

The Companies Act 2006

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**A PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

of



**SABMILLER plc**

(Adopted by Special Resolution passed on 22 July 2010)

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Incorporated on 17 March 1998  
under the Companies Act 1985

Registered in England, number 3528416

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**I. PRELIMINARY**

**Application**

1. No regulations or articles made pursuant to or set out in any schedule to any statute or any statutory instrument concerning companies apply to the Company and the following are the Company's articles of association.

**Interpretation**

2. (a) In these Articles:

"2006 Act" means the Companies Act 2006 including any modification or re-enactment of it for the time being in force;

"Articles" means these articles of association as from time to time altered in accordance with the Statutes;

"Base Rate" means the base rate of Barclays Bank plc (or such other bank as the Board may decide) as it stands from time to time;

"Board" means the board of Directors of the Company or the Directors present or deemed to be present at a duly convened meeting of the Directors at which a quorum is present;

"certificated" or "certificated form" in relation to a share means that title to the share is recorded on the Register as being held in certificated form;

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

"Company" means SABMiller plc;

"connected" in relation to a director, has the meaning given to it in sections 252 and 254 of the 2006 Act;



"Convertible Shares" means the convertible, participating shares of US\$0.10 each in the capital of the Company;

"Deferred Shares" means the deferred shares of £1 each in the capital of the Company;

"Director" means a director of the Company;

"Electronic Copy" and "Electronic Form" and "Electronic Means" each has the meaning given to it in the 2006 Act;

"Employees' Share Scheme" means a scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of:

- (i) the bona fide employees or former employees of the Company, a holding company or subsidiary of the Company or a subsidiary of a holding company of the Company; or
- (ii) the wives, husbands, widows, widowers or children or step-children under the age of 18 of those employees or former employees;

"entitled by transmission" means in relation to a share, entitled as a consequence of the death or bankruptcy of a member or otherwise by operation of law;

"Financial Institution" has the meaning given to it in section 778(2) of the 2006 Act;

"FSA" means the Financial Services Authority;

"Group" means the Company and its subsidiary undertakings;

"Group Company" means the Company or any of its subsidiary undertakings;

"Hard Copy" and "Hard Copy Form" each has the meaning given to it in the 2006 Act;

"holder" means, in relation to a share, the member whose name is entered in the Register as the holder of that share;

"Listing Rules" means the rules for the time being in force relating to admission to the Official List;

"London Stock Exchange" means London Stock Exchange plc;

"member" means a person whose name is entered in the Register and, if the Company is a participating issuer:

- (a) the Register also shows that person as holding shares in the Company in certificated form; or
- (b) the Operator Register shows that person as holding shares in the Company in uncertificated form; or
- (c) that person is deemed to be a member of the Company by the Regulations;

"Minimum Amount" means £3.00 or such greater sum as the Board may decide being not greater than the maximum sum which the FSA may from time to time permit for the purpose;

"Notice of Termination of Proxy" has the meaning given to it in Article 87(c);

"Office" means the Company's registered office;

"Official List" means the Official List of the FSA;

"Operator" means a person approved by the Treasury under the Regulations as Operator of a Relevant System;

"Operator Register" means the Company's register of members maintained by the Operator pursuant to regulation 20(3) of the Regulations;

"Ordinary Shares" means the ordinary shares of US\$0.10 each in the capital of the Company;

"Overseas Branch Register" means a branch register of members within the meaning of section 129 of the 2006 Act;

"Paid up" means paid up or credited as paid up in respect of the nominal amount of a share;

"participating issuer" means a person who has issued a security which is a participating security;

"participating security" means a security title to units of which is permitted by an Operator to be transferred by means of a Relevant System;

"Proxy Notice" has the meaning given to it in Article 82(b);

"Record of Uncertificated Shares" means the record maintained by the Company of the entries made in the Operator Register pursuant to regulation 20(6) of the Regulations;

"Register" means:

- (a) the register of members as required by section 113 of the 2006 Act; or
- (b) if the Company is a participating issuer, the register of members maintained by the Company pursuant to regulation 20(2) of the Regulations;

"Regulations" means the Uncertificated Securities Regulations 2001;

"Relevant System" means a computer-based system and procedures, permitted by the Regulations, which enable title to units of a security to be evidenced and transferred without a written instrument, and which facilitate supplementary and incidental matters and includes, without limitation, the relevant system of which CRESTCo Limited is the Operator;

"Seal" means the Company's common seal and any official seal permitted to be used by section 49 of the 2006 Act;

"Securities Seal" means the Company's official seal permitted to be used by section 50 of the 2006 Act;

"Secretary" means the secretary of the Company and includes a joint, assistant, deputy or temporary secretary and any other person appointed to perform the duties of the secretary;

"Statutes" means the 2006 Act, the Regulations and each act and statutory instrument for the time being in force concerning companies and affecting the Company;

"Transfer Office" means the address at which the Register is for the time being situated;

"uncertificated" or "uncertificated form" in relation to a share means that title to the share is recorded on the Operator Register, and may, by virtue of the Regulations, be transferred by means of a Relevant System;

"United Kingdom" means Great Britain and Northern Ireland.

- (b) In these Articles, a reference to:
- (i) a section or provision of any of the Statutes, if not inconsistent with the subject or context, includes every statutory modification, substitution, amendment, extension or re-enactment of the section or provision for the time being in force;
  - (ii) a "person" includes an individual, company, corporation or firm; and
  - (iii) a notice, document or information being given or sent by the Company includes that notice, document or information being sent or supplied by any means permitted by these Articles or by the Statutes;
  - (iv) an "address" includes a number or address used for the purpose of sending or receiving documents or information by Electronic Means;
  - (v) an "instrument" means a document in Hard Copy Form;
  - (vi) "writing" includes references to any method of representing or reproducing 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 and "written" has a corresponding meaning; and
  - (vii) a "general meeting" includes a general meeting held as the Company's annual general meeting in accordance with Section 336 of the 2006 Act and any other general meeting of the Company.
- (c) Words and expressions contained in these Articles which are not defined in Article 2(a) but are defined in the Statutes have, unless inconsistent with the subject or context, the same meaning as in the Statutes (but excluding any modification of the Statutes not in force at the date of the meeting at which the resolution adopting these Articles was passed).
- (d) A special resolution is effective for any purpose for which an ordinary resolution is expressed to be required under these Articles.
- (e) Where, in relation to a share, these Articles refer to a Relevant System, the reference is to the Relevant System in which that share is a participating security at the relevant time.
- (f) The headings in these Articles do not affect the construction of these Articles.

## **II. LIABILITY OF MEMBERS**

3. The liability of a member is limited to the amount, if any, unpaid on the shares in the Company held by him.

### III. CAPITAL

#### A. ISSUES AND RIGHTS

##### Deferred Shares

4. The holders of the Deferred Shares shall not by virtue of or in respect of their holdings of Deferred Shares have the right to receive notice of any general meeting of the Company nor the right to attend, speak or vote at any such general meeting. The Deferred Shares shall not entitle the holders to receive any dividends or other distributions. The Deferred Shares shall on the return of assets in a winding-up entitle the holders only to the repayment of the amounts paid upon such shares after repayment of the capital paid up on the ordinary shares plus the payment of US\$10,000,000 per ordinary share. The Company shall have irrevocable authority at any time after the adoption of this Article to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same, and/or acquire the same (in accordance with the Statutes and subject to the minimum capital requirements contained in the Statutes), and without making any payment to or obtaining the sanction of the holders thereof, to such persons as the Company may determine as custodian thereof and, pending such transfer and/or acquisition, to retain the certificate for such shares.

##### Convertible Shares

##### Interpretation

- 4A. (a) For the purposes of the provisions of this Article 4A and of Articles 4B and 4C:
- (i) "acting in concert" shall have the meaning given in the City Code (as applied by the Panel on Takeovers and Mergers), and references to "acting in concert" shall be construed as acting in concert in relation to the Company, but references to acting in concert with Altria or any Affiliate shall not include any member of the Concert Party Group;
  - (ii) "Affiliate" shall mean, in relation to Altria, any person that directly or indirectly controls, is controlled by, or is under common control with Altria, and, for the purposes of this definition, "control", when used with respect to any person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise;
  - (iii) "Altria" shall mean Altria Group, Inc, a Virginia corporation whose principal place of business is at 6601 West Broad Street, Richmond, Virginia 23230 United States of America;
  - (iv) "Altria Nominated Director" means a Director appointed at the request of Altria;
  - (v) "Altria's Voting Shareholding" shall mean the Voting Shareholding of Altria and any Affiliate in the aggregate;
  - (vi) "Business Day" shall mean any day which is not a Saturday, Sunday or bank holiday in London, England;
  - (vii) "City Code" shall mean the City Code on Takeovers and Mergers as in effect from time to time;
  - (viii) "Concert Party Group" means each Non-Altria Director, the Company and each other Group member and any person acting in concert with a Non-

Altria Director or a Group member other than Altria, any Altria Nominated Director and any Affiliate;

