

**Company number 4114310**

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

**ARTICLES OF ASSOCIATION**

**of**

**ALBION TECHNOLOGY & GENERAL VCT PLC**

(Adopted by Special Resolution passed on 22 June 2012

And amended by Special Resolutions passed on 4 November 2013, 7 June 2017 and 27 May 2021)

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**A PUBLIC COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION**  
**of**  
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(Adopted by Special Resolution passed on 22 June 2012 and amended by Special Resolutions passed on 4 November 2013, 7 June 2017 and 27 May 2021)

**PRELIMINARY**

**1. EXCLUSION OF TABLE A**

The regulations in Table A in the First Schedule to the Companies Act 1948 and the regulations in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended from time to time shall not apply to the Company save as otherwise provided in these Articles.

**2. DEFINITIONS AND INTERPRETATION**

2.1. In these Articles:

"**CA1985**" means the Companies Act 1985 as amended from time to time.

"**CA2006**" means the Companies Act 2006 as amended from time to time.

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

"**alternate director**" means an alternate director appointed in accordance with Article 75 (Power to Appoint Alternate Directors).

"**Articles**" means these articles of association, as amended from time to time.

"**Associated Company**" means a company or other body corporate which is (or, where the context admits, was at any relevant time) associated with the Company for the purposes of section 256 of the CA2006.

"**Auditors**" means the auditors for the time being of the Company.

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

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

"**C Shares**" means the C ordinary shares of the company of 1 penny each.

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

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

"**committee**" means a committee of the board.

"**Company**" means Albion Technology & General VCT PLC (company number 4114310) whose registered office is at 1 Benjamin Street, London, EC1M 5QL.

"**Companies Acts**" has the meaning given to it in section 2 of the CA2006 in so far as the provisions referred to in such section are in force from time to time.

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

"**electronic facility**" includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a general meeting determined by the Board pursuant to Article 43.10.

"**electronic form**" has the meaning given to it in section 1168(3) of the CA2006.

"**electronic means**" has the meaning given to it in section 1168(4) of the CA2006.

"**equity security**" has the meaning given to it in section 560 of the CA2006.

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

"**financial institution**" has the meaning given to it in section 778(2) of the CA2006.

"**Group**" means the Company and all Subsidiaries for the time being.

"**Group Company**" means any company in the Group.

"**hard copy form**" has the meaning given to it in section 1168(2) of the CA2006.

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

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

"**Main Meeting Place**" has the meaning given to it in Article 44.4.1.

"**member**" means a member of the Company.

"**office**" means the registered office for the time being of the Company. "Ordinary Shares" means the ordinary shares of the Company of 1 penny each.

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

"**person entitled by transmission**" means a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the register.

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

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

**"Regulations"** means The Uncertificated Securities Regulations 2001 (SI 2001 No 3755) including any modifications of them or any regulations made in substitution for them from time to time.

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

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

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

**"Subsidiary"** means any subsidiary of the Company.

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

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

**"UK Listing Authority"** means the competent authority for the purposes of Part VI of FSMA.

**"United Kingdom"** means the United Kingdom of Great Britain and Northern Ireland.

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

**"year"** means a period of 12 months.

- 2.2. The expressions "Operator", "participating security" "properly authenticated dematerialised instruction" and "relevant system" have the same meanings given to them in the Regulations.
- 2.3. Any other words or expressions defined in the Statutes (as in force on the date of adoption of these Articles) have the same meaning in these Articles and any reference elsewhere in these Articles to any statute or statutory provision includes a reference to any amendment, modification or re-enactment of it for the time being in force.
- 2.4. Words importing the singular number include the plural number and vice versa, words importing the masculine gender include the feminine gender and words importing persons include bodies corporate and unincorporated associations.
- 2.5. Any reference to a document being sealed or executed under seal or under the common seal of any body corporate (including the Company) or any similar expression includes a reference to it being executed in any other manner which has the same effect as if it were executed under seal.
- 2.6. Headings to these Articles are inserted for convenience only and shall not affect their construction.



- 2.7. Subject as set out above, any words or expressions defined in the Companies Acts shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- 2.8. A reference to a meeting shall mean a meeting convened and held in any manner permitted by these Articles, including a general meeting at which some or all of those entitled to be present attend and participate by means of electronic facility or facilities, and such persons shall be deemed to be present at that meeting for all purposes of the Act and these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly.

## SHARE CAPITAL

### 3. LIMITED LIABILITY

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

### 4. AUTHORISED SHARE CAPITAL

4.1. For the purposes of this Article<sup>1</sup>

"**business day**" means any day on which banks are generally open for business in London other than a Saturday.

"**Calculation Date**" means the earlier of

- a) close of business on 31 December 2010; and
- b) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent.

"**Conversion**" means conversion of the C Shares in accordance with paragraph 4.8 of this Article,

"**Conversion Date**" means the earlier of:

- a) close of business on 31 March 2011; and
- b) close of business on the day selected by the Directors following a resolution of the Directors that Force Majeure Circumstances have arisen or are imminent.

"**Conversion Ratio**" is  $\frac{A}{B}$  where:

"A" =  $\frac{C-D}{E}$  and

"B" =  $\frac{F-(C-D)}{G}$

and where

"C" is the aggregate of:

- a) the value of all investments of the Company attributable to the C Shareholders at their respective acquisition costs, subject to such adjustments as the Directors may deem appropriate to be made for any variations in the value of such investments between the date of acquisition and the Calculation Date, and

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<sup>1</sup> Note: the C Shares were converted into Ordinary Shares in 2011

- b) the amount which in the Directors' opinion fairly reflects, at the Calculation Date, the value of the current assets of the Company attributable to the C Shareholders (including cash and deposits with or balances at a bank and including any income and other items of a revenue nature).

"D" is the amount (to the extent not otherwise deducted from the assets attributable to the C Shareholders) which in the Directors' opinion fairly reflects the amount of the liabilities attributable to the C Shareholders on the Calculation Date;

"E" is the number of C Shares in issue on the Calculation Date,

"F" is the net asset value of the Company as at the Calculation Date following all adjustments reasonably deemed necessary by the Directors to reflect the current value of all assets and to allow for all liabilities including any income and other items of a revenue nature;

"G" is the number of Ordinary Shares in issue on the Calculation Date;

provided that an amount equal to that which the Directors reasonably estimate will be paid as the final dividend in respect of the period ending 31 December 2010 (which will not yet have been declared) shall be deducted from the amount of "F" and that the Directors shall make such other adjustments to the value or amount of "A" and "B" as the auditors shall report to be appropriate having regard, inter alia, to the assets attributable to the C Shareholders on the Calculation Date, to the assets of the Company on the Calculation Date and to the reasons for the issue of the C Shares referred to in the Circular

"C Share Surplus" means the net assets of the Company attributable to the C Shares (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less such proportion of the Company's liabilities including the fees and expenses of a liquidation or return of capital (as the case may be) as the Directors of the liquidator (as the case may be) shall reasonably allocate to the assets of the Company attributable to the C Shareholders

"Circular" means the circular to shareholders of the Company dated 7 November 2005.

"Existing Ordinary Shares" means the Ordinary Shares in issue as at 31 December 2010

"Force Majeure Circumstances" means any political and/or economic and/or market circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders it necessary to bring the Conversion Date and/or the Calculation Date forward

"Issue Date" means the day on which the Company receives the net proceeds of the first issue of the C Shares under the Prospectus;

"London Stock Exchange" means London Stock Exchange plc.

"Manager" means Close Venture Management Limited, or such other person as is from time to time the manager of the Company's investments.

"New Ordinary Shares" means new Ordinary Shares arising on Conversion of the C Shares which, when issued, shall rank *pari passu* in all respects (save as provided in paragraph 4.2.3 below) and form a single class with the existing Ordinary Shares.

"Official List" means the Official List of the UK Listing Authority.

"Ordinary Share Surplus" means the net assets of the Company (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less the Company's

liabilities (including the fees and expenses of a liquidation or return of capital, as the case may be) less the C Share Surplus.

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

"**UK Listing Authority**" means the Financial Services Authority acting in its capacity as the competent authority for the purposes of part VI of the Financial Services and Markets Act 2000.

References to "**Ordinary Shareholders**" and "**C Shareholders**" shall be construed as references to holders for the time being of Ordinary Shares and C Shares respectively.

For the purposes of this Article, other than paragraph 4.2 below, assets attributable to the C Shareholders or the C Shares shall mean the net cash proceeds (after all expenses relating thereto) of the issue of the C Shares as invested in or represented by investments or cash or other assets from time to time less such proportion of the expenses and liabilities of the Company incurred or accrued between the Issue Date and the Calculation Date (both dates inclusive) as the Directors reasonably consider to be allocable to the C Shares.

References in this Article to the Auditors certifying any matter shall be construed to mean certification of their opinion as to such matter whether qualified or not.

#### **4.2. Dividends**

4.2.1. The Shareholders shall be entitled to receive, in that capacity, any dividends paid out of the net income derived from the assets attributable to the Shares

4.2.2. The C Shareholders shall be entitled to receive, in that capacity, any dividends paid out of the net income derived from the assets attributable to the C Shares.

4.2.3. The New Ordinary Shares arising on Conversion of the C Shares shall rank in full for all dividends and other distributions payable to holders of Ordinary Shares on the register after the Conversion Date.

All dividends unclaimed for a period of 12 years after being declared or becoming due for payment shall be forfeited and shall revert to the Company.

#### **4.3. Rights as to Capital**

The capital and assets of the Company shall on a winding up or on a return of capital prior, in each case, to Conversion be applied as follows:

4.3.1. the Ordinary Share Surplus shall be divided amongst the holders of the Ordinary Shares pro rata according to their holdings of Ordinary Shares; and

4.3.2. the C Share Surplus shall be divided amongst the holders of C Shares pro rata according to their holdings of C Shares

The capital and assets of the Company shall on a winding up or on a return of capital after Conversion be divided amongst the Ordinary Shareholders pro rata according to their holdings of Ordinary Shares.

#### **4.4. Voting Rights**

The Ordinary Shares and the C Shares shall rank pari passu as to rights to attend and vote at any General Meeting of the Company

#### **4.5. Conversion**

C Shares shall be converted into New Ordinary Shares on the Conversion Date in accordance with the provisions of paragraph 4.8 of this Article

#### **4.6. Class Consents and Variation of Rights**

Until Conversion the consent of each of:

- 4.6.1. the holders of the C Shares as a class, and
- 4.6.2. the holders of the Ordinary Shares as a class shall be required to approve, and accordingly the special rights attached to the C Shares and the Ordinary Shares shall be deemed to be varied, inter alia, by:
  - a) any alteration to these Articles; or
  - b) any consolidation, division, sub-division, cancellation, reduction or off-market purchase by the Company of any issued or authorised share capital of the Company other than on Conversion; or
  - c) any allotment or issue of any security convertible into or carrying a right to subscribe for any share capital of the Company or any other right to subscribe or acquire share capital of the Company; or
  - d) any change in the accounting reference date of the Company

#### **4.7. Undertakings**

Until Conversion and without prejudice to its obligations under the Statutes, the Company shall:

- 4.7.1. procure that the Company's records and bank accounts shall be operated so that the assets attributable to the C Shareholders can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall procure that a separate cash pool account, investment settlement account and income account shall be created and maintained in the books of the Company for the assets attributable to the C Shareholders;
- 4.7.2. allocate to the assets attributable to the C Shareholders such proportion of the expenses and liabilities of the Company incurred or accrued between the Issue Date and the Calculation Date (both dates inclusive) as the Directors reasonable consider to be allocable to the C Shares; and
- 4.7.3. give appropriate instructions to the Manager to manage the Company's assets so that such undertakings can be complied with by the Company.

