directors, who may exercise all such powers of the Company as are not by the Companies Acts or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of these Articles and of the Companies Acts and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by special resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the directors by any other Article.

#### **Power to have branch or other business carried on by subsidiaries**

112.2 The directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiaries and they may, on behalf of the Company, make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing, assisting or subsidising any such subsidiary or guaranteeing its contracts, obligations or liabilities. The directors may appoint, remove and reappoint any persons (whether members of their own body or not) to act as directors, managing directors or managers of any such subsidiary or any other company in which the Company may be interested, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any person so appointed; any directors of the Company may retain any remuneration so payable to them.

### **113. POWER TO ESTABLISH LOCAL BOARDS ETC.**

The directors may establish any 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 directors may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the directors may think fit, and the directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

#### **114. POWER TO APPOINT ATTORNEYS**

The directors may, from time to time and at any time, by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as they may think fit. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit. The directors may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

#### **115. DESIGNATION OR TITLE INCLUDING “DIRECTOR”**

The directors may from time to time appoint any person to an office or employment having a designation or title including the word “director” or attach to any existing office or employment with the Company such a designation or title. The inclusion of the word “director” in the designation or title of any office or employment with the Company shall not imply that the holder thereof is a director of the Company nor shall such holder thereby be a director of the Company or be empowered in any respect to act as a director of the Company or be deemed to be a director for any of the purposes of these Articles.

#### **116. EXERCISE OF POWER TO HAVE SEAL FOR USE ABROAD**

The Company may exercise the powers conferred by the Companies Acts with regard to having official seals for use abroad and such may be exercised by the directors where and as they may determine and the directors may, by writing under the Seal, appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of using and affixing any such official seal and may impose such restrictions on the use thereof as they may think fit.

## **117. BRANCH REGISTERS**

Subject to and to the extent permitted by the Companies Acts, the Company, or the directors on its behalf, may cause to be kept in any territory outside the United Kingdom a branch register of members resident in such territory, and the directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

## **118. SIGNATURE OF CHEQUES, ETC.**

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

## **119. FINANCIAL ASSISTANCE FOR PURCHASE OF SHARES OF COMPANY OR ITS HOLDING COMPANY**

119.1 Save as authorised by the Companies Acts, the Company shall not give any financial assistance for the acquisition of any of its shares or that of its holding company.

### **Loans to directors**

119.2 Except to the extent permitted by the Companies Acts, the Company shall not make any loan or quasi-loan to, or enter into any guarantee or other form of credit transaction with, or provide any security in connection with a credit transaction to, any director or a director of any company which is its holding company and the powers of the directors shall be restricted accordingly.

## **120. PROVISION FOR EMPLOYEES AND EX-EMPLOYEES**

The directors may, with the consent of the Company by special 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 of that subsidiary.

## **G. BORROWING POWERS OF DIRECTORS**

### **121. DIRECTORS' POWERS TO BORROW MONEY AND GIVE SECURITY**

121.1 Subject as provided in this Article and to the provisions of the Companies Acts, directors 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 and, subject to the provisions of Section 80 of the Companies Act 1985, to

issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

### **Restrictions on borrowings etc.**

121.2 The directors shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (but as regards its subsidiaries only in so far as by the exercise of such rights or powers of control the directors can secure) that the aggregate principal amount at any one time outstanding of all moneys borrowed by the Company and/or its subsidiaries (if any) (exclusive of moneys outstanding in respect of borrowings by the Company from any such subsidiary or by any such subsidiary from another such subsidiary or from the Company) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to the higher of (i) £125,000,000 or (ii) three times the Adjusted Capital and Reserves (as hereinafter defined) of the Company and its subsidiaries (if any) for the time being.

### **Protection of third parties**

121.3 No lender or other person dealing with the Company or any of its subsidiaries shall by reason of any of the provisions of this Article be concerned to see or enquire whether the limit imposed by paragraph 121.2 of this Article is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the said limit had been or was thereby exceeded.