- (ix) "Conversion Date" shall mean any date on which the time for conversion specified in Article 4B or 4C falls, provided that, if any Conversion Date would otherwise fall on a day that is not a Business Day, then "Conversion Date" shall mean the next following Business Day;
- (x) "Conversion Rate" shall mean the rate of one Ordinary Share for every one Convertible Share or vice versa (as appropriate), converted at the times and in the manner set out in Article 4B(d)(i) or 4B(d)(ii) (in respect of the Convertible Shares) or Article 4C(a) or 4C(b) (in respect of the reverse conversion of Ordinary Shares into Convertible Shares) into fully Paid up Ordinary Shares or (in the case of such reverse conversion) fully Paid up Convertible Shares;
- (xi) "FTSE Indices Weighting Rules" shall mean the Ground Rules for the Management of The UK Series of the FTSE Actuaries Share Indices, as in force from time to time, or, if The UK Series of the FTSE Actuaries Share Indices ceases to be generally recognised as the principal set of indices by reference to which investors generally measure the performance of the major capital and industry segments of companies whose shares are admitted to trading on the London Stock Exchange's market for listed securities, then "FTSE Indices Weighting Rules" shall mean such other index or indices as in the reasonable opinion of the Company and Altria shall have replaced The UK Series of the FTSE Actuaries Share Indices;
- (xii) "Group" means the Company and its subsidiary undertakings and associated undertakings for the time being and "Group member" shall be construed accordingly;
- (xiii) "Maximum Voting Percentage" shall mean (i) 24.99 per cent of the total Voting Rights at the relevant time, calculated (in the case of the Convertible Shares) on the basis of one-tenth of a vote for every Convertible Share, provided that, if the FTSE Indices Weighting Rules are changed in such a manner as would permit maximum index weighting for the issued Ordinary Shares if Altria's Voting Shareholding and any shares in the Company that are restricted free float shares were more than 24.99 per cent, then "Maximum Voting Percentage" shall mean such higher percentage as permitted by the changed FTSE Indices Weighting Rules up to such higher percentage as would, in the event of Altria or any Affiliate subsequently acquiring one additional Ordinary Share, result in Altria or any Affiliate being required to make a mandatory offer for the Company under rule 9 of the City Code, or (ii) such other percentage as Altria and the Board may agree from time to time, not exceeding such percentage as would, in the event of Altria or any Affiliate subsequently acquiring one additional Ordinary Share, result in Altria or any Affiliate being required to make a mandatory offer for the Company under rule 9 of the City Code;
- (xiv) "Non-Altria Director" means a Director who is not a Altria Nominated Director;
- (xv) "Offer" shall mean a takeover offer in accordance with the provisions of the City Code, including a takeover offer structured as a court-approved scheme of arrangement in accordance with the provisions of the 2006 Act;

- (xvi) "Third Party" means any person unconnected with, not acting in accordance with the directions of, or not acting pursuant to an arrangement or understanding with, Altria or any Affiliate or any person acting in concert with Altria or any Affiliate;
- (xvii) "Third Party Offer" shall have the meaning given in Article 4B(d)(ii)(cc)(1);
- (xviii) "Voting Rights" shall mean, in relation to the Company, rights attaching to shares in the Company to vote at general meetings of the Company (excluding any shares in the Company held as treasury shares) on all, or substantially all, matters; and
- (xix) "Voting Shareholding" shall mean a shareholder's Voting Rights for the time being expressed as a percentage of the total Voting Rights at such time, calculated (in the case of the Convertible Shares) on the basis of one-tenth of a vote for every Convertible Share.

### General

- (b) Save as provided in Articles 4B and 4C, the Convertible Shares shall rank *pari passu* with the Ordinary Shares in all respects and no action shall be taken by the Company in relation to, or any offer made by the Company to the holders of, the Ordinary Shares unless the same action is taken in respect of, or the same offer is made to the holders of the Convertible Shares. Without limiting the generality of the foregoing, if the Company proposes to do any of those things set out in Article 150, 151 or 154 in respect of the Ordinary Shares, it shall also propose that the same action be taken in relation to the Convertible Shares. Subject to the foregoing, the rights and restrictions attaching to the Convertible Shares are as set out in Articles 4B and 4C.

### Convertible Shares

#### Income

- 4B. (a) On a distribution of profits (whether by cash dividend, dividend in specie, scrip dividend, capitalisation issue or otherwise), the Convertible Shares shall rank *pari passu* with those rights to distributions of profits attaching to the Ordinary Shares.

#### Capital

- (b) On a return of capital, whether on a winding-up or otherwise, the Convertible Shares shall rank *pari passu* with those rights to the assets of the Company attaching to the Ordinary Shares.

### Voting at general meetings

- (c) Altria (or any Affiliate), while it holds Convertible Shares, shall be entitled to receive notice of, and to attend and speak at, any general meeting of the Company, and, on a show of hands, Altria (or any Affiliate) holding Convertible Shares shall have one vote each, but, on a poll, shall only be entitled to vote its Convertible Shares on the basis of one-tenth of a vote for every Convertible Share held by it (in the event that the total number of votes to be exercised by Altria (or any Affiliate) includes a fraction, such number shall be rounded up to the nearest whole number) on all resolutions other than a resolution:
  - (i) proposed by any person other than Altria or any Affiliate or any person acting in concert with Altria or any Affiliate, to wind up the Company or to

present a petition to wind up the Company, other than for the purposes of a reconstruction or amalgamation whilst solvent;

- (ii) proposed by any person other than Altria or any Affiliate or any person acting in concert with Altria or any Affiliate, to appoint an administrator or to present a petition for the appointment of an administrator in relation to the Company, or to approve any arrangement with the Company's creditors;
- (iii) proposed by the Board, to sell all or substantially all of the undertaking of the Company; or
- (iv) proposed by any person other than Altria or any Affiliate or any person acting in concert with Altria or any Affiliate, in accordance with Article 7, to vary, modify or abrogate any of the class rights attaching to the Convertible Shares set out in this Article 4B or Article 4C, or to approve the creation of any class of shares in the Company (other than the Ordinary Shares and the Convertible Shares),

in which case Altria (or any Affiliate), on a show of hands, shall have one vote each, and, on a poll, shall be entitled to vote on the resolution on the basis of one vote for each Convertible Share. For the purposes of any resolution other than a resolution mentioned in Article 4B(c)(iv) (when the provisions of Article 7 shall apply), the Convertible Shares shall be treated for all purposes as being of the same class as the Ordinary Shares and no separate meeting or resolution of the holders of the Convertible Shares shall be required to be convened or passed.

## **Conversion**

### **Automatic conversion**

- (d) (i) Upon a transfer of Convertible Shares by Altria or an Affiliate to a person who is not an Affiliate or Altria, such Convertible Shares shall convert into Ordinary Shares at the Conversion Rate automatically upon, and contemporaneously with, registration by the Company (or its registrar) of the transfer in the Company's Register following receipt of a duly executed and stamped stock transfer form and the share certificates in respect of such Convertible Shares.

### **Conversion at the instance of Altria (or any Affiliate)**

- (ii) (aa) At any time, Altria (or any Affiliate) shall be entitled (but shall not be bound) to require the Company to convert Convertible Shares into Ordinary Shares at the Conversion Rate, where Altria (or any Affiliate) has requested that the Convertible Shares be so converted, and the Board has consented to effect the conversion.
- (bb) At any time, Altria (or any Affiliate) shall be entitled (but shall not be bound) to require the Company to convert Convertible Shares into Ordinary Shares at the Conversion Rate, so long as such conversion does not result in Altria's Voting Shareholding being more than the Maximum Voting Percentage.
- (cc) At any time, Altria (or any Affiliate) shall be entitled (but shall not be bound) to require the Company to convert Convertible Shares into Ordinary Shares at the Conversion Rate, if:

- (1) a Third Party has made an Offer to acquire Ordinary Shares, and (if such Offer becomes or is declared unconditional in all respects) it would result in the Voting Shareholding of the Third Party and any person acting in concert with the Third Party in the aggregate being more than 30 per cent. (a "Third Party Offer"); and
- (2) Altria (or any Affiliate) has communicated to the Company in writing its intention not itself to make an Offer competing with the Third Party Offer,

provided that the Conversion Date shall be no earlier than the date on which the Third Party Offer becomes or is declared unconditional in all respects.

- (dd) At any time, Altria (or any Affiliate) shall be entitled (but shall not be bound) to require the Company to convert Convertible Shares into Ordinary Shares at the Conversion Rate if the Voting Shareholding of a Third Party and any person acting in concert with the Third Party in the aggregate should at any time be more than 24.99 per cent., provided that:

- (1) the number of Ordinary Shares held by Altria (and all Affiliates in the aggregate) following such conversion shall be limited to one Ordinary Share more than the number of Ordinary Shares held by the Third Party and any person acting in concert with the Third Party; and
- (2) such conversion does not result in Altria's Voting Shareholding being equal to or greater than the Voting Shareholding which would require Altria or any Affiliate or any person acting in concert with Altria or any Affiliate to make a mandatory offer in terms of rule 9 of the City Code.