#### **4.8. The Conversion Process**

4.8.1. The Directors shall procure that:

- a) within two months of the Calculation Date, both the Conversion Ratio as at the Calculation Date and the numbers of New Ordinary Shares to which each C Shareholder shall be entitled on Conversion shall be calculated; and
- b) the auditors shall be requested to certify, within two months of the Calculation Date, that both the calculation of the Conversion Ratio and the total number of New Ordinary Shares arising on Conversion;

- (i) have been performed in accordance with these Articles; and
- (ii) are arithmetically accurate;

whereupon, subject to the proviso immediately after the definition of "G" above, such calculations shall become final and binding on the Company and all shareholders

4.8.2. The Directors shall procure that as soon as practicable following such certification of a notice is sent to each C Shareholder advising such C Shareholder of the Conversion Date, the Conversion Ratio and the number of New Ordinary Shares to which such C Shareholder shall be entitled on Conversion

4.8.3. The Directors may in their absolute discretion from time to time decide the manner in which the C Shares are to be converted, subject to the provisions of these Articles and the Statutes, to the intent that on Conversion each C Share shall convert into a New Ordinary Share.

4.8.4. Without prejudice to Article 4.8.3 the Directors may, where the Conversion Ratio is greater than 1, in order to facilitate the Conversion, provide for the profits or reserves attributable to the "C" Shares to be capitalised and applied in paying up in full such number of New Ordinary Shares as shall be calculated by multiplying the number of New Ordinary Shares arising on Conversion by the Conversion Ratio and then deducting the number of New Ordinary Shares arising on Conversion, and allot such shares, credited as fully paid up, to the holders of "X" shares pro rata to their holdings.

4.8.5. Without prejudice to Article 4.8.3 the Directors may, where the Conversion Ratio is less than 1, in order to facilitate the Conversion, provide for the profits or reserves attributable to the Existing Ordinary Shares to be capitalised and applied in paying up in full such number of New Ordinary Shares as shall be calculated by dividing the number of Existing Ordinary Shares by the Conversion Ratio and then deducting the number of Existing Ordinary Shares, and allot such shares, credited as fully paid up, to the holders of Existing Ordinary Shares pro rata to their holdings.

4.8.6. The Directors may deal in such manner as they think fit with any fractional entitlement to New Ordinary Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any such shares representing such fractional entitlements and retaining the proceeds of the benefit of the Company.

4.8.7. Forthwith upon Conversion, the Company shall issue to each former C Shareholder certificates in respect of the New Ordinary Shares which have arisen upon Conversion.

4.8.8. Forthwith upon Conversion, the rights attaching to the C Shares under these Articles shall lapse. The New Ordinary Shares will be in registered form. The records in respect of the New Ordinary Shares will be kept by the Company's registrar, Capita Registrars, Northern House, Woodsome Park, Fenay Bridge, Huddersfield HD8 0LA.]

## **5. RIGHTS ATTACHED TO SHARES**

Subject to the provisions of the Statutes and to any special rights conferred on the holders of any other shares, any share may be issued with or have attached to it such rights and restrictions as

the Company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the board may decide.

## **6. SHARE WARRANTS**

- 6.1. The Company may with respect to any fully paid shares, issue a warrant (a "**share warrant**") stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends on the shares included in a share warrant.
- 6.2. The powers referred to in Article 6.1 may be exercised by the board, which may determine and vary the conditions on which share warrants shall be issued and in particular on which:
  - 6.2.1. a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out or lost (provided that no new share warrant shall be issued to replace one that has been lost unless the board is satisfied beyond reasonable doubt that the original has been destroyed);
  - 6.2.2. the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings;
  - 6.2.3. dividends will be paid; and
  - 6.2.4. a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it.

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

## **7. POWER TO PAY COMMISSION AND BROKERAGE**

The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Statutes.

## **8. ALTERATION OF SHARE CAPITAL**

- 8.1. The Company may alter its share capital in accordance with the provisions in any manner permitted by the Statutes.
- 8.2. If as a result of any consolidation or division of shares any members would become entitled to fractions of a share, the board may deal with the fractions as it thinks fit and in particular may (on behalf of those members) sell the shares representing the fractions to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale in due proportion among those members (except that any proceeds less than a sum fixed by the board may be retained for the benefit of the Company). For the purpose of any such sale the board may authorise some person to transfer the shares to or as directed by the purchaser, who shall not be bound to see to the application of the purchase money; nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.

## **9. POWER TO ISSUE REDEEMABLE SHARES**

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

## **10. TRUSTS NOT RECOGNISED**

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

## **VARIATION OF RIGHTS**

### **11. VARIATION OF CLASS RIGHTS**

11.1. Whenever the capital of the Company is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares in issue may from time to time (whether or not the Company is being wound up) be varied in such manner (if any) as may be provided by those rights or with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares.

11.2. All the provisions of these Articles relating to general meetings of the Company or to the proceedings at general meetings shall apply, *mutatis mutandis*, to every such separate general meeting, except that:

11.2.1. the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class (excluding any shares of that class held as treasury shares);

11.2.2. at an adjourned meeting the necessary quorum shall be two persons holding shares of the class (other than treasury shares) or his proxy;

11.2.3. every holder of shares of the class shall have one vote in respect of every share of the class held by him (excluding any shares of that class held as treasury shares); and

11.2.4. a poll may be demanded by any one holder of shares of the class whether present in person or by proxy.

11.3. Unless otherwise expressly provided by the terms of their issue, the rights attached to any class of shares shall not be deemed to be varied or abrogated by:

11.3.1. the creation or issue of further shares ranking *pari passu* with them but in no respect in priority thereto; or

11.3.2. the purchase by the Company of any of its own shares or the holding of such shares as treasury shares in accordance with the provisions of the Statutes.

## **SHARE CERTIFICATES**

### **12. ISSUE OF CERTIFICATES**

- 12.1. A person whose name is entered in the register as the holder of any certificated shares shall be entitled to receive, without charge, within two months after the allotment to him of those shares or five business days after the lodgement of evidence of his entitlement to shares (or within such other period as the conditions of issue may provide) one certificate for those shares, or one certificate for each class of those shares, but no certificate shall be issued to any member who is a financial institution unless it specifically requests the Company to issue one.
- 12.2. In the case of joint holders, the Company shall not be bound to issue more than one certificate for all the shares in any particular class registered in their joint names and delivery of a certificate for a share to any one of the joint holders shall be sufficient delivery to all.
- 12.3. This Article does not apply to uncertificated shares or to shares in respect of which a share warrant has been issued.
- 12.4. Every share certificate shall be executed under seal or as may be otherwise permitted by law and shall specify the number and class of the shares to which it relates and the amount or respective amounts paid upon the shares.
- 12.5. The Company shall enter in the register of members the number of shares which are held by each member in certificated form.

### **13. CHARGES FOR AND REPLACEMENT OF CERTIFICATES**

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

### **LIEN ON SHARES**

#### **14. LIEN ON PARTLY PAID SHARES**

- 14.1. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable (whether or not due) in respect of that share. The lien shall extend to every amount payable in respect of that share.



- 14.2. The board may at any time, either generally or in any particular case, declare any share to be wholly or partly exempt from the provisions of this Article.
- 14.3. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien (if any) on that share.

## **15. ENFORCEMENT OF LIEN**

- 15.1. The Company may sell any share subject to a lien in such manner as the board may decide if any amount payable on the share is due and is not paid within 14 clear days after a notice has been served on the holder or any person entitled by transmission to the share demanding payment of that amount and giving notice of intention to sell in default.
- 15.2. To give effect to any sale under this Article, the board may authorise some person to transfer the share sold to, or in accordance with the directions of, the purchaser and the transferee shall not be bound to see to the application of the purchase money; nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings connected with the sale.
- 15.3. The net proceeds of the sale, after payment of the costs, shall be applied in or towards satisfaction of the amount due and any residue shall (subject to a like lien for any amounts not presently due as existed on the share before the sale), on surrender of the certificate for the shares sold, be paid to the holder or person entitled by transmission to the share immediately before the sale.

## **CALLS ON SHARES**

### **16. CALLS**

- 16.1. Subject to the terms of allotment, the board may make calls on the members in respect of any monies unpaid on their shares (whether in respect of nominal amount or premium) and each member shall (subject to his receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be revoked or postponed as the board may decide.
- 16.2. Any call may be made payable in one sum or by instalments and shall be deemed to be made at the time when the resolution of the board authorising that call is passed.
- 16.3. A person on whom a call is made shall remain liable for it notwithstanding the subsequent transfer of the share in respect of which the call is made.
- 16.4. The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of that share.

### **17. RIGHTS OF MEMBER WHEN CALL UNPAID**

No member shall be entitled to receive any dividend or to be present and vote at any general meeting either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum or to exercise any other privilege as a member unless and until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

### **18. INTEREST ON CALLS**

If a call is not paid before or on the due date for payment, the person from whom it is due shall pay interest on the amount unpaid from the due date for payment to the date of actual payment at

such rate as the board may decide, but the board may waive payment of the interest, wholly or in part.

**19. SUMS TREATED AS CALLS**

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

**20. POWER TO DIFFERENTIATE**

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

**21. PAYMENT OF CALLS IN ADVANCE**

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

**FORFEITURE OF SHARES**

**22. NOTICE OF UNPAID CALLS**

22.1. If the whole or any part of any call or instalment remains unpaid on any share after the due date for payment, the board may serve a notice on the holder requiring him to pay so much of the call or instalment as remains unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.

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

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

**23. FORFEITURE FOLLOWING NON-COMPLIANCE WITH NOTICE**

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

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

**24. POWER TO ANNUL FORFEITURE OR SURRENDER**

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

## **25. DISPOSAL OF FORFEITED OR SURRENDERED SHARES**

25.1. Every share which is forfeited or surrendered shall become the property of the Company and (subject to the provisions of the Statutes) may be sold, re-allotted or otherwise disposed of, upon such terms and in such manner as the board shall decide, either to the person who was before the forfeiture the holder of the share or to any other person and whether with or without all or any part of the amount previously paid up on the share being credited as so paid up. The board may for the purposes of a disposal authorise some person to transfer the forfeited or surrendered share to, or in accordance with the directions of, any person to whom the same has been sold or disposed of.

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

## **26. ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE OR SURRENDER**

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

## **UNTRACED MEMBERS**

### **27. SALE OF SHARES OF UNTRACED MEMBERS**

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

27.1.1. during the relevant period at least three dividends have become payable in respect of the share to be sold and have been sent by the Company in accordance with Article 110 (*Method of Payment*);

27.1.2. no dividend payable during the relevant period in respect of the share has been claimed;

27.1.3. during the relevant period no warrant or cheque in respect of the share sent to the registered address and in the manner provided by these Articles for sending such payments has been cashed;

- 27.1.4. during the relevant period no communication has been received by the Company from the member or the person entitled by transmission to the share;
- 27.1.5. after expiry of the relevant period the Company has published advertisements in both a national newspaper and in a newspaper circulating in the area in which the registered address is located, in each case giving notice of its intention to sell the share; and
- 27.1.6. during the period of three months following the publication of those advertisements and after that period until the exercise of the power to sell the share, the Company has not received any communication from the member or the person entitled by transmission to the share.

For the purposes of this Article 27.1 the "**relevant period**" means the period of 12 years immediately preceding the date of publication of the first of any advertisement published pursuant to Article 27.1.5.

- 27.2. The Company's power of sale shall extend to any further share which on or before the date of publication of the first advertisement published pursuant to Article 27.1.5, is issued in right of a share to which Article 27.1 applies (or in right of any share to which this Article 27.2 applies) if the conditions set out in Article 27.1.1 to Article 27.1.6 (inclusive) have been satisfied in relation to the further share since the date of allotment of the further share but for this purpose the relevant period shall be deemed to be the period commencing on the date of allotment of the further share and ending immediately prior to the publication of the first advertisement published pursuant to Article 27.1.5.
- 27.3. To give effect to any sale, the board may authorise some person to transfer the share to, or in accordance with the directions of, the purchaser and the new holder of the share shall not be bound to see to the application of the purchase money; nor shall his title to the share be affected by any irregularity in, or invalidity of, the proceedings connected with the sale.