### **Definitions and interpretations**

121.4 For the purpose of this Article:

- (a) the expression ***moneys borrowed*** shall be deemed to include:
  - (i) the nominal amount of any share capital and the principal amount of any moneys borrowed or other indebtedness, together in each case with any fixed or minimum premium payable on any repayment, the repayment of which is guaranteed or secured or is the subject of an indemnity given by the Company or any subsidiary thereof and the beneficial interest in which is not owned by the Company or any subsidiary thereof, and
  - (ii) the principal amount of any debenture (whether secured or not and whether or not issued in whole or in part for a consideration other than cash) issued by the Company or any subsidiary

thereof, the beneficial interest wherein is not for the time being owned by the Company or a subsidiary thereof, and

- (iii) the principal amount raised by acceptances or under any acceptance credit granted in favour of the Company or any subsidiary thereof by any bank or accepting house, and
- (iv) the nominal amount of any share capital (other than equity share capital) of any subsidiary of the Company the beneficial interest wherein is not for the time being owned by the Company or another subsidiary thereof,

but shall be deemed not to include:

- (v) moneys borrowed (including any fixed or minimum premium payable on any repayment) by a company becoming a subsidiary of the Company after the date of adoption of this Article and outstanding as at the date when it becomes a subsidiary for a period of six months commencing on the date on which it becomes a subsidiary; or
- (vi) any moneys borrowed by the Company or a subsidiary thereof for the purpose of repaying or discharging within six months the whole or any part of moneys borrowed (including any fixed or minimum premium payable on any repayment) by the Company or any subsidiary thereof which would otherwise fall to be taken into account as moneys borrowed pending their application for such purpose within such period; or
- (vii) amounts borrowed from bankers or others for the purpose of financing any contracts in respect of which any part of the price receivable is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or any institution carrying on similar business in the United Kingdom or elsewhere to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured; or
- (viii) moneys borrowed or raised for the purpose of making deposits with HM Customs and Excise or other body designated by any relevant legislation or order in connection with import deposits or any similar governmental scheme and which are for the time being so deposited to the extent that the Company or any subsidiary thereof making such deposit retains its beneficial interest therein; or
- (ix) moneys held by the Company or a subsidiary thereof, whether on deposit or current account or otherwise, in connection with any employees' share scheme;

- (b) all moneys borrowed which fall to be repaid or discharged in a currency other than sterling shall be converted into sterling on the same basis as that adopted in the latest audited consolidated balance sheet of the Company, or, in the case of any moneys borrowed since the date of such balance sheet, at the relevant rate of exchange ruling in London at the time the same are borrowed, or, in the case of any moneys borrowed by any company becoming a subsidiary of the Company since the date of such balance sheet prior to the date on which it becomes a subsidiary, on the same basis as that which would be adopted in the next audited consolidated balance sheet of the Company and its subsidiaries on the assumption that, in the meantime, there had been no alteration of the relevant rate of exchange ruling on the day on which such company becomes a subsidiary;
- (c) moneys borrowed by a partly owned subsidiary of the Company (after taking into account any exclusion provided for in paragraph 121.2 of this Article) shall be deemed to be reduced by an amount equal to the minority proportion thereof;
- (d) moneys borrowed by the Company or a subsidiary thereof from a partly owned subsidiary of the Company which would fall to be excluded under paragraph 121.2 of this Article shall nevertheless be included to the extent of an amount equal to the minority proportion thereof;
- (e) the expression **minority proportion** means the proportion of the equity share capital of the said partly owned subsidiary which is not attributable to or beneficially owned by the Company;
- (f) the expression **Adjusted Capital and Reserves** means the aggregate of:
  - (i) the amount paid up on the issued share capital of the Company;  
and
  - (ii) the aggregate amounts standing to the credit of the reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund, property revaluation reserve and UK Government Grants);
- (g) all as shown in the latest published audited consolidated balance sheet of the Company but after:
  - (i) [*deleted by special resolution passed 31st August 2005*];
  - (ii) excluding therefrom any amounts set aside for taxation (including deferred taxation) and amounts attributable to minority interest in subsidiaries;
  - (iii) making the appropriate deduction in respect of any distribution, other than to the Company or a subsidiary, out of profits earned

prior to the date of such balance sheet and not provided for therein;