- (ee) If, on or after 31 December 2004, Altria (or any Affiliate) wishes to acquire additional Ordinary Shares (other than pursuant to a pre-emptive issue of new Ordinary Shares or with the prior approval by way of resolution of the Board), Altria (and all Affiliates) shall first convert into Ordinary Shares at the Conversion Rate the lesser of:

- (1) such number of Convertible Shares as would result in Altria's Voting Shareholding being such percentage as would, in the event of Altria or any Affiliate or any person acting in concert with Altria or any Affiliate subsequently acquiring one additional Ordinary Share, require Altria or any Affiliate or any person acting in concert with Altria or any Affiliate to make a mandatory offer in terms of rule 9 of the City Code; and
- (2) all of its remaining Convertible Shares.

## Conduct

- (iii) (aa) Conversion of Convertible Shares pursuant to these Articles shall be effected by the Board determining to re-designate the relevant Convertible Shares as Ordinary Shares. In any such case, Altria (or any Affiliate) shall be deemed irrevocably to approve such re-designation of the relevant Convertible Shares and to consent to



any variation or abrogation of its class rights as may be occasioned by such re-designation.

- (bb) At the time at which conversion takes place, all entitlements to dividends and other distributions of whatsoever nature on the Convertible Shares so converted shall cease, and Altria (or any Affiliate) shall instead be entitled in respect of the Ordinary Shares arising on such conversion to all dividends and other distributions of whatsoever nature payable or to be made on the Ordinary Shares thereafter, whether or not such dividends or distributions are in respect of any earlier financial year or accounting period, and the Ordinary Shares arising on such conversion shall rank *pari passu* in all respects with the Ordinary Shares then in issue and fully paid.
- (cc) Within 21 days after the applicable Conversion Date, the Company shall forward to Altria (or any Affiliate), at its own risk, free of charge, a definitive certificate for the appropriate number of fully Paid up Ordinary Shares and a new certificate for any unconverted Convertible Shares comprised in the certificate surrendered by it. Pending the despatch of definitive certificates, transfers shall be certified against the Register.  
  
If Altria (or any Affiliate) directs that such Ordinary Shares should be issued in uncertificated form, the Company will procure that CRESTCo is instructed to credit the appropriate stock account(s) in CREST of Altria (or any Affiliate) with the appropriate number of fully Paid up Ordinary Shares.
- (dd) The Company shall use its best endeavours to procure that the Ordinary Shares arising on conversion of the Convertible Shares are admitted to the Official List and to trading on the London Stock Exchange's market for listed securities, admitted to listing and trading on the JSE Securities Exchange South Africa, and admitted to listing and trading on any other stock exchange upon which the Ordinary Shares are from time to time listed and traded.
- (ee) No admission to listing or admission to trading shall be sought for the Convertible Shares whilst they remain Convertible Shares.

#### **Reverse Conversion**

- 4C. (a) At any time, Altria shall be entitled (but shall not be bound) to require the Company to convert Ordinary Shares held by it into Convertible Shares so as to ensure that Altria's Voting Shareholding does not exceed the Maximum Voting Percentage.
- (b) Any Ordinary Shares re-designated as Convertible Shares shall rank *pari passu* in all respects with the other Convertible Shares and the rights and restrictions set out in Articles 4B(a) to 4B(d) shall attach thereto.
- (c) Conversion of Ordinary Shares pursuant to these Articles shall be effected by the Board determining to re-designate the relevant Ordinary Shares as Convertible Shares. In any such case, Altria (or any Affiliate) shall be deemed irrevocably to approve such re-designation of the relevant Ordinary Shares and to consent to any variation or abrogation of its class rights as may be occasioned by such re-designation.

- (d) At the time at which conversion takes place, all entitlements to dividends and other distributions of whatsoever nature on the Ordinary Shares so converted shall cease, and Altria (or any Affiliate) shall instead be entitled in respect of the Convertible Shares arising on such conversion to all dividends and other distributions of whatsoever nature payable or to be made on the Convertible Shares thereafter, whether or not such dividends or distributions are in respect of any earlier financial year or accounting period, and the Convertible Shares arising on such conversion shall rank *pari passu* in all respects with the Convertible Shares then in issue and fully paid.
- (e) Within 21 days after the date of re-designation in accordance with the provisions of Article 4C, the Company shall forward to Altria (or any Affiliate) at its own risk, free of charge, a definitive certificate for the appropriate number of fully Paid up Convertible Shares and a new certificate for any Ordinary Shares which have not been re-designated comprised in the certificate surrendered by Altria. Pending the despatch of definitive certificates, transfer shall be certified against the Register.

#### **Financial assistance for the acquisition of the Company's shares**

- 5. Except to the extent prohibited by the Statutes or by law, the Company may, in accordance with the Statutes, give financial assistance directly or indirectly for the purpose of:
  - (a) the acquisition or proposed acquisition of any shares in the Company or a body corporate of which it is a subsidiary; or
  - (b) reducing or discharging a liability incurred by a person for the purpose of acquiring any shares in the Company or a body corporate of which it is subsidiary.

#### **Issue of shares with special rights**

- 6. (a) Subject to the Statutes and without prejudice to any rights attached to any existing shares or class of shares, a share may be issued with such rights or restrictions as the Company may by ordinary resolution decide or, failing that decision, as the Board may decide.
- (b) Subject to the Statutes and the rights attached to any existing shares, a share may be issued on the terms that it is, or at the option of the Company or the holder of the share is to be liable, to be redeemed and the Board may determine the terms, conditions and manner of redemption of any such shares.

#### **Variation of rights attaching to shares**

- 7. (a) Subject to the Statutes, the rights attached to a class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied with the written consent of the holders of not less than three-fourths in nominal value of the issued shares of that class (calculated excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (b) All the provisions of these Articles relating to general meetings of the Company apply with any necessary changes to a separate meeting of holders of a class of shares in connection with the variation of rights attached to a class of shares, except that:
  - (i) the members may not call and may not require the Directors to call a separate meeting of the holders of a class of shares;

- (ii) the quorum:
  - (aa) for a meeting other than an adjourned meeting is two holders of shares of that class present in person or by proxy holding not less than one-third in nominal value of the issued shares of that class (calculated excluding any shares of that class held as treasury shares); and
  - (bb) for an adjourned meeting is a holder of shares of that class who is present in person or by proxy,

provided that where a person is present by proxy or proxies, he is treated as holding only the shares in respect of which the proxy or proxies are authorised to exercise voting rights;
- (iii) any holder of shares of that class present in person or by proxy may demand a poll; and
- (iv) on a poll, each holder of shares of that class who is present in person or by proxy and who is entitled to vote has one vote for each share of that class held by him (subject to any special rights or restrictions which are attached to any class of share).

#### **When rights deemed to be varied**

8. For the purposes of these Articles, unless otherwise expressly provided by the rights attached to any shares or class of shares in these Articles or otherwise, those rights shall be deemed to be varied by the reduction of the capital paid up on those shares otherwise than by a purchase or redemption by the Company of its own shares and by the allotment of other shares ranking in priority for payment of a dividend or in respect of capital or of shares of the same class as such first mentioned shares but which confer on the holders voting rights more favourable than those conferred by such first mentioned shares, but shall not otherwise be deemed to be varied by the creation or issue of other shares ranking *pari passu* with, or subsequent to, such first mentioned shares or by the purchase or redemption by the Company of any of its own shares.

#### **No variation of rights of Deferred Shares**

9. Notwithstanding the provisions of Article 8, the rights attached to the Deferred Shares shall not be deemed to be varied by any of the acts described in Article 8.

#### **Disqualification from voting and other matters**

10. (a) A member may not in respect of any share held by him vote (personally or by proxy) at any general meeting or at any separate meeting of the holders of any class of shares or exercise any other right conferred by membership in relation to such a meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or the Board otherwise decides.
- (b) If a member, or another person appearing to be interested in shares held by that member, has been properly served with a notice under section 793 of the 2006 Act (a "Section 793 Notice") and is in default at the end of the time specified in that notice by not supplying to the Company the information required by that notice, the Board may, in its absolute discretion, at any time by notice to the member (a "Direction Notice") direct:
  - (i) that in respect of the shares in relation to which the default has occurred (the "Default Shares") and with effect from the later of the date of service

of the Direction Notice and the date falling 14 days after service of the Section 793 Notice (the later date being the "Suspension Date"), the member may not attend or vote (personally or by proxy) at any general meeting or at any separate meeting of the holders of any class of shares or exercise any other rights conferred by membership in relation to such a meeting until the Direction Notice ceases to have effect pursuant to Article 10(f); and

(ii) if the Default Shares represent, at the date of the Direction Notice, at least 0.25% of the nominal value of the issued shares of their class (calculated exclusive of treasury shares), that during the period starting on the Suspension Date and ending on the date the Direction Notice ceases to have effect:

(aa) the Company may retain any dividend (including, without limitation, shares issued instead of a dividend) or other amount which would otherwise be payable on the Default Shares (without the Company being liable to pay interest on the dividend or other amount) and the acceptance of an offer made by the Company under Article 151 in respect of any dividend has no effect;

(bb) subject to the Statutes, no transfer of any of the Default Shares is to be registered unless:

(A) the transfer is an approved transfer; or

(B) if the Default Shares are in uncertificated form, registration of the transfer is required by regulation 27 of the Regulations

and to give effect to Article 10(b)(ii)(bb), the Company (without having to notify the member) may notify the Operator, in accordance with the Regulations, that it requires the conversion of any Default Shares which are in uncertificated form into certificated form.