## **28. APPLICATION OF PROCEEDS OF SALE**

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

## **TRANSFER OF SHARES**

### **29. RIGHT TO TRANSFER SHARES**

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

### **30. TRANSFER OF CERTIFICATED SHARES**

A transfer of a certificated share shall be in writing in the usual common form or in any other form permitted by the Statutes or approved by the board. The instrument of transfer shall be executed by or on behalf of the transferor and, if the certificated share is not fully paid, by or on behalf of the transferee.

**31. TRANSFER OF UNCERTIFICATED SHARES**

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

**32. POWER TO REFUSE REGISTRATION OF TRANSFERS OF CERTIFICATED SHARES**

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

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

**33. POWER TO REFUSE REGISTRATION OF TRANSFERS OF UNCERTIFICATED SHARES**

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

**34. OTHER PROVISIONS ON TRANSFERS**

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

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

34.3. Any instrument of transfer which is registered shall, subject to Article 132 (*Destruction of Documents*), be retained by the Company, but any instrument of transfer which the board refuses to register shall (except in any case of fraud) be returned to the person depositing the same with the notice of refusal.

**35. BRANCH REGISTER**

35.1. Subject to Article 35.2 and to the extent permitted by the Statutes, the Company or the board on behalf of the Company may cause to be kept in any territory a branch register of members resident in such territory and the board may make and vary such regulations as it thinks fit respecting the keeping of any such register.

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

**36. RENUNCIATIONS OF ALLOTMENT**

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

**TRANSMISSION OF SHARES**

**37. TRANSMISSION ON DEATH**

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

**38. ELECTION OF PERSON ENTITLED BY TRANSMISSION**

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

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

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

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

38.3.2. change the uncertificated share into certificated form and execute an instrument of transfer of that certificated share to that person.

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

**39. RIGHTS OF PERSON ENTITLED BY TRANSMISSION**

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

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

## UNCERTIFICATED SHARES

### 40. UNCERTIFICATED SHARES - GENERAL POWERS

- 40.1. Notwithstanding anything in these Articles to the contrary, any share may be issued, held, registered, converted to or transferred in uncertificated form and may be converted from uncertificated form to certificated form in accordance with the Regulations and the requirements and practices of the Operator of the relevant system.
- 40.2. In relation to any share which is for the time being held in uncertificated form:
- 40.2.1. the Company may utilise the relevant system in which it is held to the fullest extent available from time to time in the exercise of any of its powers or functions under the Statutes or these Articles or otherwise in effecting any actions and the board may from time to time determine the manner in which such powers, functions and actions shall be so exercised or effected,
- 40.2.2. any provision in these Articles which is inconsistent with:
- a) the holding or transfer of that share in the manner prescribed or permitted by the Statutes;
  - b) any other provision of the Statutes relating to shares held in uncertificated form; or
  - c) the exercise of any powers or functions by the Company or the effecting by the Company of any actions by means of a relevant system,
- shall not apply;
- 40.2.3. the Company may, by notice to the holder of any such share, require the holder to convert such share into certificated form within such period as may be specified in the notice or, alternatively, may, to the extent permitted by the Regulations, give notice to the Operator of the relevant system requiring such share to be converted into certificated form, and
- 40.2.4. the Company shall not issue a certificate.
- 40.3. The Company shall enter in the issuer register of members the number of shares which are held by each member in certificated form.
- 40.4. Unless the board otherwise determines, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings.
- 40.5. References in these Articles to a requirement to execute or deliver an instrument of transfer or certificate or other document which shall not be appropriate in the case of uncertificated shares shall, in the case of uncertificated shares, be treated as references to a requirement to comply with any relevant requirements of the relevant system and any relevant arrangements or regulations which the board may make from time to time pursuant to Article 40.8.
- 40.6. A class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which applies only in respect of certificated shares or uncertificated shares.
- 40.7. References in these Articles to instruments of transfer shall, so far as may be consistent with the Regulations and the requirements of the relevant system, include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the

relevant system relating to the transfer of such shares.

- 40.8. Subject to the Regulations and the requirements of the relevant system, the board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion think fit in relation to the evidencing and transfer of uncertificated shares or otherwise for the purpose of implementing and/or supplementing the provisions of this Article and the Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article.
- 40.9. The board may resolve that a class of shares is to become a participating security and may at any time determine that a class of shares shall cease to be a participating security.
- 40.10. Where any class of shares in the capital of the Company is a participating security and the Company is entitled under any provisions of the Statutes or the rules made and practices instituted by the Operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any share which is held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the Operator of the relevant system) shall include the right to:
  - 40.10.1. request or require the deletion of any entries in the Operator's register of members;
  - 40.10.2. require any holder of any uncertificated share which is the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated share into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such share or direct the holder to take such steps, by instructions given by means of a relevant system or otherwise, as may be necessary to sell or transfer such share;
  - 40.10.3. appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such share as may be required to effect a transfer of such share and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated share concerned;
  - 40.10.4. otherwise rectify or change the issuer register of members in respect of that share in such manner as may be appropriate; and/or
  - 40.10.5. take such other action as may be necessary to enable that share to be registered in the name of the person to whom the share has been sold or disposed of or as directed by him.

## DISCLOSURE OF INTERESTS IN SHARES

### 41. DISCLOSURE OF INTERESTS IN SHARES

- 41.1. This Article applies where the Company gives to the holder of a share or to any person appearing to be interested in a share a notice requiring any of the information mentioned in section 793 of the CA2006 (a "**section 793 notice**").
- 41.2. If a section 793 notice is given by the Company to a person appearing to be interested in any share, a copy shall at the same time be given to the holder, but the accidental omission to do so or the non-receipt of the copy by the holder shall not prejudice the operation of the following provisions of this Article.



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

41.3.1. due compliance to the satisfaction of the board with the section 793 notice; or

41.3.2. receipt by the Company of notice that the shareholding has been sold to a third party pursuant to an arm's length transfer,

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

41.4. The restrictions referred to above are as follows:

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

41.4.2. if the default shares in which any one person is interested or appears to the Company to be interested represent at least 0.25% of the issued shares of the class (calculated exclusive of treasury shares), the holders of the default shares shall not be entitled, in respect of those shares:

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

41.5. The restrictions in Article 41.4 shall not prejudice the right of either the member holding the default shares or, if different, any person having a power of sale over those shares to sell or agree to sell those shares under an arm's length transfer.

41.6. If any dividend is withheld under Article 41.4.2(b) the member shall be entitled to receive it as soon as practicable after the restriction contained in Article 41.4.2(b) shall cease to apply.

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

41.8. For the purposes of this Article

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

41.8.1. a sale of the whole of the beneficial ownership of those shares to a bona fide third

party not connected in any respect with the member or with any person appearing to be interested in such shares including any such sale on a recognised investment exchange or on any stock exchange outside the United Kingdom on which the shares are listed or normally traded; or

41.8.2. a takeover offer (being an offer made to all the holders, or all the holders other than the person making the offer and his nominees, of the shares in the Company to acquire those shares or a specified proportion of them or to all the holders, or all the holders other than the person making the offer and his nominees, of a particular class of those shares to acquire the shares of that class or a specified proportion of them) which relates to those shares.

41.9. For the purpose of this Article:

41.9.1. the percentage of the issued shares of a class represented by a particular holding shall be calculated by reference to the shares in issue (including any shares held as treasury shares) at the time when the section 793 notice is given;

41.9.2. sections 820 to 825 of the CA2006 shall apply to determine whether a person has an interest in shares for the purpose of these Articles; and

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

41.10. The provisions of this Article are without prejudice to the provisions of section 794 of the CA2006 and, in particular, the Company may apply to the court under section 794(1) of the CA2006 whether or not the provisions of this Article apply or have been applied.

## **GENERAL MEETINGS**

### **42. ANNUAL GENERAL MEETINGS**

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

### **43. CONVENING OF GENERAL MEETINGS**

43.1. All meetings other than annual general meetings shall be called general meetings. The board may convene a general meeting whenever it thinks fit.

43.2. A general meeting may also be convened in accordance with Article 81 (*Power to Act Notwithstanding Vacancy*).

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

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

#### 44. ORDERLY CONDUCT OF MEETINGS

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

44.2. The chairman of any general meeting of the Company shall take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting, including, without limitation, asking any person or persons (whether or not a member or members of the Company) to leave the meeting and, if necessary, having such person or persons excluded from the meeting. The decision of the chairman on matters relating to the orderly conduct of a meeting and on any other matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination, acting in good faith, as to whether any matter is of such nature Nothing in this Article 44.2 shall limit any other power vested in the chairman.

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

44.3.1. to regulate the level of attendance at any place specified for the holding of a general meeting or any adjournment of such a meeting;

44.3.2. to ensure the safety of people attending at any such place; or

44.3.3. to facilitate attendance at such meeting or adjournment,

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

44.3A If a general meeting is held wholly or partly by means of an electronic facility or facilities pursuant to Article 44.11, the Board and the chairman may make any arrangement and impose any requirement or restriction that is:

a) necessary to ensure the identification of those taking part by means of such electronic facility or facilities and the security of the electronic communication; and

b) in its or his or her view, proportionate to those objectives.

In this respect, the Board may authorise any voting application, system or facility for attendance and participation as it sees fit.

44.4. The board may when specifying the place of the meeting

44.4.1. direct that the meeting shall be held at a place specified in the notice ("**Main Meeting Place**") including wholly or partly by means of electronic facility or facilities, at which the chairman of the meeting shall preside; and

44.4.2. make arrangements for simultaneous attendance and participation at another place or other places by members and proxies otherwise entitled to attend the general

meeting but excluded from it under the provisions of this Article 44.4 of who wish to attend at the other place or any of such other places.

44.4.3. make arrangements for simultaneous attendance and participation by means of electronic facility or facilities pursuant to Article 44.11 (and for the avoidance of doubt, the Board shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances).

**44.4A** If, at any general meeting at which members are entitled to participate by means of electronic facility or facilities determined by the Board pursuant to Article 44.11, any document is required to be on display or to be available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.

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

44.6. The members present in person or by proxy at the other place or places pursuant to the provisions of Article 44.4.2 shall be counted in the quorum for, and entitled to vote at, the meeting in question, and that meeting shall be duly constituted and its proceedings shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending all the meeting places are able to:

44.6.1. participate in the business for which the meeting has been convened;

44.6.2. hear and see all persons who speak (whether by use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the Main Meeting Place and the other place or places for the meeting; and

44.6.3. be heard and seen by all other persons present in the same way

and the meeting shall be deemed to take place at the place where the chairman of the meeting presides (the principal meeting place, with any other location where that meeting takes place being referred in these Articles as a satellite meeting). The chairman shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the chairman shall apply equally to each satellite meeting place, including his or her power to adjourn the meeting as referred to in Article 51.

44.7. If it appears to the chairman of the meeting that the facilities at the Main Meeting Place or at the other place or places have become inadequate for the purpose referred to in Article 44.6, then the chairman may, without the consent of the meeting, interrupt or adjourn the meeting. All business conducted at that meeting up to the time of adjournment shall be valid. The provisions of Article 51.2 shall apply to that adjournment.