- (iv) making such adjustments as may be appropriate to reflect any variation in the amount of such paid up share capital or the amounts standing to the credit of such reserves other than profit and loss account since the date of such balance sheet or which would result from any transaction for the purpose of which the Adjusted Capital and Reserves is being computed or any transactions to be carried out contemporaneously therewith and so that for this purpose, if any issue or proposed issue of shares for cash has been underwritten, then such shares shall be deemed to have been issued and that part of any subscription moneys to which the underwriting commitment extends shall be deemed to have been paid up at the date on which the underwriting became unconditional;
  - (v) making such adjustments as may be appropriate in respect of any companies which since the date of such balance sheet have become or ceased to be or which will become or cease to be subsidiaries of the Company as a result of the transaction in respect of which the calculation fails to be made;
  - (vi) excluding any undistributed profits and reserves attributable to the interests of the Company or any of its subsidiaries in an associated company (not being a subsidiary of the Company) but including such interests at book value; and
  - (vii) deducting therefrom (if not otherwise excluded) such amount as the auditors for the time being of the Company shall consider appropriate in respect of any contingent taxation liabilities;
- (h) the expression **associated company** means a company as so defined in the Financial Reporting Standard Number 9 and as so regarded in the latest published audited consolidated accounts of the Company; and
- (i) the expression **UK Government Grants** means grants made by the United Kingdom Government in respect of each year's capital expenditure of the Company and its subsidiaries which are to be credited (after deducting any amounts repayable in respect thereof) to the profit and loss accounts of the Company or of the relevant subsidiary over the period of the estimated useful life of the relevant fixed assets, being the amount of grants received or receivable less amounts thereof credited to profits all as shown in the latest published audited consolidated accounts of the Company.



## **Register of Charges**

121.5 The directors shall cause a proper register to be kept, in accordance with the provisions of Section 422 of the Companies Act 1985, of all charges specifically affecting property of the Company and of all floating charges on the undertaking or any property of the Company and shall duly comply with the requirements of the Companies Act 1985 in regard to the registration of the charges therein specified.

## **VII**

### **RESERVES**

#### **122. POWER TO CARRY PROFIT TO RESERVE AND APPLICATION OF RESERVE**

Subject to the provisions of the Companies Acts, the directors may:

- (a) from time to time set aside out of the profits of the Company and carry to reserve such sums (remaining after payment of the dividends on the First, Second and Third Cumulative Preference Stocks respectively) as they think proper which, at the discretion of the directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the directors may from time to time think fit;
- (b) divide the reserve into such special funds as they think fit;
- (c) consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided; and
- (d) without placing the same to reserve carry forward any profits which they may think prudent not to distribute or to carry to reserve as aforesaid.

## **VIII**

### **CAPITALISATION OF PROFITS AND RESERVES**

#### **123. POWER TO CAPITALISE PROFITS**

123.1 The Company may, upon the recommendation of the directors, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account or any capital redemption reserve fund or other non-distributable reserves provided that such amount be not required for paying the dividends on any shares carrying a fixed cumulative preferential dividend and accordingly that such amount be set free for distribution among

the members or any class of members who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such members respectively or in paying up in full unissued shares of the Company to be allotted and distributed, credited as fully paid, among such members, or partly in one way and partly in the other, and the directors shall give effect to such resolution.

123.2 Subject to authority for the exercise of the powers contained in this paragraph of this Article having been granted by ordinary resolution of the Company in respect of any dividend declared or to be declared (whether by the directors or by the Company in General Meeting) in respect of any financial period of the Company, the directors shall have power (subject to any provisions and restrictions contained in such resolution) to capitalise any sum standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account or any capital redemption reserve fund or other non-distributable reserves, to apply the same in paying up in full any Ordinary Shares required to be allotted to persons who have elected to receive fully paid Ordinary Shares in the capital of the Company in lieu of the whole or part of any such dividend and to allot the same, credited as fully paid, to the persons entitled thereto. The provisions of Articles 124 and 134 and of paragraph 123.1 of this Article shall be construed subject to the provisions of this paragraph of this Article and of any such resolution.

## **IX**

### **DIVIDENDS**

#### **124. PAYMENT OF DIVIDENDS**

The Company may from time to time 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 payable except out of the profits of the Company available for distribution under the provisions of the Companies Acts and no dividend shall be declared in excess of the amount recommended by the directors.

#### **125. PAYMENT OF FIXED AND INTERIM DIVIDENDS**

If and so far as in the opinion of the directors the profits of the Company available for distribution under the provisions of the Companies Acts justify such payments, the directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends, on shares of any class in respect of which it is competent to pay interim dividends, of such amounts and on such dates and in respect of such periods as they think fit.