(c) The Company shall send a copy of the Direction Notice to each other person appearing to be interested in the Default Shares if the address of that person has been notified to the Company, but the Company's failure or omission to do so does not invalidate that notice.

(d) Any new shares of the Company issued in right of any Default Shares are also to be subject to the Direction Notice. The Board may make any right to an allotment of the new shares subject to restrictions corresponding to those which are to apply to the new shares by reason of the Direction Notice when the new shares are issued. For this purpose, shares which the Company procures to be offered or appropriated to holders of shares in proportion to their respective holdings (or in proportion ignoring fractional entitlements, any shares held as treasury shares and shares not offered to certain shareholders by reason of legal, regulatory or practical problems associated with offering shares outside the United Kingdom) are to be treated as shares issued in right of Default Shares.

(e) A person on whom a Direction Notice has been served may give the Directors a notice containing representations to the Directors concerning the Direction Notice. The Company and the Directors are not liable to any person as a result of the Directors having imposed restrictions or failed to decide that restrictions are to cease to apply if the Directors have acted in good faith.

- (f) A Direction Notice ceases to have effect after a period specified by the Board (not exceeding seven days) following the earlier of the date:
- (i) when the Company has received a document containing all information it requires pursuant to a Section 793 Notice in respect of the Default Shares;
  - (ii) when the Company is notified that an approved transfer to a third party has occurred; or
  - (iii) when the Board decides (if and to the extent that it does so).
- (g) For the purposes of this Article, a person is to be treated as appearing to be interested in any shares if the member holding the shares has notified the Company under section 793 of the 2006 Act that the person is interested or if the Company (after taking into account that notification and any other notification under the Statutes or any relevant information otherwise available to the Company) knows or has reasonable cause to believe that the person is, or may be, interested in the shares, and so that a reference to persons interested in shares and to interests in shares are to be construed as they are for the purposes of Part 22 of the 2006 Act.
- (h) For the purposes of this Article, a transfer is an approved transfer if:
- (i) the transfer results from a sale made through a recognised investment exchange for the purposes of the Financial Services and Markets Act 2000 or any stock exchange outside the United Kingdom on which the Company's shares (or rights in respect of the Company's shares) are normally traded;
  - (ii) it is a transfer of shares to an offeror by way of acceptance of or in connection with a takeover offer (as defined in section 974 of the 2006 Act); or
  - (iii) the Board is satisfied that:
    - (aa) the transfer of any of the Default Shares is made pursuant to a sale of the whole of the beneficial ownership in those shares to a transferee who, in the Board's opinion, is not connected with the transferor or with any other person appearing to be interested in those shares before the transfer;
    - (bb) the transferee does not hold any shares in respect of which a Direction Notice is then in force or is a person appearing to be interested in any of those shares; and
    - (cc) it does not have reasonable grounds to believe that the transferor or any other person appearing to be interested in the shares the subject of the transfer will after the transfer have any interest those shares.
- (i) The Company may give a notice pursuant to section 793 of the 2006 Act or this Article in accordance with Part X of these Articles.
- (j) For the purposes of this Article, a reference to a person being in default by not supplying to the Company the information required by a Section 793 Notice includes a reference to a person having:
- (i) failed or refused to supply all or part of the information; or

- (ii) supplied information which the person knows to be false in a material respect or having recklessly supplied information which is false in a material respect.
- (k) None of the provisions contained in this Article in any way limits or restricts the Company's rights or any order made the court under Part 22 of the 2006 Act.
- (l) The Company is not, by virtue of anything done for the purposes of this Article, to be affected with notice of, or put on enquiry as to, the rights of any person in relation to any share.

## **B. ALLOTMENTS**

### **Allotment of shares**

11. (a) In this Article:
- (i) "rights issue" means an offer (whether expressed to be by way of rights, or otherwise) of equity securities to holders of relevant shares (other than the Company itself by virtue of it holding treasury shares) in proportion (as nearly as may be) to their respective holdings of those shares, but subject to such exclusions or other arrangements as the Board considers necessary or expedient in relation to fractional entitlements or legal or practical problems arising in respect of overseas shareholders or under the laws of, or the requirements of a regulatory body or stock exchange or other authority in, any territory;
  - (ii) "Section 551 Amount" for any Section 551 Period is the amount specified as such in the relevant ordinary or special resolution of the Company;
  - (iii) "Section 551 Period" means any period (not exceeding five years) for which the authorities conferred by Article 11(b) are stated to apply or for which they have been renewed by an ordinary or special resolution of the Company which specifies the Section 551 Amount;
  - (iv) "Section 561 Amount" for any Section 561 Period is the amount specified as such in the relevant special resolution of the Company or such greater amount as the Company by special resolution may from time to time decide;
  - (v) "Section 561 Period" means any period (not exceeding five years) for which the powers conferred by Article 11(c) are stated to apply by a special resolution of the Company stating the Section 561 Amount; and
  - (vi) the nominal amount of any securities is, in the case of rights to subscribe or exchange securities for or to convert any securities into shares of the Company, the nominal amount of those shares which may be allotted pursuant to those rights.
- (b) Pursuant to and in accordance with section 551 of the 2006 Act, the Board is generally and unconditionally authorised to exercise during each Section 551 Period all the Company's powers to:
- (i) allot (with or without conferring a right of renunciation); or
  - (ii) grant rights to subscribe for or to convert any security into,
- shares in the Company up to a nominal amount equal to the Section 551 Amount. Nothing in this article 11(b) operates to restrict the power of the Board to allot

equity securities in pursuance of an employees' share scheme or to grant rights to subscribe for shares, or to convert any securities into shares, allotted in pursuance of an employees' share scheme

- (c) The Board is authorised to:
- (i) allot (within the meaning of section 560 of the 2006 Act), and make an offer or agreement to allot, equity securities wholly for cash pursuant to and within the terms of the authority conferred by article 11(b); and
  - (ii) sell, and make an offer or agreement to sell, ordinary shares wholly for cash which before the sale were held by the Company as treasury shares,
- as if section 561 of the 2006 Act did not apply to that allotment or sale, subject to the limits described in articles 11(d) and 11(e). Nothing in this article 11(c) operates to restrict the power of the Company to make an allotment of equity securities to which section 561(1) of the 2006 Act does not apply.
- (d) Where an allotment or sale of equity securities referred to in article 11(c) to which section 561 of the 2006 Act would otherwise apply is in connection with a rights issue, the Board is authorised to allot or sell those equity securities during the Section 561 Period up to a total nominal amount equal to the sum of the Section 551 Amount.
- (e) Where an allotment or sale of equity securities referred to in article 11(c) to which section 561 of the 2006 Act would otherwise apply is other than in connection with a rights issue, the Board is authorised to allot or sell those equity securities during the Section 561 Period up to a total nominal amount equal to the Section 561 Amount.
- (f) The Board may during the Section 551 Period make offers or agreements which would or might require shares to be allotted or rights to be granted to subscribe for or convert any security into shares after the expiry of the Section 551 Period and may allot or grant such rights pursuant to those offers or agreements, notwithstanding the expiry of the Section 551 Period.
- (g) The Board may during the Section 561 Period make offers or agreements which would or might require equity securities to be allotted or sold after the expiry of the Section 561 Period and may allot or sell equity securities pursuant to those offers or agreements, notwithstanding the expiry of the Section 561 Period.
- (h) No allotment, sale, offer or agreement to allot or sell made pursuant to any existing authority (whether contained in articles of association or granted by any resolution of the Company) is revoked by the adoption of these Articles.
- (i) The Directors may at any time after the allotment of any share but before any person has been entered in the Register in respect of shares in certificated form as the holder:
- (i) recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation; and/or
  - (ii) allow the rights represented thereby to be one or more participating securities

in each case upon and subject to such terms and conditions as the Board may think fit to impose.

### **Power to pay commission and brokerage**

12. In addition to all other powers of paying commissions, the Company (or the Board on the Company's behalf) may exercise the powers conferred by the Statutes of paying commissions to persons subscribing or procuring subscriptions for shares of the Company, or agreeing to do so whether, in any case, absolutely or conditionally. The Company (or the Board on the Company's behalf) may on any issue of shares (including sales of treasury shares for cash) pay lawful brokerage. Subject to the Statutes, commissions or brokerage may be satisfied (wholly or partly) in cash or by the allotment and issue of fully or partly Paid up shares.