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

44.9. If after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the board decides that it is impracticable or unreasonable to hold the meeting on the date or at the time or at the Main

Meeting Place specified in the notice calling the meeting (or any of the other places, in the case of a meeting to which Article 44.4.2 applies), and/or by means of the electronic facility or facilities specified in the notice, it may postpone the meeting to another date, time and place or in the case of a general meeting to be held at a principal meeting place and one or more satellite meeting places, to such other places) and/or change the electronic facility or facilities. When a meeting is postponed, notice of the date, time and place (or places, in the case of a general meeting to which Article 44.4.2 and/or electronic facility or facilities apply) of the postponed meeting shall, be placed in at least two national newspapers in the United Kingdom. No new notice of the meeting need be sent. The board must take reasonable steps to ensure that a member trying to attend the meeting at the original date, time and place (or places in the case of a meeting to which Article 44.4.2 and/or by electronic facility or facilities apply), is informed of the new arrangements.

44.10. An appointment of a proxy in relation to a postponed meeting may, if in hard copy form, be delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 63.1.1 or, if in electronic form, be received at the address (if any) specified by or on behalf of the Company in accordance with Article 63.1.2, at any time not less than 48 hours before any time appointed for holding the postponed meeting.

44.11. Without prejudice to Article 44.6, the Board may resolve to enable persons entitled to attend and participate in a general meeting to do so wholly by means of electronic facility or facilities or partly by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Board) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chair is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:

- a) participate in the business for which the meeting has been convened;
- b) hear all persons who speak at the meeting; and
- c) be heard by all other persons attending and participating in the meeting.

## **NOTICE OF GENERAL MEETINGS**

### **45. LENGTH AND FORM OF NOTICE**

45.1. Subject to the provisions of the Statutes, an annual general meeting and all other general meetings of the Company shall be called by at least such minimum period of notice as is prescribed under the Statutes for the type of meeting concerned.

45.2. The notice shall specify the place, day and time of the meeting and the general nature of the business to be transacted.

45.3. Notice of every general meeting shall be given to all members other than any who, under the provisions of these Articles or the terms of issue of the shares which they hold, are not entitled to receive such notices from the Company, and also to the Auditors (or, if more than one, each of them) and to each director.

45.4. Every notice of meeting shall state with reasonable prominence that a member entitled to

attend, speak and vote at the meeting may appoint one or more proxies to attend, speak and vote at that meeting instead of him and that a proxy need not be a member of the Company.

45.5. If pursuant to Article 44.11 the Board determines that a general meeting shall be held wholly or partly by means of electronic facility or facilities, the notice shall:

- a) include a statement to that effect;
- b) specify the means, or all different means, of attendance and participation thereat, and any access, identification and security arrangements determined pursuant to Article 44.3A; and
- c) state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.

45.6. The notice shall specify such arrangements as have at that time been made for the purpose of Article 44.6.

#### **46. AMENDMENTS TO RESOLUTIONS**

46.1. No amendment to a resolution duly proposed as a special resolution (other than a mere clerical amendment to correct an obvious error) may be considered.

46.2. No amendment to a resolution duly proposed as an ordinary resolution may be considered or voted on (other than a mere clerical amendment to correct an obvious error) unless:

46.2.1. at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed, notice in writing of the terms of the amendment has been lodged by means of an instrument in hard copy form at the office, or received in electronic form at such address (if any) as may for the time being have been specified by or on behalf of the Company for that purpose; and

46.2.2. the proposed amendment does not, in the reasonable opinion of the chairman, materially alter the scope of the resolution.

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

#### **47. OMISSION OR NON-RECEIPT OF NOTICE**

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

#### **PROCEEDINGS AT GENERAL MEETINGS**

#### **48. QUORUM**

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

- 48.2. Except as otherwise provided by these Articles two persons entitled to attend and to vote on the business to be transacted, each being a member present in person or by proxy or a duly authorised representative of a corporation which is a member, shall be a quorum.
- 48.3. If within 15 minutes (or such longer time as the chairman in his absolute discretion sees fit) from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or, if that day is not a business day, to the next business day) and at the same time and place, as the original meeting, or to such other day, and at such other time and place, or places, with such means of attendance and participation (including wholly or partly by means of electronic facility or facilities), as the board may decide and in the latter case not less than seven clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being. If at an adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, members present in person or by proxy and entitled to vote upon the business to be transacted at the meeting shall be a quorum.

**49. CHAIRMAN**

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

**50. DIRECTORS ENTITLED TO ATTEND AND SPEAK**

- 50.1. Whether or not he is a member, a director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares of the Company.
- 50.2. All persons seeking to attend and participate in a general meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the requirement for the chairman to adjourn a general meeting in accordance with the provisions of Article 51.6, any inability of a person or persons to attend or participate in a general meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting.

**51. ADJOURNMENT**

- 51.1. With the consent of any meeting at which a quorum is present the chairman of the meeting may (and if so directed by the meeting shall) adjourn the meeting from time to time or sine die and from place to place (or, in the case of a meeting held at a principal meeting place and one or more satellite meeting places, such other places) and/or from such electronic facility or facilities for attendance and participation to such other electronic facility or facilities as the meeting shall determine.
- 51.2. In addition, the chairman of the meeting may at any time without the consent of the meeting adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place (or places in the case of a meeting to which Article 44.6 applies) and/or from such electronic facility or facilities for attendance and participation to such other

electronic facility or facilities as the meeting shall determine, if, in his opinion, it would facilitate the conduct of the business of the meeting to do so, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless appoint a proxy for the adjourned meeting in accordance with Article 63.1.

- 51.3. Nothing in this Article shall limit any other power vested in the chairman to adjourn the meeting.
- 51.4. Whenever a meeting is adjourned for 30 days or more, at least seven clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being but otherwise no person shall be entitled to any notice of any adjourned meeting or of the business to be transacted at an adjourned meeting.
- 51.5. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
- 51.6. If it appears to the chairman that the facilities at the principal meeting place or any satellite meeting place or an electronic facility or facilities or that security at any general meeting have become inadequate for the purposes referred to in Articles 44.6 or 44.11 or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of meeting, then the chairman shall, without the consent of the meeting, interrupt or adjourn the general meeting.

## **52. METHOD OF VOTING AND DEMAND FOR POLL**

- 52.1. At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:
  - 52.1.1. the chairman of the meeting;
  - 52.1.2. not less than five members present in person or by proxy having the right to vote on the resolution;
  - 52.1.3. a member or members present in person or by proxy representing in aggregate not less than 10 per cent, of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or
  - 52.1.4. a member or members present in person or by proxy holding shares conferring the right to vote on the resolution on which an aggregate sum has been paid up equal to not less than 10 per cent of the total sum paid up on all the shares conferring that right (excluding any shares in the Company conferring a right to vote at the meeting which are held as treasury shares), and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.
- 52.2. No poll may be demanded in respect of a resolution to elect a chairman of the meeting.
- 52.3. A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.



52.4. Unless a poll is demanded (and the demand is not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or has been carried by a particular majority, or lost, or not earned by a particular majority, shall be conclusive, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of that fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution or withheld.

### **53. TAKING A POLL**

53.1. If a poll is demanded (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days after the meeting), at such place and in such manner (including at such place or places and/or by means of such electronic facility or facilities) as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).

53.2. A poll demanded on a question of adjournment shall be taken forthwith at the meeting.

53.3. It shall not be necessary (unless the chairman of the meeting otherwise directs) for notice to be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it was demanded. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

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

### **54. CONTINUANCE OF BUSINESS AFTER DEMAND FOR POLL**

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

### **55. 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 was demanded shall be entitled to a second or casting vote in addition to any other vote that he may have.

## **VOTES OF MEMBERS**

### **56. VOTING RIGHTS**

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

56.1.1. 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;

56.1.2. on a show of hands, every proxy appointed by a member shall have one vote; and

56.1.3. on a poll, every member who is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall have one vote for every share in the Company held by such member.

Where a duly authorised representative or a proxy is a member in his own right, he may only vote once on a show of hands.

**57. VOTING RIGHTS OF JOINT HOLDERS**

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

**58. VOTING RIGHTS OF MEMBERS INCAPABLE OF MANAGING THEIR AFFAIRS**

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

**59. VOTING RIGHTS SUSPENDED WHERE SUMS OVERDUE**

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

**60. OBJECTIONS TO ADMISSIBILITY OF VOTES**

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

**PROXIES**

**61. PROXIES**

61.1. A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by a member. References in these Articles to an appointment of a proxy includes references to an appointment of multiple proxies.

61.2. If a member appoints more than one proxy in relation to a meeting, each proxy being for a specified number of shares which in aggregate exceeds the number of shares registered in the name of the member, the Company shall have the right either to treat all such proxies as invalid or to treat only some of such proxies as invalid provided that the remaining proxies which are treated as valid are for a specified number of shares which in aggregate do not exceed the number of shares registered in the name of the member.

61.3. Deposit of an appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or on the poll concerned.

61.4. Without prejudice to Article 63.8, no appointment of a proxy shall be valid except for the meeting or meetings mentioned in it (including on any poll demanded at any such meeting).

## **62. FORM OF PROXY**

62.1. An appointment of a proxy shall be in writing in:

62.1.1. hard copy in any usual form or in any other form which the board may approve, executed by the appointor or his agent duly authorised in writing, or, if the appointor is a corporation, shall either be executed under its common seal or be signed by some agent or officer authorised for that purpose; or

62.1.2. electronic form.

62.2. The signature on an appointment of a proxy need not be witnessed.

## **63. DEPOSIT OF PROXY**

63.1. The appointment of a proxy shall

63.1.1. in the case of an appointment in hard copy form, be delivered personally or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose in the notice convening the meeting or in any form of proxy sent by or on behalf of the Company in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or any postponed time appointed for holding the meeting pursuant to Article 44.9) to which it relates; or

63.1.2. in the case of an appointment in electronic form, be received at an address specified (or is deemed by a provision in the CA2006 to have been specified) by or on behalf of the Company for the purpose of receiving documents or information in electronic form:

- a) in, or by way of note to, the notice convening the meeting;
- b) in any form of proxy sent by or on behalf of the Company in relation to the meeting; or
- c) in any invitation in electronic form to appoint a proxy issued by or on behalf of the Company in relation to the meeting,

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or any postponed time appointed for holding the meeting pursuant to Article 44.9) to which it relates; or

63.1.3. in the case of a poll which is taken more than 48 hours after it is demanded, be delivered or received as aforesaid not less than 24 hours before the time appointed for the taking of the poll; or

63.1.4. in the case of a poll which is not taken at the meeting at which it is demanded but is taken not more than 48 hours after it was demanded, be delivered in hard copy form at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

For the purpose of this Article 63.1 and Article 64.2 "address", in relation to a proxy in electronic form includes a number or address (including in the case of any

Uncertificated Proxy Instruction permitted pursuant to Article 63.23, an identification number of a participant in the relevant system concerned) used for those purposes.

- 63.2. In calculating the periods mentioned in this Article, no account shall be taken of any part of a day that is not a working day as defined in section 1173 of the CA2006.
- 63.3. Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the board may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the board (subject always to the facilities and requirements of the relevant system concerned)), and may in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made by like means. The board may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The board may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.
- 63.4. An appointment of a proxy relating to more than one meeting (including any adjournment thereof) having once been so received for the purposes of any meeting shall not be required to be received again for the purposes of any subsequent meeting to which it relates.
- 63.5. Where the appointment of a proxy is expressed to have been or purports to have been executed by a person on behalf of the holder of a share.
  - 63.5.1. the Company may treat the appointment as sufficient evidence of the authority of that person to execute the appointment on behalf of that holder; and
  - 63.5.2. that holder shall, if requested by or on behalf of the Company at any time, send or procure the sending of any written authority under which the appointment has been executed, or a copy of such authority certified notarially or in some other way approved by the board, to such address and by such time as may be specified in the request and, if the request is not complied with in any respect, the appointment may be treated as invalid.
- 63.6. An appointment of a proxy which is not delivered or received in accordance with Article 63.1, or in respect of which Article 63.5 has not been complied with, shall be invalid.
- 63.7. No appointment of a proxy shall be valid more than 12 months from the date of execution.
- 63.8. The appointment of a proxy shall also be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The appointment of a proxy shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates, subject to Article 63.7.
- 63.9. If two or more valid but differing appointments of proxy in hard copy form are received in respect of the same share for use at the same meeting or poll, the one which is last delivered or received (regardless of its date or of the date or time of its execution or transmission) shall be treated as replacing and revoking the others.