## **126. APPORTIONMENT OF DIVIDENDS**

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share and if any share is issued on terms that it shall rank for dividend as from a particular date such share shall rank accordingly.

## **127. TREATMENT OF PRE-ACQUISITION PROFITS ETC.**

Subject to the provisions of the Companies Acts, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may, at the discretion of the directors, in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may, at the discretion of the directors, be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

## **128. DIVIDENDS NOT TO BEAR INTEREST**

No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

## **129. DEDUCTION OF DEBTS DUE TO COMPANY**

129.1 The directors may deduct from any dividend or other moneys payable to any member on or in respect of a share held by him either alone or with any other member all sums of money (if any) presently payable by him either alone or jointly with any other person to the Company on account of calls or otherwise.

129.2 The directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

## **130. RETENTION OF DIVIDENDS**

The directors may retain the dividends payable upon shares in respect of which any person is, under the provisions as to transmission of shares hereinbefore contained, entitled to become a member or which any person is, under those provisions, entitled to transfer until such person shall become a member in respect of such shares or shall transfer the same.

### **131. UNCLAIMED DIVIDENDS**

131.1 Any unclaimed dividend or other moneys payable on or in respect of a share may be invested or otherwise made use of by the directors for the benefit of the Company until, subject as provided in these Articles, claimed.

131.2 The payment by the directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

131.3 Any dividend unclaimed after the period of twelve years from the date of declaration of such dividend (or such other time as may be required under any regulations from time to time made by the London Stock Exchange plc and to which the Company is subject) shall be forfeited and shall revert to the Company.

### **132. PAYMENT OF DIVIDEND IN CASH**

The directors may in their sole discretion resolve that the whole or any part of any dividend shall be payable only in cash and that no member shall waive his right thereto in respect of any share.

### **133. WAIVER OF DIVIDEND**

Except as otherwise resolved in terms of the preceding Article, the waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

### **134. PAYMENT OF DIVIDEND IN SPECIE**

The Company may, upon the recommendation of the directors, by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the directors shall give effect to such direction and, where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient and in particular may issue such certificates, fractional certificates or documents of title as may in their opinion be necessary or expedient and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the directors and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or certificates, fractional certificates or documents of title or any part thereof or otherwise as they think fit.

### **135. PAYMENT OF DIVIDENDS**

Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct, and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Any such payment may also be made through any generally recognised electronic or other banking transmission device which is in use at the relevant time.

### **136. RECEIPTS FOR DIVIDENDS TO JOINT HOLDERS**

A person appearing by the Register of Members to be the sole holder of any shares, or, if two or more persons are registered as joint holders of any share or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them, may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the shares held by such sole or joint holders respectively.

### **137. RECORD DATE FOR DIVIDENDS**

Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date the same as or prior or subsequent to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares and to any lien of the Company. The provisions of this Article shall, *mutatis mutandis*, apply to capitalisation to be effected in pursuance of Article 123.

**X**

## **SECRETARY**

### **138. APPOINTMENT**

138.1 The Secretary shall be appointed by the directors in accordance with the Companies Acts on such terms (including terms as to remuneration) and conditions and for such period as they may think fit. Any Secretary so

appointed may at any time be removed from office by the directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two or more persons may be appointed Joint Secretaries. The directors may also appoint from time to time, on such terms and conditions as they may think fit, one or more deputy or Assistant Secretaries or a temporary Secretary,

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

## XI

### SEALS

#### 139. CUSTODY AND USE OF SEALS

139.1 The directors shall provide for the safe custody of the Seal and any Securities Seal and every official seal and none shall be used without the authority of the directors or of a committee authorised by the directors in that behalf.

#### **Formalities for affixing seals**

139.2 Every instrument to which either the Seal or any Securities Seal is affixed shall, save as provided by Article 15, be signed autographically by one director and countersigned by the Secretary or a second director or by some other person appointed by the directors for the purpose either generally or in any particular case or cases and, in favour of any person *bona fide* dealing with the Company, such signatures shall be conclusive evidence of the fact that the Seal or Securities Seal has been properly fixed. Any instrument to which an official seal is affixed need not, unless the directors for the time being otherwise determine or the law otherwise requires, be signed by any person.