### **Trusts in relation to shares not to be recognised**

13. Except as required by law, the Company may not recognise a person as holding a share on trust. Except as required by these Articles or by law, the Company is not bound by or required to recognise (even if it has notice of it) an equitable, contingent, future or partial interest in a share (or a fractional part of a share) or any other right in respect of a share other than an absolute right in the registered holder to the whole of the share.

### **Issue of share warrants to bearer**

14. (a) The Company may, with respect to any fully Paid up shares which are in certificated form, issue under the Seal or Securities Seal a warrant instrument stating that the bearer of the warrant instrument is entitled to the shares specified in it. The Company may provide (by coupons or otherwise) for the payment of future dividends on the shares included in the warrant.
- (b) Notwithstanding Article 135, a warrant instrument is not required to be signed or countersigned and the method or system of sealing (if required) and signature (if any) of warrant instruments is the same as that for shares certificates under Article 16.
- (c) The Board may decide and vary the terms on which a warrant is issued and, in particular, the terms on which:
- (i) the bearer of a warrant is deemed to be a member (either fully or for any purpose defined in these Articles);
  - (ii) the bearer of a warrant is entitled to receive notice of and to attend, vote and demand a poll at general meetings;
  - (iii) future dividends on the shares included in a warrant are to be paid (whether by coupons or otherwise); and
  - (iv) a warrant may be surrendered and the name of the bearer of the warrant entered in the Register and a share certificate be delivered in respect of the shares included in the warrant.
- (d) The bearer of a warrant will be subject to the conditions for the time being in force in relation to the warrant, whether made before or after the issue of the warrant.
- (e) A warrant or coupon which is damaged, defaced, worn out or alleged to have been lost, stolen or destroyed, may be replaced on such terms (if any) as to evidence and indemnity and payment of any exceptional out-of-pocket expenses incurred by the Company in investigating the evidence and preparing the indemnity as the Board may decide but otherwise free of charge. A warrant or coupon which is damaged, defaced or worn-out, will only be replaced on delivery up of the old warrant or coupon. A warrant or coupon which is alleged to have



been lost, stolen or destroyed, will only be replaced if the Board is satisfied beyond reasonable doubt that the original has been lost, stolen or destroyed, as the case may be.

## **C. EVIDENCE OF TITLE**

### **Uncertificated shares**

15. (a) Subject to the Regulations, the Board (without consulting the holders of any class of shares) may resolve that:
- (i) a class of shares is to become a participating security;
  - (ii) shares in a class of shares referred to in Article 15(a)(i) may only be held in uncertificated form and title to them may only be transferred by means of a Relevant System until the Board decides otherwise; or
  - (iii) a class of shares is to cease to be a participating security.
- (b) Subject to the Regulations and the facilities and requirements of the Relevant System, the Board may implement any arrangements in relation to the holding of shares of a class which is a participating security in uncertificated form and the transfer of title to shares of that class by means of a Relevant System.
- (c) Subject to the Regulations and the facilities and requirements of the Relevant System, a member may change a share of a class which is a participating security from a certificated share to an uncertificated share and vice versa.
- (d) While a class of shares is a participating security, these Articles only apply to an uncertificated share of that class to the extent that they are consistent with the holding of shares of that class in uncertificated form, the transfer of title to shares of that class by means of a Relevant System and the Regulations.
- (e) While a class of shares is a participating security, the Company shall enter on the Register how many shares each member holds in uncertificated form and certificated form and shall maintain the Register in accordance with the Regulations and the Relevant System.
- (f) Notwithstanding any provision of these Articles, a class of shares is not to be treated as two classes by virtue only of that class comprising both shares in certificated and uncertificated form or as a result of any provision of these Articles or the Regulations applying only in respect of shares in certificated or uncertificated form.

### **Form of share certificate and method of sealing**

16. (a) A share certificate shall be issued under the Seal or the Securities Seal or signed (whether personally or otherwise and including, without limitation, by facsimile signature, howsoever applied) by a Director and the Secretary or by two Directors. Notwithstanding Article 135, a certificate is not required to be signed or countersigned.
- (b) A certificate shall specify the number and class of shares to which it relates and the amount Paid up on those shares. A certificate may not be issued representing shares of more than one class.
- (c) While all the issued shares, or all the issued shares of a particular class, are fully Paid up and rank *pari passu* for all purposes, those shares are not required to bear a distinguishing number.

- (d) The method or system of affixing the Seal or the Securities Seal to share certificates may, if the Board decides, be controlled by, or the certificates be approved for sealing by, the Company's auditors, bankers or registrars.
- (e) If permitted by the Statutes and (while any of the Company's shares are listed on the London Stock Exchange) the rules of the London Stock Exchange, any signature, any representation of a signature, the Seal, the Securities Seal or any representation of the Seal or the Securities Seal may be made, produced or affixed to a certificate by any mechanical, electronic, laser or other means approved by the Board.

#### **Maximum number of joint holders**

17. The Company is not bound to register more than four persons as the joint holders of any share and in the case of a share held jointly by several persons the Company is not bound to issue more than one certificate for the share and delivery of a certificate to one of joint holders is sufficient delivery to all.

#### **Period for the issue of share certificates**

18. (a) When a person (except a Financial Institution and any other person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) first becomes a holder of shares in certificated form, he is entitled to receive, free of charge, one certificate for all the certificated shares of any one class registered in his name. When that person receives more certificated shares, he is entitled to receive, free of charge, one certificate for all the additional certificated shares.
- (b) A certificate to which a person is entitled by Article 18(a) shall be delivered:
- (i) in the case of issue of a new share (other than on exercise of rights under a warrant), within one month after allotment (or such longer period as the terms of issue provide);
  - (ii) in the case of issue of a new share following the valid exercise of rights under a warrant, within one month after lodgement of the warrant for cancellation (together with such other documentation and payment as is required under the terms of issue of the warrant) or as is otherwise provided by the terms of issue of the warrant;
  - (iii) in the case of a transfer of fully paid shares, within 14 days after lodgement of the relevant instrument of transfer; or
  - (iv) in the case of a transfer of partly paid shares, within two months after lodgement of the relevant instrument of transfer.

#### **Balance certificates**

19. If part of the shares comprised in a share certificate are transferred, the old certificate shall be cancelled and a new certificate for the balance of those shares in certificated form issued without charge.

#### **Issue of replacement certificates**

20. (a) If a member holds two or more certificates for shares of one class, the Board may at the request of the member given in accordance with Part X of these Articles, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate for those shares.

- (b) At the request of a member given in accordance with Part X of these Articles, the Board may cancel a certificate for shares and issue two or more replacement certificates for those shares in such proportion as the member specifies, on surrender of the original certificate and on payment of such reasonable out-of-pocket expenses as the Board may decide.
- (c) A share certificate which is damaged, defaced, worn out or alleged to have been lost, stolen or destroyed, may be replaced on such terms (if any) as to evidence and indemnity and payment of exceptional out-of-pocket expenses incurred by the Company in investigating the evidence and preparing the indemnity as the Board may decide but otherwise free of charge. A certificate which is damaged, defaced or worn-out may only be replaced on delivery up of the old certificate.
- (d) Any of the joint holders of a share may make a request under Article 20(a) or 20(b).

#### **Certificates for debentures and other securities**

21. The provisions of these Articles relating to certificates apply, with all necessary modifications and adaptations, to certificates for debentures, debenture stock and any other securities comprising the Company's share or loan capital as they apply to certificates for shares, except that Article 19 does not apply to warrants to bearer or bearer certificates.

#### **D. LIEN**

##### **Lien on partly-paid shares**

22. (a) The Company has a first and paramount lien on each share (other than a fully paid share) for all amounts (whether presently payable or not) payable at a fixed time or called in respect of the share. The lien extends to all dividends or other amounts payable in respect of the share.
- (b) The Company's lien on a share applies:
- (i) whether before or after notice to the Company of any equitable or other interest of any person other than the registered holder or holders of the share; and
  - (ii) notwithstanding that the amount is a joint debt or liability of the holder or his estate and another person whether a member or not.
- (c) The Board may at any time (generally or in a particular case) waive any lien or declare a share to be wholly or partly exempt from the provisions of this Article.

##### **Enforcement of lien by a sale of shares**

23. (a) The Company may sell, in such manner as the Board decides, a share on which the Company has a lien if an amount in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the registered holder of the share or the person entitled to it by transmission, demanding payment and stating that if the notice is not complied with the share may be sold.
- (b) To give effect to such a sale the Board may authorise any person to execute an instrument of transfer of the shares sold.

- (c) The buyer is not bound to see to the application of the purchase money and his title to the shares is not affected by any irregularity in or invalidity of the procedure or manner of the sale.

### **Application of proceeds**

24. The net proceeds of the sale, after payment of the costs of sale, shall be applied in or towards payment or satisfaction of so much of the amount in respect of which the lien exists as is presently payable. Any residue shall (subject to a like lien for any amount not presently payable as existed on the shares before the sale and on surrender to the Company for cancellation of the certificate for the shares sold) be paid to the person entitled to the shares at the time of the sale.