63.10. The board may determine at its discretion when an appointment of a proxy shall be treated as delivered or received for the purposes of these Articles.

#### **64. NOTICE OF REVOCATION OF PROXY**

64.1. Notice of the revocation of the appointment of a proxy may be given in any lawful manner which complies with the regulations (if any) made by the board to govern the revocation of a proxy.

64.2. A vote cast or a poll demanded by a proxy or by the duly authorised representative of a corporation shall not be rendered invalid by reason of the death or mental disorder of the appointor or by the revocation of the proxy or the authority under which the proxy was executed or, pending registration thereof, by the transfer of the share in respect of which the vote is cast or the poll is demanded unless notice of such death, mental disorder or revocation or of the transfer shall have been received by the Company not later than the latest time at which the proxy would need to have been delivered to or received by the Company in order to be valid for use at the meeting or adjourned meeting at which the proxy is used, or in the case of a poll, not later than the latest time at which the proxy would need to have been delivered to or received by the Company to enable the proxy to vote on the poll. Such notice of determination shall be either in hard copy form, delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 63.1.1 or in electronic form received at the address (if any) specified by or on behalf of the Company in accordance with Article 63.1.2, regardless of whether any relevant appointment of a proxy was effected in hard copy or electronic form.

### **DIRECTORS**

#### **65. NUMBER OF DIRECTORS**

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

#### **66. DIRECTORS NEED NOT BE MEMBERS**

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

#### **67. AGE OF DIRECTORS**

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

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

#### **68. APPOINTMENT OF DIRECTORS BY THE COMPANY IN GENERAL MEETING**

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

68.2. No person (other than a director retiring by rotation or otherwise) shall be appointed or re-appointed a director at any general meeting unless:

- 68.2.1. he is recommended by the board; or
- 68.2.2. not less than seven nor more than 42 clear days before the date appointed for the meeting there has been given to the Company, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment of that person, stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors and a notice executed by that person of his willingness to be appointed.

## **69. SEPARATE RESOLUTIONS FOR APPOINTMENT OF EACH DIRECTOR**

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

## **70. RETIREMENT OF DIRECTORS**

- 70.1. At each annual general meeting any director who has been appointed by the board since the previous annual general meeting and any director selected to retire by rotation pursuant to Article 71 (*Selection of Directors to Retire by Rotation*) shall retire from office.
- 70.2. A retiring director shall be eligible for re-appointment and (unless he is removed from office or his office is vacated in accordance with these Articles) shall retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.
- 70.3. If at any meeting at which the appointment of a director ought to take place the office vacated by a retiring director is not filled, the retiring director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.

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

- 71.1. At each annual general meeting:
  - 71.1.1. one-third of the directors (excluding any director who has been appointed by the board since the previous annual general meeting) or, if their number is not an integral multiple of three, the number nearest to one-third but not exceeding one-third shall retire from office (but so that if there are fewer than three directors who are subject to retirement by rotation under this Article one shall retire); and
  - 71.1.2. any director who is not required to retire by rotation in accordance with Article 71.1.1 but who has been in office for three years or more since his appointment or his last re-appointment or who would (but for the operation of this Article 71.1.12) have held office at not less than three consecutive annual general meetings of the Company without retiring shall retire from office.
  - 71.1.3. The directors to retire by rotation at each annual general meeting in accordance with Article 71.1.1 shall be the directors who, at the date of the notice of the meeting, have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined

by lot.

- 71.1.4. The names of the directors to retire by rotation shall be stated in the notice of the annual general meeting or in any document accompanying the notice. The directors to retire on each occasion (both as to number or identity) shall be determined by the composition of the board at the start of business on the date of the notice convening the annual general meeting and no directors shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the directors after that time but before the close of the meeting.

## **72. REMOVAL OF DIRECTORS**

- 72.1. The Company may by ordinary resolution of which special notice has been given in accordance with the Statutes, remove any director before his period of office has expired notwithstanding anything in these Articles or in any agreement between him and the Company.
- 72.2. A director may also be removed from office by the service on him of a notice to that effect signed by all the other directors.
- 72.3. Any removal of a director under this Article shall be without prejudice to any claim which such director may have for damages for breach of any agreement between him and the Company.

## **73. VACATION OF OFFICE OF DIRECTOR**

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

- 73.1.1. if he ceases to be a director by virtue of any provision of CA2006 or is prohibited by law from being a director;
- 73.1.2. if he becomes bankrupt or he makes any arrangement or composition with his creditors generally;
- 73.1.3. if a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 73.1.4. if he is, or may be, suffering from mental disorder and in relation to that disorder or an order is made by a court (whether in the United Kingdom or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs;
- 73.1.5. if for more than six months he is absent (whether or not an alternate director attends in his place), without special leave of absence from the board, from meetings of the board held during that period and the board resolves that his office be vacated; or
- 73.1.6. if he serves on the Company notice of his wish to resign, in which event he shall vacate office on the service of that notice on the Company or at such later time as is specified in the notice.

## **74. EXECUTIVE DIRECTORS**

- 74.1. The board may appoint one or more directors to hold any executive office or employment under the Company (including that of chairman, chief executive or managing director) for

such period (subject to the provisions of the Statutes) and on such terms as it may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract of service between the director and the Company.

- 74.2. The remuneration of a director appointed to any executive office or employment shall be fixed by the board and may be by way of salary, commission, participation in profits or otherwise and either in addition to or inclusive of his remuneration as a director.
- 74.3. A director appointed to any executive office or employment shall automatically cease to hold that office if he ceases to be a director.

## **ALTERNATE DIRECTORS**

### **75. POWER TO APPOINT ALTERNATE DIRECTORS**

- 75.1. Each director may appoint another director or any other person who is willing to act as his alternate and may remove him from that office. The appointment as an alternate director of any person who is not himself a director shall be subject to the approval of a majority of the directors or a resolution of the board.
- 75.2. An alternate director shall be entitled to receive notice of all meetings of the board and of all meetings of committees of which the director appointing him is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointor as a director and for the purposes of the proceedings at the meeting the provisions of these Articles shall apply as if he were a director.
- 75.3. Every person acting as an alternate director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these Articles relating to directors and shall alone be responsible to the Company for his acts and defaults and shall be entitled to be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director.
- 75.4. Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director, but he shall count as only one for the purpose of determining whether a quorum is present.
- 75.5. Any person appointed as an alternate director shall vacate his office as alternate director if the director by whom he has been appointed vacates his office as director (otherwise than by retirement at a general meeting of the Company at which he is re-elected) or removes him by notice to the Company or on the happening of any event which, if he is or were a director, causes or would cause him to vacate that office.
- 75.6. Every appointment or removal of an alternate director shall be by notice in hard copy form signed by the appointor (or in any other manner approved by the board) and shall be effective (subject to Article 75.1) upon delivery to, or, if in electronic form, receipt by the secretary or at a meeting of the board.

## **REMUNERATION, EXPENSES AND PENSIONS**

### **76. REMUNERATION OF DIRECTORS**

The directors (other than any director who for the time being holds an executive office of employment with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as directors such fees not exceeding in



aggregate £100,000<sup>2</sup> per annum (or such larger sum as the Company may, by ordinary resolution, determine) as the directors may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally. Any fee payable under this Article shall be distinct from any remuneration or other amounts payable to a director under other provisions of these Articles and shall accrue from day to day.

**77. SPECIAL REMUNERATION**

77.1. The board may grant special remuneration to any director who performs any special or extra services to or at the request of the Company.

77.2. Such extra or special remuneration may be paid by way of lump sum, salary, commission, participation in profits or otherwise as the board may decide in addition to any remuneration provided for by or pursuant to any other Article.

**78. EXPENSES**

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

**79. PENSIONS AND OTHER BENEFITS**

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

**POWERS OF THE BOARD**

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

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

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

**81. POWER TO ACT NOTWITHSTANDING VACANCY**

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

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<sup>2</sup> Increased to £150,000 per annum by ordinary resolution passed on 6 June 2018.

to act, then any two members may summon a general meeting for the purpose of appointing directors.

## **82. PROVISIONS FOR EMPLOYEES**

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

## **83. POWER TO CHANGE NAME**

The board may exercise the powers conferred by the Statutes to change the name of the Company.

## **84. EXERCISE OF VOTING POWER**

The board may exercise or cause to be exercised the voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised by the Company in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

## **85. OVERSEAS REGISTERS**

Subject to the provisions of the Statutes, the board may exercise the powers conferred on the Company with regard to the keeping of an overseas branch register and may make and vary such regulations as it thinks fit respecting the keeping of any such register.

## **POWER TO BORROW MONEY**

### **86. BORROWING POWERS**

86.1. Subject as provided in this Article 86 (*Borrowing Powers*), the board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the provisions of the Statutes, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

86.2. The board shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in respect of its subsidiaries so as to procure (as regards its subsidiaries insofar as it can procure by such exercise) that the aggregate principal amount at any one time outstanding in respect of monies borrowed by the Group (exclusive of monies borrowed by one Group company from another and after deducting cash deposited) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to 10% of the Adjusted Capital and Reserves provided that prior to the publication of an audited balance sheet of the Company such aggregate principal amount shall be limited to 10% of the amount paid up or credited as being paid up (whether in respect of nominal value or premium) of the allotted and issued share capital of the Company.

86.3. For the purposes only of this Article 86 (*Borrowing Powers*):

86.3.1. "**Adjusted Capital and Reserves**" means a sum equal to the aggregate from time to time of:

- a) the amount paid up (or credited as paid up) on the allotted or issued share capital of the Company, and
- b) the amount standing to the credit of the capital and revenue reserves of the Group, whether or not distributable (including, without limitation, any share premium account, capital redemption reserve fund, and credit or debit balance on any other distributable reserve) after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account,

all as shown in the latest audited balance sheet of the Group (prepared on the historical cost basis, modified to the extent as may be stated in the accounting policies used for the preparation of such balance sheet) but after:

- c) making such adjustments as may be appropriate to reflect:
  - (i) any such variation in the amount of the paid-up share capital, the share premium account or the capital redemption reserve or any such reserves since the date of the relevant balance sheet and so that for the purpose of making such adjustments.
    - (A) if any issue or proposed allotment of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been allotted and the amount (including the premium) of the subscription monies payable in respect of them (not being monies payable later than six months after the date of allotment) shall be deemed to have been paid up to the extent so underwritten on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, the date on which it became unconditional); and
    - (B) subject as aforesaid, share capital (including any premium) shall be deemed to have been paid up as soon as it has been unconditionally agreed to be subscribed or taken up (within six months of such agreement) by any person;
  - (ii) any variation since the date of the relevant balance sheet of the companies comprising the Group; and
  - (iii) where the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary undertaking, such adjustments as would be appropriate if such transactions had been carried into effect;
- d) excluding (so far as not already excluded):
  - (i) amounts attributable to the proportion of the issued equity share capital of any subsidiary which is not attributable directly or indirectly to the Company; and
  - (ii) any sum set aside for taxation (including deferred taxation), and
- e) deducting:
  - (i) sums equivalent to the book values of goodwill and other intangible assets shown in the relevant balance sheet; and
  - (ii) the amount of any distribution declared, recommended or made by any Group company to a person other than a Group company out of profits accrued up to and including the date of (and not provided for

in) the relevant balance sheet;