#### **New seals**

139.3 The directors shall have power from time to time to destroy the existing Seal or Securities Seal of the Company and to substitute a new Seal or Securities Seal therefor.

#### **Execution without a seal**

139.4 Where the Companies Acts so permit, any instrument signed by one director and the Secretary or by two directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended to have effect as a deed without the authority of the directors or of a committee authorised by the directors on their behalf.

## XII

### DOCUMENTS

#### 140. POWER TO AUTHENTICATE DOCUMENTS

Any director or the Secretary, or any person appointed by the directors for the purpose either generally or in any particular case or cases, shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the directors or any committee formed under Article 108 and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the directors as aforesaid. A document purporting to be a copy of a resolution or an extract from the minutes of a meeting of the Company or of the directors or of any such committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minute or extract is a true and accurate record of a proceeding at a duly constituted meeting of the Company or of the directors or of any such committee as the case may be or of a resolution of directors or of a committee duly signed in accordance with Article 110.

#### 141. DESTRUCTION OF DOCUMENTS

Subject to compliance with the rules (as defined in the CREST Regulations) applicable to the shares of the Company in uncertificated form, the Company shall be entitled to destroy:

- (a) all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof;
- (b) all dividend mandates and variations or cancellations thereof and notifications of change of name or address at any time after the expiration of two years from the date of recording thereof;
- (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof; and
- (d) any other document on the basis of which any entry in the Register of Members is made at any time after the expiry of six years from the date an entry in the Register of Members was first made in respect of it,

and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and that every instrument of

transfer so destroyed was a valid and effective instrument duly and properly registered and that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided always that:

- (i) the foregoing 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;
- (ii) 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 aforesaid or in any case where the conditions of proviso (i) above are not fulfilled;
- (iii) references in this Article to the destruction of any document include references to the disposal thereof in any manner; and
- (iv) references in this Article to an instrument of transfer shall be deemed to include references to any document constituting the renunciation of any allotment of any shares in the Company by the allottee in favour of some other person.

### **XIII**

#### **MINUTES, REGISTERS AND BOOKS**

##### **142. MINUTES**

The directors shall cause Minutes to be made, in books to be provided for the purpose, of:

- (a) all appointments of officers made by the directors;
- (b) the names of the directors, of their alternates and of any other persons present at each meeting of directors and of any committee formed under Article 108;
- (c) all resolutions and proceedings at all meetings of the Company and of any class of members of the Company, and any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or by the chairman of the next succeeding meeting shall be receivable as sufficient evidence of the facts stated without any further proof; and
- (d) all resolutions and proceedings at all meetings of the directors of the Company and of any committees as aforesaid, and any such minutes, if purporting to be signed by a director of the Company or by the



Secretary shall be receivable as sufficient evidence of the facts stated without any further proof;

#### **143. FORMS OF REGISTERS ETC.**

Subject to the provisions of the Companies Acts, any register, index, minute book, book of account or other book required by these Articles or 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.

### **XIV**

#### **ACCOUNTS**

##### **144. KEEPING AND INSPECTION OF ACCOUNTS**

144.1 The directors shall cause accounting records sufficient to give a true and fair view of the state of affairs of the Company and to show and explain the Company's transactions and otherwise complying with the Companies Acts to be kept at the Office, or, subject to the provisions of the Companies Acts, at such other place or places as the directors think fit, and always to be open to inspection by the officers of the Company.

144.2 Subject as aforesaid no member (other than an officer of the Company) or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the directors or by the Company in General Meeting.

##### **145. PRESENTATION OF ACCOUNTS AND REPORTS**

The directors shall, from time to time in accordance with the provisions of the Companies Acts, cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be prescribed.

##### **146. ISSUE OF COPIES OF REPORTS AND ACCOUNTS**

146.1 A copy of every balance sheet (signed on behalf of the directors by any two of their number) and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) together with a copy of the report of the auditors for the time being of the Company (which shall be read at the Meeting) and of the report of the directors shall, not less than twenty one days before the date of the meeting, be sent to every member of, and to every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the

provisions of the Companies Acts or of these Articles; provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person who is entitled to receive notice of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. There shall be forwarded to the London Stock Exchange plc such number of copies of such documents as may for the time being be required under its regulations or practice and to which the Company is subject.