## **E. CALLS ON SHARES**

### **Board may make calls**

25. Subject to the terms of allotment, the Board may from time to time make calls on the members in respect of any amount unpaid on their shares, whether in respect of nominal value or premium. Each member shall (subject to receiving at least 14 clear days' notice specifying the amount called and the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be required to be paid by instalments. A call may, at any time before receipt by the Company of an amount due under the call, be revoked (wholly or partly) and payment of a call may be postponed (wholly or partly) as the Board may decide. A person on whom a call is made remains liable for calls made on him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

### **When a call is deemed to be made**

26. A call is deemed to have been made at the time when the resolution of the Board authorising the call was passed.

### **Liabilities of joint holders**

27. The joint holders of a share are jointly and severally liable to pay all calls in respect of it.

### **Interest on unpaid calls**

28. If an amount called in respect of a share or an amount payable on a share under the terms of allotment is not paid before or on the day appointed for payment of the amount, the person from whom the amount is due shall pay interest on the amount from the day appointed for payment of the amount to the time of actual payment at the rate per annum of 3% above the Base Rate or at such lesser rate as the Board may decide. That person shall also pay all expenses which the Company incurs or becomes liable for in order to ensure payment of, or in consequence of the non-payment of, the amount but the Board may waive (wholly or partly) payment of that interest or those expenses.

### **Amounts payable on allotment or at any fixed time deemed to be a call**

29. An amount or any non-cash consideration which by the terms of allotment of a share or pursuant to the Statutes is or becomes payable on allotment or at a fixed date after allotment, whether in respect of nominal value or premium, is for the purposes of these Articles deemed to be a call properly made and payable on the date on which, by the terms of allotment or pursuant to the Statutes, it becomes payable. In the case of non-payment of such an amount all relevant provisions of these Articles as to payment of interest, expenses, forfeiture or otherwise apply as if the amount had become payable by virtue of a call properly made and notified.

**Board's power to differentiate regarding calls**

30. The Board may make arrangements on the issue of shares which differentiate between the holders in the amount called to be paid and in the times of payment.

**Payment up of shares in advance of calls**

31. The Board may receive from a member all or part of the amount unpaid on a share held by him beyond the amounts actually called up on the share as a payment in advance of calls. A payment in advance of calls extinguishes, so far as it extends, the liability on the share in respect of which it is advanced. The Company may pay interest on the amount so received, or so much of it as from time to time exceeds the amount of the calls then made and payable on the share in respect of which it has been received, at such rate not exceeding the Base Rate (unless the Company by ordinary resolution decides otherwise) as the member and the Board agree.

**F. TRANSFERS OF SHARES****Transfer of certificated shares**

32. (a) A transfer of a share in certificated form shall be effected by means of a written instrument of transfer in any usual or common form or in any other form which the Board may approve.
- (b) The instrument of transfer of a share in certificated form shall be signed by an individual or otherwise executed in accordance with applicable law by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

**Transfer of uncertificated shares**

33. A transfer of a share in uncertificated form shall be made in accordance with and subject to the Regulations and the facilities and requirements of the Relevant System and in accordance with any arrangements made by the Board pursuant to Article 15.

**No registration fees payable**

34. The Company may not charge a fee on the registration of a transfer of a share, or of any probate, letters of administration, certificate of death or marriage, power of attorney, stop notice or other instrument relating to or affecting the title to a share or otherwise for making any entry in the Register or Record of Uncertificated Shares affecting the title to a share.

**When transferee becomes holder**

35. The transferor of a share is deemed to remain the holder of the share until the transferee's name is entered in the Register or Operator Register in respect of the share.

**General conditions as to registration of transfers of certificated shares**

36. (a) The Board may refuse to register a transfer of a certificated share, unless the instrument of transfer:
- (i) is duly stamped (if stampable) and is lodged at the Transfer Office or such other place as the Board may prescribe and is accompanied by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by a person on the transferor's behalf, the authority of that person to do so);

- (ii) is in respect of only one class of share; and
  - (iii) is in favour of not more than four transferees jointly.
- (b) In the case of a transfer of a certificated share executed by a Financial Institution, the lodgement of a certificate for the share or other evidence as required by Article 36(a) is only required if a certificate has been issued in respect of the share.

#### **Board's power to refuse to register certain transfers of certificated shares**

37. (a) In addition to its powers under Article 10, the Board may, in its absolute discretion, refuse to register the transfer of a certificated share which is not fully paid up or the transfer of a certificated share on which the Company has a lien. If that share has been admitted to the Official List, the Board may not refuse to register the transfer if this would prevent dealings in the Company's shares from taking place on an open and proper basis.
- (b) If the Board refuses to register a transfer of a certificated share, it shall:
- (i) send to the transferee notice of the refusal, together with its reasons for the refusal; and
  - (ii) (except in the case of fraud or suspected fraud) return the instrument of transfer and any accompanying certificate to the person presenting those documents
- as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company.
- (c) Subject to the Statutes and in exceptional circumstances approved by the FSA, the Board may refuse to register a transfer of a share (including, without limitation, a fully paid share) if the refusal does not disturb the market in the Company's shares.

#### **Retention of transfers and destruction of documents**

38. (a) Subject to Articles 37(b) and 38(b), the Company may retain each instrument of transfer which is registered.
- (b) Subject to Article 38(d), the Company may destroy:
- (i) each instrument of transfer which has been registered, at any time after the expiration of six years from the date of its registration;
  - (ii) each share certificate which has been cancelled or ceased to have effect, at any time after the expiration of one year from the date of its cancellation or cessation;
  - (iii) each notification of change of name or address and each dividend mandate, at any time after the expiration of two years from the date of recording of the information in the notification or mandate;
  - (iv) each Proxy Notice at any time after the expiration of one year after the end of the meeting or adjourned meeting to which the Proxy Notice relates;
  - (v) each other document in respect of which an entry on the Register or Record of Uncertificated Shares is made, at any time after the expiration of six years from the date on which the entry was first made;

- (vi) each paid dividend warrant or cheque at any time after the expiration of one year from the date of actual payment of the warrant or cheque; and
  - (vii) each share warrant, or coupon relating to a share warrant, which has been surrendered to it at any time after the expiration of one year from the date of surrender.
- (c) It is conclusively presumed in the Company's favour that:
- (i) each entry in the Register or Record of Uncertificated Shares purporting to have been made in respect of an instrument of transfer or other document destroyed in accordance with Article 38(b), was properly made and that such an instrument was valid and effective and properly registered;
  - (ii) each certificate destroyed in accordance with Article 38(b) was valid and effective and properly cancelled; and
  - (iii) each entry in the Company's books or records purporting to have been made in respect of any other document destroyed in accordance with Article 38(b), was properly made and that document was valid and effective.
- (d) Article 38(b) and (c) only apply to the destruction of a document in good faith and without express notice to the Company that the preservation of the document is relevant to a claim (regardless of the parties to the claim).
- (e) Nothing in this Article is to be construed as imposing on the Company a liability in respect of the destruction of a document earlier than as specified in Article 38(b) or if Article 38(d) has not been complied with.
- (f) If the Company destroys a document in accordance with this Article, it may delete any information stored electronically which relates to information which is contained in that document.
- (g) In this Article, a reference to the destruction of a document includes a reference to the disposal of the document in any manner.
- (h) This Article applies, with all necessary modifications and adaptations, to each instrument of transfer, notification of change of name or address and mandate relating to, and each certificate representing, debentures and any other securities in the Company's share or loan capital as it applies to instruments of transfer of, and certificates for, and other documents relating to, shares.

### **Renunciation of allotment permitted**

39. Nothing in these Articles precludes the Board from recognising a renunciation of the allotment of a share by the allottee in favour of some other person (or persons jointly not exceeding four in number) before any person has been entered in the Register or Operator Register in respect of the share and subject to such terms and conditions as the Board may impose. In this Article, "allottee" includes provisional allottee and any person in whose favour an allotment has been previously renounced.

## **G. TRANSMISSION OF SHARES**

### **Death of a member**

40. If a member dies, the survivor or survivors where the deceased was a joint holder, or the legal personal representatives of the deceased where he was a sole or the only surviving holder, are the only persons recognised by the Company as having any title to his

interest. Nothing in this Article releases the estate of a deceased member from any liability in respect of a share jointly or solely held by him.

### **Person becoming entitled by transmission may be registered**

41. Subject to these Articles and the Statutes and, in the case of an uncertificated share, to the facilities and requirements of the Relevant System, a person becoming entitled by transmission to a share, may on production of evidence as to his title of such type and in such form as the Board may properly require, elect either to be registered himself as the holder of the share or to have another person nominated by him registered as the transferee of the share. If he elects to be registered himself he shall notify the Company of that election in writing and in such form as the Board may require. If he elects to have another person registered and the share is in certificated form, he shall execute an instrument of transfer of the share to that person. If he elects to have himself or another person registered and the share is in uncertificated form, he shall take such action as the Board requires to enable himself or that person to be registered as the holder of the share. All of the provisions of these Articles relating to the transfer of shares apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member or other event giving rise to the transmission had not occurred.