86.3.2. "**cash deposited**" means an amount equal to the aggregate of the amounts beneficially owned by Group companies which are deposited for the time being with any bank or other person (not being a Group company) and which are repayable to any Group company on demand or within three months of such demand subject, in the case of amounts deposited by a partly-owned subsidiary, to the exclusion of a proportion thereof equal to the proportion of its issued equity share capital which is not attributable, directly or indirectly, to the Company

86.3.3. "**monies borrowed**" includes not only monies borrowed but also the following except insofar as otherwise taken into account:

- a) the nominal amount of any issued and paid-up share capital and the principal amount of any debenture or borrowings of any person together with any fixed or minimum premium payable on redemption, the beneficial interest in which or right to repayment to which is not for the time being owned by a Group company but the payment or repayment of which is the subject of a guarantee or indemnity by a Group company or is secured on the assets of a Group company;
- b) the principal amount raised by any Group company by acceptances or under any acceptance credit opened on its behalf by any bank or acceptance house (not being a Group company) other than acceptances and acceptance credits relating to the purchase of goods or services in the ordinary course of trading and outstanding for six months or less;
- c) the principal amount of any debenture (whether secured or unsecured) of any Group company beneficially owned otherwise than by a Group company;
- d) the principal amount of any preference share capital of any subsidiary beneficially owned otherwise than by a Group company;
- e) any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing (but any premium payable on final repayment of an amount not to be taken into account as monies borrowed shall not be taken into account); and
- f) any fixed amount in respect of a hire-purchase agreement or of a finance lease payable in either case by a Group company which would be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant balance sheet (and for the purpose of this Article 86.3.3(f) "**finance lease**" means a contract between a lessor and a Group company as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the asset leased or sub-leased are to be borne by that company and "**hire-purchase agreement**" means a contract of hire-purchase between a hire-purchase lender and a Group company as hirer),

but do not include:

- g) monies borrowed by any Group company for the purpose of repaying within six months of being first borrowed the whole or any part of any monies borrowed and then outstanding (including any premium payable on final repayment) of that or any other Group company pending their application for such purpose within that period;
- h) monies borrowed by any Group company for the purpose of financing any contract in respect of which any payment of the price receivable under the contract by that or any other Group company is guaranteed or insured by the Export Credits Guarantee Department or by any other institution fulfilling a similar function up to an amount equal to but not exceeding that part of the

- i) price receivable under the contract which is so guaranteed or insured;
- j) an amount equal to the monies borrowed of any company outstanding immediately after it becomes a Group company provided that it became a Group company during the six months preceding the calculation;
- k) an amount equal to the amount secured on an asset immediately after it was acquired by a Group company provided that it was acquired during the six months preceding the calculation;
- l) notwithstanding Article 86.3.3(a) to Article 86.3.3(f), the proportion of monies borrowed by a Group company (and not owing to another Group company) which is equal to the proportion of its issued equity share capital not attributable directly or indirectly to the Company;
- m) amounts borrowed or raised which are for the time being deposited with HM Revenue & Customs or any other body designated by any relevant legislation or order in connection with import deposits or any similar government scheme to the extent that a member of the group retains an interest in them;

and in Article 86.3.3(g) to Article 86.3.3(h) references to amounts of monies borrowed include references to amounts which, but for the exclusion under those Articles, would fall to be included;

86.3.4. there shall be credited against the amount of any monies borrowed any cash deposited,

86.3.5. for the avoidance of doubt it is hereby expressly provided that for the purposes of the limit set out in Article 86.2 the following sums shall be deemed not to be monies borrowed of the Group

- a) any and all sums retained by any member of the Group (or their agent or nominee) under the terms of any contract or other arrangement relating to the construction of capital projects where the retention is made for the purposes of securing satisfactory completion and entry into service of the project for so long as and to the extent that any member of the Group is entitled to retain such sums under the relevant contractor arrangement;
- b) sums advanced or paid to any member of the Group (or their agent or nominee) by customers of any member of the Group as prepayments or progress payments or payments on account or by way of deposit or security in respect of any products or services or under any sales contracts or settlements systems; and
- c) sums which otherwise would fail to be treated as borrowed monies of any member of the Group which were treated with the concurrence of the Auditors and in accordance with any current statement of standard accounting practice or other accountancy principle or practice generally accepted for the time being in the United Kingdom in the latest audited balance sheet of the relevant member of the Group on which such consolidation was based as otherwise than borrowed monies of that member of the Group;

86.3.6. "**relevant balance sheet**" means the latest published audited consolidated balance sheet of the Group, but where the Company has no subsidiaries it means the balance sheet and profit and loss account of the Company and, where the Company has subsidiaries but there are no consolidated accounts of the Group, it means the respective balance sheets and profit and loss accounts of the companies comprising the Group; and

86.3.7. "**subsidiary**" has the meaning given to it in the Statutes except that where the relevant balance sheet is in respect of an accounting reference period of the

Company which commenced on or after 23 December 1989 it shall also include a subsidiary undertaking (within the meaning of the Statutes) (except a subsidiary undertaking which is excluded from consolidation by virtue of the provisions of section 229 of the Companies Act 1985), and "Group" and "Group company" and references to any company which becomes a Group company or to companies comprising the Group shall in such case be construed so as to include subsidiary undertakings except a subsidiary undertaking which is excluded from consolidation as aforesaid and "equity share capital" shall be construed in relation to a subsidiary undertaking without a share capital in the same manner as "shares" are defined in relation to an undertaking without a share capital under section 259(2)(b) and (c) of the Companies Act 1985;

86.4. When the aggregate amount of monies borrowed required to be taken into account for the purposes of this Article 86 (*Borrowing Powers*) on any particular day is being ascertained any of such monies denominated or repayable in a currency other than sterling shall if not subject to a contract or arrangement determining the rate of exchange be converted for the purpose of calculating the sterling equivalent either:

86.4.1. with the exception of Excepted Foreign Currency Borrowings at the rate of exchange prevailing at the material time in London provided that the monies comprising such borrowing shall be translated (if thereby such sterling amount would be less) at the option of the Company at the rate of exchange prevailing in London six months before such time. For the purposes of this Article 86 (*Borrowing Powers*) the rate of exchange shall be taken as the middle market rate as at the close of business in London on the relevant day or, if such day is not a business day, on the last business day before the day in question; and

86.4.2. in the case of any Excepted Foreign Currency Borrowings, at the rate of exchange which would be applicable to the monies comprising such borrowing on their repayment to the extent that such rate of exchange is fixed under any Exchange Cover Scheme in connection with such monies borrowed provided that where it is not possible to determine the rate of exchange applicable at the time of repayment of any such monies borrowed they shall be translated into sterling under the terms of the applicable Exchange Cover Scheme on such basis as may be agreed with or determined by the Auditors or, if this is agreed by the Auditors not to be practicable, in accordance with the provisions of Article 86.4.1.

For the purpose of this Article 86 (*Borrowing Powers*).

- a) "**Excepted Foreign Currency Borrowings**" means monies borrowed, denominated or repayable in a currency other than sterling which have the benefit of an Exchange Cover Scheme and "**Exchange Cover Scheme**" means any exchange cover scheme, forward currency contract, currency option, back-to-back loan, swap or other arrangement taken out entered into to reduce the risks associated with fluctuations in exchange rates; and
- b) where under the terms of any borrowing the amount of money which would be required to discharge the principal amount of monies borrowed in full if it fell to be repaid (whether at the option of the company borrowing the same or by reason of default) at such material time is less than the amount which would otherwise be taken into account in respect of such monies borrowed for the purposes of this Article 86 (*Borrowing Powers*), the amount of such monies borrowed to be taken into account shall be such lesser amount.

86.5. A report or certificate of the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of monies borrowed falling to be taken into account for the

purposes of this Article 86 (*Borrowing Powers*) or to the effect that the limit imposed by this Article 86 (*Borrowing Powers*) has not been or will not be exceeded at any particular time or times or as a result of any particular transaction or transactions shall be conclusive evidence of the amount or of that fact.

86.6. Nevertheless for the purposes of this Article 86 (*Borrowing Powers*) the directors may at any time act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves and if in consequence the limit set out in Article 86.2 is inadvertently exceeded, an amount borrowed equal to the excess may be disregarded until the expiration of three months after the date on which by reason of a determination of the Auditors or otherwise the directors become aware that such a situation has or may have arisen.

86.7. No debt incurred or security given in respect of monies borrowed in excess of the limit imposed by this Article 86 (*Borrowing Powers*) shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would thereby be exceeded but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

## **DELEGATION OF BOARD'S POWERS**

### **87. DELEGATION TO INDIVIDUAL DIRECTORS**

The board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions as it thinks fit and may revoke or vary all or any of them, but no person dealing in good faith shall be affected by any revocation or variation.

### **88. COMMITTEES**

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

88.2. The proceedings of a committee with two or more members shall be governed by any regulations imposed on it by the board and (subject to such regulations) by the provisions of these Articles regulating the proceedings of the board so far as they are capable of applying.

### **89. LOCAL BOARDS**

89.1. The board may establish any local or divisional board or agency for managing any of the

affairs of the Company whether in the United Kingdom or elsewhere and may appoint any persons to be members of a local or divisional board, or to be managers or agents, and may fix their remuneration.

89.2. The board may delegate to any local or divisional board, manager or agent any of its powers, authorities and discretions, other than its power to make calls, forfeit shares, borrow money or issue shares or other securities, and may authorise the members of any local or divisional board (with power to sub-delegate) or any of them to fill any vacancies and to act notwithstanding vacancies.

89.3. Any appointment or delegation under this Article may be made on such terms and subject to such conditions as the board thinks fit and the board may remove any person so appointed, and may revoke or vary any delegation, but no person dealing in good faith shall be affected by the revocation or variation.

## **90. POWERS OF ATTORNEY**

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

## **91. DESIGNATION AS "DIRECTOR"**

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

## **DIRECTORS' INTERESTS**

### **92. DIRECTORS' INTERESTS AND VOTING**

92.1. Subject to the provisions of the Statutes a director shall not be disqualified by his office from entering into any contract with the Company, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Company or as vendor, purchaser or otherwise. Subject to the interest of the director being duly declared, a contract entered into by or on behalf of the Company in which any director is in any way interested shall not be liable to be avoided; nor shall any director so interested be liable to account to the Company for any benefit resulting from the contract by reason of the director holding that office or of the fiduciary relationship established by his holding that office.

92.2. A director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the Statutes) and upon such terms as the board may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board may decide, either in addition to or in lieu of any remuneration under any other provision of these Articles.