146.2 Subject to the Companies Acts, the requirements of Article 146.1 shall be deemed satisfied in relation to any person by sending to the person, instead of such copies, a summary financial statement derived from the Company's annual accounts and the directors' report, which shall be in the form and containing the information prescribed by the Companies Acts and any regulations made under the Companies Acts.

146.3 To the extent permitted by these Articles and the provisions of the Companies Acts and subject to agreement by the members, the documents referred to in this Article may be sent by electronic communication.

## **XV**

### **AUDITORS**

#### **147. APPOINTMENT AND VALIDITY OF ACTS OF AUDITORS**

Auditors shall be appointed and they shall perform their duties in accordance with the Companies Acts. Subject to the provisions of the Companies Acts, all acts done by persons acting as auditors of the Company shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in their appointment.

#### **148. AUDITORS' RIGHT TO RECEIVE NOTICE OF AND ATTEND GENERAL MEETINGS**

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

## **XVI**

### **NOTICES**

#### **149. SIGNATURE OF NOTICES**

The signature of any notice required to be given by the Company may be typed or printed or otherwise written.

#### **150. WHEN NOTICE REQUIRED TO BE IN WRITING**

Any notice to be sent to or by any person pursuant to these Articles (other than a notice calling a meeting of the board) shall be in writing.

#### **151. METHODS OF COMPANY SENDING NOTICE**

Subject to Article 150 and unless otherwise provided by these Articles, the Company shall send or supply a document or information that is required or authorised to be sent or supplied to a member or any other person by the Company by a provision of the Companies Acts or pursuant to these Articles or to any other rules or regulations to which the Company may be subject in such form and by such means as it may in its absolute discretion determine provided that the provisions of the Companies Act 2006 which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts shall, the necessary changes having been made, also apply to sending or supplying any document or information required or authorised to be sent by these Articles or any other rules or regulations to which the Company may be subject.

#### **152. METHODS OF MEMBER ETC. SENDING DOCUMENT OR INFORMATION**

Subject to Article 150 and unless otherwise provided by these Articles, a member or a person entitled by transmission to a share shall send a document or information pursuant to these Articles to the Company in such form and by such means as it may in its absolute discretion determine provided that:

- (a) the determined form and means are permitted by the Companies Acts for the purpose of sending or supplying a document or information of that type to a company pursuant to a provision of the Companies Acts; and
- (b) unless the board otherwise permits, any applicable condition or limitation specified in the Companies Acts, including without limitation as to the address to which the document or information may be sent, is satisfied.

Unless otherwise provided by these Articles or required by the board, such document or information shall be authenticated in the manner specified by the Companies Acts for authentication of a document or information sent in the relevant form.

#### **153. NOTICE TO JOINT HOLDERS**

In the case of joint holders of a share any document or information shall be sent to the joint holder whose name stands first in the register in respect of the joint holding and any document or information so sent shall be deemed for all purposes sent to all the joint holders.

#### **154. REGISTERED ADDRESS OUTSIDE EEA**

A member whose registered address is not within an EEA State and who sends to the Company an address within an EEA State at which a document or information may be sent to him shall be entitled to have the document or information sent to him at that address (provided that, in the case of a document or information sent by electronic means, including without limitation any notification required by the Companies Acts that the document or information is available on a website, the Company so agrees, which agreement the Company shall be entitled to withhold in its absolute discretion including, without limitation, in circumstances in which the Company considers that the sending of the document or information to such address using electronic means would or might infringe the laws of any other jurisdiction) but otherwise:

- (a) no such member shall be entitled to receive any document or information from the Company; and
- (b) without prejudice to the generality of the foregoing, any notice of a general meeting of the Company which is in fact sent or purports to be sent to such member shall be ignored for the purpose of determining the validity of the proceedings at such general meeting.

#### **155. DEEMED RECEIPT OF NOTICE**

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

#### **156. TERMS AND CONDITIONS FOR ELECTRONIC COMMUNICATIONS**

The board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic means for the sending of notices, other documents and proxy appointments by the Company to members or persons entitled by transmission and by members or persons entitled by transmission to the Company.