### **Election required**

42. The Board may at any time give notice to a person entitled by transmission to a share requiring that person to elect either to be registered himself or to transfer the share. If that person does not comply with the notice within 60 days, the Board may after the expiration of that period:
- (a) withhold payment of any dividend or other amount payable in respect of the share (but that action does not constitute the Company a trustee in respect of such a dividend or other amount) and suspend any other advantages to which the person would otherwise be entitled in respect of the share until the requirements of the notice have been complied with; and
  - (b) sell the share at the best price reasonably obtainable in such manner as the Board decides in accordance with Article 52.

### **Rights of persons entitled to a share by transmission**

43. Except as otherwise provided by these Articles, a person becoming entitled by transmission to a share is (on production of evidence as to his title of such type and in such form as the Board may properly require) entitled to:
- (a) the same dividends and other amounts payable in respect of the share and may give a good discharge for those dividends or other amounts; and
  - (b) all other advantages to which he would be entitled if he were the registered holder of the share but he is not, before being registered as a member in respect of the share, entitled in respect of it to receive notice of, or to attend or vote at, meetings of the Company or to exercise any rights conferred by membership in relation to meetings of the Company.

## **H. FORFEITURE OF SHARES**

### **Service of notice requiring payment of unpaid calls**

44. If a member (or a person entitled to a share by transmission) fails to pay the whole or any part of a call or instalment of a call before or on the day appointed for its payment, the



Board may at any time after that, while any part of the call or instalment remains unpaid, give the member or person notice requiring payment of so much of the call or instalment as is unpaid and any interest which may have accrued and any expenses incurred by the Company by reason of the non-payment.

### **Contents of notice requiring payment of unpaid calls**

45. The notice shall:
- (a) specify a day (not earlier than 14 days from the date of delivery of the notice) on or before which and the place where the payment required by the notice is to be made; and
  - (b) state that if the notice is not complied with, the shares on which the call has been made or instalment is payable are liable to be forfeited.

### **Forfeiture of shares**

46. If the notice is not complied with, any share in respect of which the notice has been given may, at any time before the payment of all amounts required by the notice, be forfeited by a resolution of the Board. The forfeiture includes any dividends which have been declared on the forfeited share and not paid before the forfeiture and any dividends on that share which have been declared and paid but which have not been claimed by the payee before the forfeiture. The Board may accept the surrender of a share liable to be forfeited and, in such a case, a reference in these Articles to forfeiture includes surrender.

### **Service of notice of forfeiture and registration**

47. If a share is forfeited, the Board shall give notice of the forfeiture to the person who was before the forfeiture the registered holder of the share (or the person entitled to the share by transmission). An entry shall be made forthwith in the Register opposite the entry in respect of the share showing that notice has been given, that the share has been forfeited and the date of the forfeiture. A forfeiture is not invalidated by an omission or neglect to give that notice or make those entries.

### **Sale of forfeited shares**

48. (a) A forfeited share becomes the Company's property.
- (b) During the period of three years starting on the day before the date of forfeiture of the share, the Company may sell, re-allot (subject to these Articles) or otherwise dispose of the share on such terms and in such manner as the Board decides either to the person who was before the forfeiture the holder of the share or the person entitled by transmission to the share or to any other person. At any time before such a sale, re-allotment or disposal, the forfeiture may be cancelled on such terms as the Board decides.
- (c) The Board may, if necessary, authorise a person to transfer a forfeited share to any other person.
- (d) If during the period of three years starting on the day before the date of forfeiture of a share it has not been sold, re-allotted or otherwise disposed, the Board shall:
- (i) before the expiration of that period cancel the share;
  - (ii) diminish the amount of the authorised and issued share capital by the nominal amount of the share; and
  - (iii) comply with sections 662 to 667 and 669 of the 2006 Act.

### **Former holder of forfeited shares remains liable for unpaid calls**

49. A person ceases to be a member in respect of a share which has been forfeited. The person shall surrender to the Company the certificate for the forfeited share. That person remains liable to the Company for all amounts which at the date of forfeiture were presently payable by him to the Company in respect of the share and interest on that amount at the rate per annum of 3% above the Base Rate or at such lower rate as the Board may decide from the date of forfeiture until payment. The Board may waive payment (wholly or partly) or enforce payment without any allowance for the value of the share at the time of forfeiture.

### **Extinction of certain claims on forfeiture**

50. The forfeiture of a share involves the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Company, except only those rights and liabilities expressly saved by these Articles, or given or imposed in the case of past members by the Statutes.

### **Statutory declaration as evidence of forfeiture**

51. A statutory declaration by a Director or the Secretary that a share has been properly forfeited on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration and receipt of the Company of the consideration (if any) given in connection with the sale, re-allotment or disposal of the share (subject, if necessary, to the transfer of the share) constitutes a good title to the share. The person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and is not bound to see to the application of the consideration (if any) and his title to the share is not affected by any irregularity or invalidity in the proceedings in relation to the forfeiture, sale, re-allotment or disposal of the share.

## **I. UNTRACED SHAREHOLDERS**

### **Company's power to sell shares**

52. (a) The Company may sell in such manner as the Board decides at the best price reasonably obtainable a share of a member or a share to which a person is entitled by transmission if:
- (i) during a period of 12 years the Company has paid at least three dividends (whether interim or final) in respect of the share and during that period no dividend cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the member or the person at his address on the Register or the last known address given by the member or the person to which cheques and warrants are to be sent has been cashed;
  - (ii) on or after the expiry of the period referred to in Article 52(a)(i), the Company has given notice of its intention to sell the share by advertisement in a national newspaper circulating in the United Kingdom and in a newspaper circulating in the area in which the address referred to in Article 52(a)(i) is located;
  - (iii) during the period starting at the start of period referred to in Article 52(a)(i) and ending on the date three months after the date of publication of the advertisement specified in Article 52(a)(ii) the Company has not received any communication from the member or the person; and

- (iv) the Company has notified the London Stock Exchange of its intention to sell the share.
- (b) If during the period starting at the start of period referred to in Article 52(a)(a)(i) and ending on the date when all the requirements in Article 52(a)(a)(i) to (iv) have been satisfied a further share has been issued in respect of a right attaching to a share held at the start of that period or of any previously so issued during that period and all the requirements in Article 52(a)(i) to (iv) have been satisfied in respect of the further share, the Company may also sell the further share.
- (c) To give effect to a sale pursuant to Articles 42 or 52(a) or (b), the Board may:
  - (i) authorise the conversion of shares to be sold which are in certificated form into uncertificated form, and vice versa (so far as is consistent with the Regulations and the facilities and requirements of the Relevant System);
  - (ii) in respect of shares in certificated form, authorise a person to execute an instrument of transfer of the shares sold; and
  - (iii) in respect of shares in uncertificated form, make other arrangements consistent with the Regulations and the facilities and requirements of the Relevant System for their transfer to, or in accordance with the directions of, the buyer.
- (d) The buyer is not bound to see the application of the purchase money and his title to the shares is not affected by any irregularity in or invalidity of the procedure or manner of the sale.
- (e) The Company shall account to the member or other person for the net proceeds of the sale by carrying an amount in respect of the net proceeds to a separate account which is a permanent debt of the Company. The Company is deemed to be a debtor and not a trustee for the member or other person in respect of that amount. The Board may invest or otherwise use for the Company's benefit an amount carried to a separate account until it is claimed. Any money earned on an amount so invested or used belongs to the Company and it is not obliged to account for it to the member or other person.

## **J. NEW SHARES**

### **New shares subject to these Articles**

53. All new shares allotted are subject to the provisions of these Articles (including, without limitation, provisions relating to payment of calls, lien, transfer, transmission and forfeiture) and, unless otherwise provided in accordance with these Articles or the terms of issue, the new shares are ordinary shares.

## **K. ALTERATIONS OF CAPITAL**

### **Fractional entitlements arising on consolidation or sub-division**

54. (a) Whenever on a consolidation or sub-division of shares members are entitled to any fractions of shares, the Board may sell the shares representing fractions for the best price reasonably obtainable and shall distribute the net proceeds of sale amongst the members entitled to those fractions in due proportions. However, if the value of a fractional entitlement to a share is less than the Minimum Amount in respect of one or more members and the Company has by ordinary resolution given its consent, the net proceeds of sale of such a fractional entitlement belong to the Company.

- (b) To give effect to a sale pursuant to Article 54(a), the Board may:
  - (i) authorise the conversion of shares to be sold which are in certificated form into uncertificated form, and vice versa (so far as is consistent with the Regulations and the facilities and requirements of the Relevant System);
  - (ii) in respect of shares in certificated form, authorise a person to execute an instrument of transfer of the shares sold; and
  - (iii) in respect of shares in uncertificated form, make other arrangements consistent with the Regulations and the facilities and requirements of the Relevant System for their transfer to, or in accordance with the directions of, the buyer.
- (c) The buyer is not bound to see the application of the purchase money and his title to the shares is not affected by any irregularity in or invalidity of the procedure or manner of the sale.
- (d) The Board may settle any difficulty which may arise in connection with a consolidation or sub-division of shares. In particular, the Board may:
  - (i) as between the holders of shares so consolidated decide which shares are consolidated into each consolidated share; and
  - (ii) in the case of shares registered in the name of one holder (or joint holders) being consolidated with shares registered in the name of another holder (or other joint holders) make such arrangements for the allocation, acceptance or sale of the consolidated share or any fractions of it and for the distribution to the member entitled to it of any amount received in respect of it as appropriate.