- 92.3. A director may be or become a member or director of, or hold any other office or place of profit under, or otherwise be interested in, any other company in which the Company may be interested and shall not be liable to account to the Company for any benefit received by him as a member or director of, or holder of any other office or place of profit under, or his other interest in, that company.
- 92.4. The board may cause the voting rights conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of that other company to be exercised in such manner in all respects as it thinks fit (including the exercise of voting rights in favour of any resolution appointing the directors or any of them as directors or officers of the other company or voting or providing for the payment of any benefit to the directors or officers of the other company).
- 92.5. A director may act by himself or his firm in a professional capacity for the Company (except as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.
- 92.6. If a director is in any way, directly or indirectly, interested in a proposed or existing transaction or arrangement with the Company, he must declare the nature and extent of that interest in accordance with the Statutes.
- 92.7. A director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, those proposals may be divided and a separate resolution may be put in relation to each director and in that case each of the directors concerned (if not otherwise debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment.
- 92.8. A director shall not be entitled to vote on a resolution (or attend or count in the quorum at those parts of a meeting regarding such resolution) relating to a transaction or arrangement with the Company in which he is interested, save:
- 92.8.1. where the other directors resolve that the director concerned should be entitled to do so in circumstances where they are satisfied that the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 92.8.2. in any of the following circumstances;
- a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by the director or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
  - b) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the director has himself assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - c) any contract concerning an offer of shares, debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer the director is or may be entitled to participate as a holder of securities or he is or is to be interested as a participant in the underwriting or sub-underwriting

- thereof;
- d) any contract in which the director is interested by virtue of his interest in shares, debentures or other securities of the Company or otherwise in or through the Company;
  - e) any contract concerning any other company in which the director is interested, directly or indirectly and whether as an officer, shareholder, creditor or otherwise, unless the company is one in which he has a relevant interest and for this purpose:
    - (i) a company shall be deemed to be one in which a director has a relevant interest if and so long as he (together with persons connected with him within the meaning of sections 252 to 255 of the CA2006) to his knowledge holds an interest in shares (as determined pursuant to sections 820 to 825 of the CA2006) representing 1% or more of any class of the equity share capital of that company or of the voting rights available to members of that company or if he can cause 1% or more of those voting rights to be exercised at his direction; and
    - (ii) where a company in which a director is deemed for the purposes of this Article to have a relevant interest is materially interested in a contract, he shall also be deemed to be materially interested in that contract;
  - f) any contract relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; and
  - g) any proposal concerning the purchase or maintenance of insurance for the benefit of persons including directors.

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

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

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

92.12. In this Article 92 (*Directors' Interests and Voting*), a director is treated as being interested in a transaction or arrangement with the Company in which a person connected with that director within the meaning of section 252 CA2006 is interested and the director is aware of such interest or having regard to the circumstances, the director ought reasonably to have been aware of it.

### 93. AUTHORISATION OF CONFLICTS OF INTEREST

93.1. In this Article 93 (Authorisation of Conflicts of Interest), a "**conflict of interest**" means, in relation to any person, an interest or duty which that person has which directly or

indirectly conflicts or may conflict with the interests of the Company or the duties owed by that person to the Company but excludes a conflict of interest arising in relation to a transaction or arrangement with the Company (to which the provisions of Article 92 (*Directors' Interests and Voting*) apply).

- 93.2. Where a situation occurs or is anticipated to occur which gives rise or may give rise to a conflict of interest on the part of any director ("**Conflicted Director**") (other than a situation which cannot reasonably be regarded as likely to give rise to a conflict of interest), the matter shall be referred to the directors other than the Conflicted Director (the "**Non-Conflicted Directors**").
- 93.3. The Non-Conflicted Directors shall meet to consider the matter as soon as practicable after the matter is referred to them and they have received all relevant particulars relating to the situation. The quorum for a meeting of the Non-Conflicted Directors shall be the same as for a meeting of the board.
- 93.4. The Non-Conflicted Directors shall have authority to authorise any matter which gives rise to the conflict of interest concerned on such terms as they think fit. Any terms on which the matter in question is authorised may be varied by the Non-Conflicted Directors from time to time and the Non-Conflicted Directors may revoke such authority at any time insofar as it has not already been acted on. The Non-Conflicted Directors shall communicate their decisions promptly to each Conflicted Director.
- 93.5. A Conflicted Director shall not be entitled to any information which is relevant to the matter giving rise to the conflict of interest except to the extent authorised by the Non-Conflicted Directors.
- 93.6. Where a matter giving rise to a conflict of interest is authorised by the Non-Conflicted Directors, the Conflicted Director shall:
  - 93.6.1. be released from any duty to disclose to the Company any confidential information relating to the matter in question which he receives or has received from a third party; and
  - 93.6.2. save as otherwise determined by the Non-Conflicted Directors at the time when they authorise the matter, not be accountable to the Company for any benefit which he derives from such matter (excluding a benefit conferred on the director by a third party by reason of his being a director of the Company or by reason of his doing or not doing anything as a director of the Company).
- 93.7. Any confidential information which a Conflicted Director has received from the Company or in his capacity as a director of the Company shall not be disclosed by him to any third party except insofar as permitted by the Non-Conflicted Directors.
- 93.8. The directors may authorise a matter which may give rise to a conflict of interest on the part of a person who is proposed to be appointed as a director to the board and any authorisation of such matter by the directors shall apply in relation to such person on his appointment as a director.

## **PROCEEDINGS OF THE BOARD**

### **94. BOARD MEETINGS**

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

**95. NOTICE OF BOARD MEETINGS**

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

**96. QUORUM**

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

**97. CHAIRMAN OR DEPUTY CHAIRMAN TO PRESIDE**

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

**98. COMPETENCE OF MEETINGS**

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

**99. VOTING**

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote unless he is not, in accordance with the Articles, to be counted as participating in the decision-making process for quorum, voting or agreement purposes.

**100. TELEPHONE AND VIDEO CONFERENCE MEETINGS**

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

100.1.1. to hear each of the other participating directors addressing the meeting; and

100.1.2. if he wishes, to address all of the other participating directors simultaneously, whether by conference telephone or by video conference or by any other form of communications equipment (whether in use when these Articles are adopted or

developed subsequently) or by a combination of any such methods.

100.2. A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of directors required to form a quorum, subject to the provisions of Article 96 (Quorum).

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

## **101. RESOLUTIONS IN WRITING**

A resolution in writing signed by all the directors entitled to notice of a meeting of the board and to attend such meeting, count in the quorum and vote on such resolution shall be as valid and effective as if it had been passed at a meeting of the board duly called and constituted provided that the number of directors signing the resolution is not less than the number of directors required for a quorum necessary for the transaction of the business of the board. The resolution may be contained in one document or in several documents in like form, each signed or approved by one or more of the directors concerned. For the purpose of this Article:

101.1. a resolution may be by means of an instrument in hard copy or electronic form sent to such address (if any) as may for the time being be notified by the Company for that purpose;

101.2. a resolution may consist of several instruments each signed by one or more directors or several electronic forms, each sent by one or more directors, or a combination of both, and

101.3. a resolution signed by an alternate director need not also be signed by his appointor.

## **102. VALIDITY OF ACTS OF DIRECTORS IN SPITE OF FORMAL DEFECT**

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

## **103. MINUTES**

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

103.1.1. of all appointments of officers made by the board;

103.1.2. of the names of all the directors present at each meeting of the board and of any committee; and

103.1.3. of all resolutions and proceedings of all meetings of the Company and of any class of members, and of the directors and of any committee (including any meetings held in accordance with Article 100 (*Telephone and Video Conference Meetings*)).

103.2. The secretary must ensure that resolutions of the board passed otherwise than at board meetings are kept for at least ten years.

## **SECRETARY**

#### **104. SECRETARY**

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

#### **SEAL**

#### **105. SEAL**

105.1. The Company may exercise the powers conferred by the Statutes with regard to having official seals and those powers shall be vested in the board.

105.2. The board shall provide for the safe custody of every seal of the Company.

105.3. A seal shall be used only by the authority of the board or a duly authorised committee. The board may determine who shall sign any instrument to which a seal is applied, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with or affixed by some mechanical means.

105.4. Unless otherwise decided by the board:

105.4.1. certificates for shares, debentures or other securities of the Company need not be signed; and

105.4.2. every other instrument to which a seal is applied shall be signed by at least one authorised person in the presence of a witness who attests the signature.

105.5. For the purpose of this Article, an authorised person is:

105.5.1. any director;

105.5.2. the secretary; or

105.5.3. any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **AUTHENTICATION OF DOCUMENTS**

#### **106. AUTHENTICATION OF DOCUMENTS**

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

the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

## **DIVIDENDS**

### **107. DECLARATION OF DIVIDENDS BY THE COMPANY**

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

### **108. FIXED AND INTERIM DIVIDENDS**

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

108.2. If at any time the share capital of the Company is divided into different classes, the board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights unless at the time of payment any preferential dividend is in arrears.

### **109. CALCULATION AND CURRENCY OF DIVIDENDS**

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

109.1.1. all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share;

109.1.2. all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid;

109.1.3. dividends may be declared or paid in any currency; and

109.1.4. if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.

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

### **110. METHOD OF PAYMENT**

110.1. The Company may pay any dividend or other sum payable in respect of a share in cash or by cheque, dividend warrant, or money order and may send the same by post to the

registered address of the holder or in the case of joint holders to the registered address of that person whose name stands first in the register, or to such person and address as the holder or joint holders may direct in writing. Every cheque, warrant, or order is sent at the risk of the person entitled to the money represented by it and shall be made payable to the order of the person or persons entitled and the payment of the cheque, warrant or order shall be a good discharge to the Company.

110.2. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or by means of a relevant system and to or through such person as the holder or joint holders may direct in writing, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or when it has acted on any such direction.

110.3. Any joint holder or other person jointly entitled to any share may give an effective receipt for all dividends and other monies paid in respect of the share.

110.4. If any such cheque, dividend warrant or other form of payment has or is alleged to have been lost, stolen or destroyed, the board may, at the request of the person entitled to such monies, issue a replacement cheque or dividend warrant or make payment in some other form, subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the board may think fit

110.5. Any dividend or other sum payable in respect of a share may be paid to a person or persons entitled by transmission to that share as if he or they were the holder or joint holders of that share and his address (or the address of the first named of two or more persons jointly entitled) noted in the register were the registered address.

110.6. Any payment in the case of an uncertificated share, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, may be made by means of the relevant system (subject always to the facilities and requirements of the relevant system) and without prejudice to the generality of the foregoing such payment may be made by the sending by the Company or any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account (being an account so designated by the Operator of the relevant system) of the holder or joint holders of such shares; and the making of a payment by means of the relevant system shall be a good discharge to the Company.

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

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

#### **112. CALLS OR DEBTS MAY BE DEDUCTED FROM DIVIDENDS**

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

#### **113. UNCLAIMED DIVIDENDS ETC**

All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the board for the benefit of the Company until claimed. All dividends unclaimed for a period of 12 years



after having been declared or become due for payment shall be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee in respect of it.

#### **114. UNCASHED DIVIDENDS**

If:

114.1.1. a payment for a dividend or other sum payable in respect of a share sent by the Company to the person entitled to it in accordance with Article 110 (*Method of Payment*) is left uncashed or is returned to the Company and, after reasonable enquiries, the Company is unable to establish any new address or, with respect to a payment to be made by a funds transfer system (including, without limitation, the relevant system), a new account for that person; or

114.1.2. such payment is left uncashed or returned to the Company on two consecutive occasions,

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

#### **115. DIVIDENDS IN SPECIE**

115.1. With the sanction of an ordinary resolution of the Company and on the recommendation of the board, payment of any dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other Company.

115.2. Where any difficulty arises in regard to the distribution, the board may settle the difficulty as it thinks fit and in particular may issue fractional certificates or ignore fractions, and may fix the value for distribution of the specific assets or any part of them, and may determine that cash payments be made to any members upon the footing of the value so fixed in order to secure equality of distribution, and may vest any of the specific assets in trustees upon such trusts for the persons entitled to the dividend as the board may think fit.

#### **116. SCRIP DIVIDENDS**

116.1. The board may, if authorised by an ordinary resolution of the Company, offer any holders of any particular class of shares the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution (a "**scrip dividend**") in accordance with the following provisions of this Article.

116.2. The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth annual general meeting of the Company to be held following the date of the meeting at which the ordinary resolution is passed.

116.3. The basis of allotment shall be decided by the board so that, as nearly as may be considered convenient, the value of the further shares, including any fractional entitlement, is equal to the amount of the cash dividend which would otherwise have been paid.

116.4. For the purposes of Article 116.3 the value of the further shares shall be calculated by

reference to the average of the middle-market quotations for a fully paid share of the relevant class, as shown in the Daily Official List of the London Stock Exchange, for the day on which such shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as the board may decide.