#### **157. NOTICE TO PERSONS ENTITLED BY TRANSMISSION**

A document or information may be sent or supplied by the Company to the person or persons entitled by transmission to a share by sending it in any manner the Company may choose authorised by these Articles for the sending of a document or information to a member, addressed to them by name, or by the title of representative of the deceased, or trustee of the bankrupt or by any similar description at the address (if any) in the United Kingdom as may be supplied for that purpose by or on behalf of the person or persons claiming to be so entitled. Until such an address has been supplied, a document or information may be sent in any manner in which it might have

been sent if the death or bankruptcy or other event giving rise to the transmission had not occurred.

**158. TRANSFEREES ETC. BOUND BY PRIOR NOTICE**

Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register, has been sent to a person from whom he derives his title, provided that no person who becomes entitled by transmission to a share shall be bound by any direction notice sent under Article 71.2 to a person from whom he derives his title.

**159. PROOF OF SENDING/WHEN NOTICES ETC. DEEMED SENT BY POST**

Proof that a document or information was properly addressed, prepaid and posted shall be conclusive evidence that the document or information was sent. Proof that a document or information sent or supplied by electronic means was properly addressed shall be conclusive evidence that the document or information was sent or supplied. A document or information sent by the Company to a member by post shall be deemed to have been received:

- (a) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country to another address in that other country, on the day following that on which the document or information was posted;
- (b) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the document or information was posted;
- (c) in any other case, on the second day following that on which the document or information was posted.

**160. WHEN NOTICES ETC. DEEMED SENT BY ELECTRONIC MEANS**

A document or information sent or supplied by the Company to a member in electronic form shall be deemed to have been received by the member on the day following that on which the document or information was sent to the member. Such a document or information shall be deemed received by the member on that day notwithstanding that the Company becomes aware that the member has failed to receive the relevant document or information for any reason and notwithstanding that the Company subsequently sends a hard copy of such document or information by post to the member.

#### **161. WHEN NOTICES ETC. DEEMED SENT BY WEBSITE**

A document or information sent or supplied by the Company to a member by means of a website shall be deemed to have been received by the member:

- (a) when the document or information was first made available on the website; or
- (b) if later, when the member is deemed by Article 159 or 160 to have received notice of the fact that the document or information was available on the website. Such a document or information shall be deemed received by the member on that day notwithstanding that the Company becomes aware that the member has failed to receive the relevant document or information for any reason and notwithstanding that the Company subsequently sends a hard copy of such document or information by post to the member.

#### **162. NOTICE DURING DISRUPTION OF SERVICES**

Subject to the Companies Acts, if at any time the Company is unable effectively to convene a general meeting by notices sent through the post in the United Kingdom as a result of the suspension or curtailment of postal services, notice of general meeting may be sufficiently given by advertisement in the United Kingdom. Any notice given by advertisement for the purpose of this Article shall be advertised in at least one newspaper having a national circulation. If advertised in more than one newspaper, the advertisements shall appear on the same date. Such notice shall be deemed to have been sent to all persons who are entitled to have notice of meetings sent to them on the day when the advertisement appears. In any such case, the Company shall send confirmatory copies of the notice by post, if at least seven days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

### **XVII**

#### **WINDING UP**

#### **163. DISTRIBUTION OF ASSETS IN SPECIE**

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may, with the authority of a special resolution, divide among the members *in specie* or kind the whole or any part of the assets of the Company (whether or not they shall consist of property of the same kind) and may, for such purpose, set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member

shall be compelled to accept any shares or other assets in respect of which there is a liability.

## **XVIII**

### **INDEMNITY**

#### **164. INDEMNITY OF DIRECTORS AND OFFICERS**

164.1 Subject to the provisions of the Companies Acts, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act or otherwise under the Companies Acts.

#### **Power of directors to purchase and maintain insurance for directors etc.**

164.2 Without prejudice to the provisions of Article 164.1 the directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company, or of any other company which is its holding company or in which the Company or such holding company or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any other such company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing, insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and for otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any other such company, subsidiary undertaking or pension fund.

## **XIX**

### **NEW TECHNOLOGY**

#### **165. SIGNATURE OF DOCUMENTS**

Where under these Articles a document requires to be signed by a member or other person then, if in the form of an electronic communication, it must, to be valid, incorporate the electronic signature or personal identification details (which may be details previously allocated by the Company) of that member

or other person, in such form as the directors may approve, or be accompanied by such other evidence as the directors may require to satisfy themselves that the document is genuine. The Company may designate mechanisms for validating any such document, and any such document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.