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

## **117. DISTRIBUTION OF REALISED CAPITAL PROFITS**

At any time when the Company has given (and has not revoked) notice in the prescribed form (which has not been revoked) to the Registrar of Companies of its intention to carry on business as an investment company (a "Relevant Period"), distribution of the Company's capital profits (within the meaning of section 266(2)(c) of the CA1985) shall be prohibited, except for the purpose of redeeming or purchasing its own shares in accordance with sections 160 or 162 of the CA1985. The board shall establish a reserve to be called the capital reserve. During a Relevant Period all surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the board to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the Statutes, the board may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the Statutes, any expenses, loss or liability (or provision therefor) which the board considers to relate to a capital item or which the board otherwise considers appropriate to

be debited to the capital reserve shall be carried to the debit of the capital reserve. During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that notwithstanding any other provision of these Articles during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by section 830(2) of the CA2006), except for the purpose of redeeming or purchasing its own shares in accordance with sections 160 or 162 of the CA1985, or be applied in paying dividends on any shares in the Company. In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined in section 830(2) of the CA2006) or be applied in paying dividends on any shares in the Company.

## **CAPITALISATION OF RESERVES**

### **118. CAPITALISATION OF RESERVES**

118.1. The board may, with the authority of an ordinary resolution of the Company:

118.1.1. resolve to capitalise any sum standing to the credit of any reserve account of the Company (including share premium account capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account not required for the payment of any preferential dividend (whether or not it is available for distribution); and

118.1.2. appropriate that sum as capital to the ordinary shareholders in proportion to the nominal amount of the ordinary share capital held by them respectively and apply that sum on their behalf in paying up in full any unissued shares or debentures of the Company of a nominal amount equal to that sum and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions or in paying up the whole or part of any amounts which are unpaid in respect of any issued shares in the Company held by them respectively, or otherwise deal with such sum as directed by the resolution provided that the share premium account and the capital redemption reserve and any sum not available for distribution in accordance with the Statutes may only be applied in paying up unissued shares to be allotted credited as fully paid up.

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

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

### **119. CAPITALISATION OF RESERVES AND EMPLOYEES' SHARE SCHEMES**

119.1. This Article (which is without prejudice to the generality of the provisions of Article 118 (*Capitalisation of Reserves*)) applies:

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

In any such case the board.

- a) shall transfer to a reserve account a sum equal to the deficiency between the subscription price and the nominal value of the shares (the "**cash deficiency**") from the profits or reserves of the Company which are available for distribution and not required for the payment of any preferential dividend; and
- b) (subject to Article 119.4) shall not apply that reserve account for any purpose other than paying up the cash deficiency upon the allotment of those shares.

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

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

119.4. No right shall be granted under any employees' share scheme under Article 119.1(a) and no adjustment shall be made as mentioned in Article 119.1(b) unless there are sufficient profits or reserves of the Company available for distribution and not required for the payment of any preferential dividend to permit the transfer to a reserve account in accordance with this Article of an amount sufficient to pay up the cash deficiency applicable to the shares concerned.

## **RECORD DATES**

### **120. FIXING OF RECORD DATES**

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

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

## **ACCOUNTS**

### **121. ACCOUNTING RECORDS**

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

the provisions of the Statutes.

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

## **122. SUMMARY FINANCIAL STATEMENTS**

The Company may, in accordance with section 426 of the CA2006 and any regulations made thereunder, send a summary financial statement to any member and to any debenture holder instead of or in addition to the documents referred to in section 423 of the CA2006 and where it does so the statement shall be sent to the member not less than 21 days before the date of the general meeting before which the documents are to be laid.

## **NOTICES**

### **123. FORM OF NOTICES**

123.1. Notwithstanding anything to the contrary in these Articles, any notice or other document or information sent or supplied by or to the Company (whether authorised or required to be sent or supplied by the Statutes or otherwise) to or by a member, or to or by any person entitled to enjoy or exercise all or any specified rights of a member in relation to the Company, may be sent or supplied in any way in which the CA2006 provides for documents or information to be sent or supplied by or to the Company for the purposes of any provision of the Statutes, including in particular by the Company making them available on a website.

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

### **124. SERVICE OF NOTICES**

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

124.1.1. personally;

124.1.2. by posting the notice or other document or information in a prepaid envelope addressed to the member at his registered address;

124.1.3. by leaving the notice or other document or information at that address;

124.1.4. by sending or supplying the notice or other document or information by electronic means to such address (if any) as may for the time being be notified to the Company by or on behalf of the member for that purpose generally or specifically (or as may be deemed by a provision in the CA2006 to have been specified for that purpose);  
or

124.1.5. by making it available on a website.

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

respect of the joint holding.

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

## **125. SUSPENSION OF POSTAL SERVICES**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom or some part of the United Kingdom or due to any other reason beyond its control, the Company is unable effectively to call a general meeting by giving notice in a manner required by the Statutes, the Company shall not be required to send a notice of the general meeting to any person who would otherwise be entitled to be sent a notice but instead shall be entitled to call the meeting by advertising it in at least one national newspaper.

## **126. NOTICE BY ADVERTISEMENT**

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

## **127. EVIDENCE OF SERVICE**

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

127.2. Any notice or other document or information not sent by post but left at a registered address or address for service in the United Kingdom shall be deemed to have been served on the day on which it was left.

127.3. A notice or other document or information which is sent by the Company by electronic means and which the Company is able to show was properly addressed shall be deemed to have been given or sent on the day on which it was so sent.

127.4. A notice or other document or information which is supplied by the Company by means of a website shall be deemed to have been given or sent when it was first made available on the website or, if later, when the recipient was given or was deemed to have been given notice of the fact that the relevant notice, document or information was available on the website.

127.5. A notice or other document or information which is sent by the Company shall, unless the contrary can be shown, be deemed to have been received by the recipient.

127.5.1. if sent by post, on the business day following the day it was put in the post;

127.5.2. if sent by second-class post, on the second business day following the day it was put in the post; or

127.5.3. if by electronic means, at the same time as it is deemed to have been given or sent

or supplied to him.

127.6. Where a notice or other document or information is given by way of newspaper advertisement in accordance with these Articles, such notice or other document or information shall be deemed to have been duly served on each member or person entitled to receive it at noon on the day when the advertisement appears.

127.7. A member present, either in person or by proxy, at any meeting of the Company or class of members of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which the meeting was convened.

127.8. Every person who becomes entitled to a share shall be bound by every notice (other than a section 793 notice) in respect of that share which before his name is entered in the register was given to the person from whom he derives his title to the share.

127.9. The board may from time to time issue or adopt terms and conditions relating to the use of communications by electronic means or by means of a website for the sending or supply of notices, other documents or information by or to the Company (whether authorised or required to be sent or supplied by the Statutes or otherwise) to or by a member, or to or by any person entitled to enjoy or exercise all or any specified rights of a member in relation to the Company.

## **128. RECORD DATE FOR SERVICE**

128.1. For the purpose of serving notices of meetings or other documents or information, the board may determine that the persons entitled to be sent to receive such notices or other documents or information are those persons who are entered on the register at any time not more than 21 days before the date of the despatch of the notice or other document or information.

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

## **129. ADDRESSES OF MEMBERS**

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

129.1.1. no member whose registered address is not within the United Kingdom shall be entitled to receive from the Company any notice or, subject to any contrary provision of the Statutes, other documents or information; and

129.1.2. without prejudice to the generality of the foregoing, any notice of a general meeting of the Company which is in fact sent or purports to be sent to such a member shall be ignored for the purpose of determining the validity of the proceedings at such

meeting.

129.2. The provisions of Article 129.1 shall apply to a rights issue as if there were Substituted for each reference to the "United Kingdom" a reference to the European Economic Area.

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

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

### **130. SERVICE OF NOTICE ON PERSON ENTITLED BY TRANSMISSION**

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

### **131. AUTHENTICATION OF DOCUMENTS SENT BY ELECTRONIC MEANS**

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

### **DESTRUCTION OF DOCUMENTS**

#### **132. DESTRUCTION OF DOCUMENTS**

132.1. The board may authorise or arrange the destruction of documents held by the Company as



follows:

- 132.1.1. at any time after the expiration of six years from the date of registration, all instruments of transfer of shares and all other documents transferring or purporting to transfer shares or representing or purporting to represent the right to be registered as the holder of shares on the faith of which entries have been made in the register;
  - 132.1.2. at any time after the expiration of one year from the date of cancellation, all registered share certificates which have been cancelled;
  - 132.1.3. at any time after the expiration of two years from the date of recording them, all dividend mandates and notifications of change of address; and
  - 132.1.4. at any time after the expiration of one year from the date of actual payment, all paid dividend warrants and cheques.
- 132.2. It shall conclusively be presumed in favour of the Company that:
- 132.2.1. every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;
  - 132.2.2. every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
  - 132.2.3. every share certificate so destroyed was a valid certificate duly and properly cancelled;
  - 132.2.4. every other document mentioned in Article 132.1 so destroyed was a valid and effective document in accordance with the particulars of it recorded in the books and records of the Company;
  - 132.2.5. every paid dividend warrant and cheque so destroyed was duly paid; and
  - 132.2.6. at any time after the expiration of one year from the end of the meeting to which it relates, all proxy appointments.
- 132.3. The provisions of Article 132.2 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant.
- 132.4. Nothing in this Article shall be construed as imposing on the Company or the board any liability in respect of the destruction of any document earlier than as stated in Article 132.1 or in any other circumstances in which liability would not attach to the Company or the board in the absence of this Article.
- 132.5. References in this Article to the destruction of any document include references to its disposal in any manner.

## **WINDING-UP**

### **133. DIRECTORS' POWER TO WIND UP**

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

### **134. POWERS TO DISTRIBUTE IN SPECIE**

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

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

### **135. DURATION OF THE COMPANY**

At the annual general meeting of the Company in 2027 and, if the Company has not then been wound-up or unitised or reorganised, at each tenth annual general meeting of the Company thereafter, the directors shall procure that an ordinary resolution will be proposed to the effect that the Company shall continue in being as a venture capital trust.

## **INDEMNITY AND FUNDING OF DEFENCE PROCEEDINGS AND LIABILITY INSURANCE**

### **136. INDEMNITY OF OFFICERS**

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

- 136.1.1. any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company other than, in the case of a current or former director:
  - a) any liability to the Company or any Associated Company; and
  - b) any liability of the kind referred to in section 234(3) of the CA2006; and
- 136.1.2. any liability incurred by or attaching to him in connection with the activities of the Company or any Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the CA2006) other than a liability of the kind referred to in section 235(3) of the CA2006; and
- 136.1.3. any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers.

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

### **137. FUNDING OF DEFENCE PROCEEDINGS**

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

- 137.1.1. provide any current or former director or other officer (other than an auditor) of the Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the

Company or an Associated Company, or in connection with any application for relief under the provisions mentioned in section 205(5) of the CA2006; and

137.1.2. do anything to enable any such person to avoid incurring such expenditure,

but so that the terms set out in section 205(2) of the CA2006 shall apply to any such provision of funds or other things so done. For the purpose of this Article references to "**director**" in section 205(2) of the CA2006 shall be deemed to include references to a former director or other officer (other than an auditor) of the Company.

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

Without prejudice to the provisions of Article 136.1.1, the board may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office insurance against any liability or expense incurred by him in relation to the Company or any Associated Company or any third party in respect of any act or omission in the actual or purported discharge of the duties of the relevant office concerned or otherwise in connection with the holding of that relevant office and for this purpose "**relevant office**" means that of director or other officer (other than an auditor) of the Company or any company which is or was an Associated Company or any predecessor in business of the Company or of any Associated Company or that of trustee of any pension fund or retirement, death or disability scheme or other trust for the benefit of any officer or former officer (other than an auditor) of the Company or any Associated Company or of any such predecessor in business or their respective dependants.