For the purpose of giving effect to those arrangements, the Board may appoint a person to transfer the consolidated share or any fractions of it and to receive the purchase money for it. A transfer executed by such a person is effective and after the transfer has been registered, no person may question its validity.

#### **IV. GENERAL MEETINGS**

##### **A. MEETINGS AND NOTICES**

###### **Annual general meetings**

55. The Company shall hold a general meeting as its annual general meeting within six months following the end of each financial year (in addition to any other meetings in that year), unless it is permitted by the Statutes to extend the period for holding its annual general meeting. The Board shall decide the time and place for each annual general meeting.

###### **Other general meetings**

56. (a) The Board may call a general meeting other than an annual general meeting at any time, to take place at such time and place as it decides. In addition, on receipt of a request from members to call a general meeting in accordance with the Statutes, the Board shall call a general meeting within the time required by the Statutes.
- (b) Two or more members may call a general meeting (or instruct the Secretary to do so) for the purpose of appointing Directors in the circumstances described in Article 126.

**Notice of meeting**

57. (a) At least
- (i) 21 clear days' notice shall be given for an annual general meeting; and
  - (ii) 14 clear days' notice shall be given for a general meeting which is not an annual general meeting unless the Statutes require a longer period of notice.
- (b) The notice of meeting shall be sent to all members (other than those who under the Statutes, these Articles or the conditions attaching to the shares held by them are not entitled to receive the notice) to each Director and to the Company's auditors.
- (c) The notice of general meeting shall specify:
- (i) whether the meeting is an annual general meeting;
  - (ii) the place, date and time of the meeting;
  - (iii) the general nature of the business to be dealt with at the meeting;
  - (iv) if the meeting is convened to consider a special resolution, the intention to propose the resolution as a special resolution and the text of the resolution;
  - (v) with reasonable prominence that a member may appoint one or (provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him) more than one proxy, to exercise any or all of his rights to attend and to speak and vote at the meeting instead of him;
  - (vi) the address of the website on which the information required by the Statutes has been published in advance of the meeting;
  - (vii) the procedures with which members must comply in order to be able to attend and vote at the meeting and the date by which they must comply; and
  - (viii) details of the forms, if any, to be used for the appointment of a proxy;
- and shall include:
- (ix) a statement of the right of members to ask questions in accordance with the Statutes; and
  - (x) if the meeting is an annual general meeting and the notice is given more than 6 weeks before the meeting, a statement of the right in accordance with the Statutes to require notice of a resolution to be moved or a matter to be included in the business of the meeting.
- (d) A notice of meeting shall specify a time, as permitted by the Statutes, by which a person must be entered on the Register or Operator Register to have the right to attend or vote at the meeting and for the purpose of determining how many votes that person may cast. Changes to entries on the Register or Operator Register after the time specified in the notice are to be disregarded in deciding the rights of any person to attend or vote at the meeting.

### Special notice

58. If by a provision contained in the Statutes special notice is required of a resolution, the resolution is only effective if notice of the intention to move it has been given to the Company at least 28 clear days (or such shorter period as the Statutes permit) before the meeting at which it is to be moved. The Company shall give the members notice of such a resolution in accordance with the Statutes.

### Members' resolutions, members' statements and members' business

59. (a) Subject to the Statutes the Company shall on the written requisition of such number of members as is specified in the Statutes and (unless the Company or the Board otherwise resolves) at the requisitionists' expense:
- (i) give to members entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;
  - (ii) circulate to members entitled to have notice of any general meeting, a statement of not more than 1,000 words with respect to a matter referred to in any proposed resolution the business to be dealt with at that meeting; and
  - (iii) if it receives a request complying with the Statutes from such number of relevant members or other persons as is specified in the Statutes, include in the business to be dealt with at an annual general meeting any matter (other than a proposed resolution) which may be properly included in such business.

### Accidental omission or non-receipt of notice

60. The accidental omission to give notice to, or the non-receipt of notice by, a person entitled to receive notice does not invalidate the proceedings at any general meeting.

### Change in place or time of meeting

61. If, after the giving 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 for a reason beyond its control to hold the meeting at the declared place or time or both, it may change the place or postpone the time at which the meeting is to be held. If such a decision is made, the Board may change the place or postpone the time again if it decides that it is reasonable to do so. In either case:
- (a) a new notice of the meeting need not be given, but the Board shall, if practicable, advertise the date, time and place of the meeting in at least two newspapers having a national circulation and shall arrange for notices of the change of place or postponement to appear at the original place or at the original time or both; and
  - (b) notwithstanding Article 84, an appointment of a proxy (whether in Hard Copy Form or Electronic Form) in relation to the meeting may be deposited at any time not less than 48 hours before any new time appointed for holding the meeting.

## B. PROCEEDINGS AT GENERAL MEETINGS

### Arrangements for meetings

62. (a) The Board or the chairman of the meeting may, notwithstanding the specification in the notice of the place of a general meeting (the "**Principal Place**"), make

arrangements for simultaneous attendance and participation (including, without limitation, by way of video-link) at other places by members and proxies entitled to attend the general meeting but excluded from the Principal Place.

- (b) Those arrangements may include arrangements regarding the level of attendance at the other places so long as those arrangements shall operate so that those members and proxies excluded from attendance at the Principal Place are able to attend at one of the other places.
- (c) The Board or the chairman of the meeting may, for the purpose of facilitating the organisation and administration of a general meeting to which these arrangements apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to afford to all members and proxies entitled to attend the meeting an equal opportunity of being admitted to the Principal Place) or the imposition of some random means of selection or otherwise as it or he considers appropriate. The Board or the chairman of the meeting may from time to time vary those arrangements or make new arrangements in their place for the exclusion of members and proxies entitled to attend the general meeting from the Principal Place. The entitlement of a member or proxy to attend a general meeting at the Principal Place is subject to those arrangements as may be for the time being in force whether stated in the notice of meeting or notified after the notice of meeting has been given.
- (d) For the purposes of these Articles, such a meeting is to be treated as being held and taking place at the Principal Place.
- (e) The Board may decide that the persons entitled to receive a notice of meeting or copies of the documents that are required to be sent by the Statutes are those persons entered on the Register or Operator Register at the close of business on a specified day. If the Company is a participating issuer, the specified day may not be more than 21 days before the day that the notices of the meeting or the copies of the documents are sent.

### **Security**

63. The Board or the chairman of the meeting may make any arrangement or impose any restriction or take any action it or he considers appropriate for the safety or proper and orderly conduct of the general meeting and for the promotion of the business of that meeting and including, without limitation, searching a person and his property and restricting the items to be taken into the meeting place. If a person refuses to comply (wholly or partly) with such an arrangement, restriction or action, the Board or the chairman of the meeting may refuse entry of that person to a meeting or arrange for that person to be removed from a meeting.

### **Chairman**

64. The chairman (if any) of the Board or, in his absence, the deputy chairman (if any) or the vice chairman (if any) shall preside as chairman at a general meeting. If there is no chairman, deputy chairman or vice chairman, or if at a meeting none of them is present within five minutes after the time appointed for holding the meeting, or if none of them is willing to act as chairman, the Directors present shall choose one of their number to act. If only one Director is present and he is willing to act, he shall preside as chairman. If no Director is present, or if none of the Directors present is willing to act as chairman, the members present and entitled to vote shall choose one of themselves to be chairman. The appointment of a chairman is not to be treated as part of the business of a meeting.

## Quorum

65. No business may be transacted at a general meeting unless a quorum of members is present when the meeting proceeds to business. Except as otherwise provided in these Articles, two persons present, each of whom is a member or a proxy for a member or a representative, appointed in accordance with the Statutes or Article 88, of a corporation which is a member, is a quorum for all purposes, unless each such person is a proxy for the same member or a representative for the same corporation (and neither of them is also present at the meeting in his capacity as a different member or a properly appointed proxy or representative for a different member).

## Adjournment or dissolution for lack of quorum

66. If within 30 minutes from the time appointed for a general meeting a quorum is not present or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of or by members, is dissolved. In any other case, it stands adjourned to the day 10 clear days' later, at the same time and place, or to such other day and at such time and place as the Board may decide. If at an adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, the meeting is dissolved.

## Adjournment for other reasons

67. (a) The chairman of the meeting may with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn the meeting from time to time or for an indefinite period and from place to place.
- (b) In addition to his inherent power to adjourn a meeting for such reason as he thinks fit, the chairman of the meeting may, without the consent of the meeting, adjourn the meeting from time to time or for an indefinite period and from place to place if he considers that:
- (i) there is insufficient space for those present or entitled to be present to be accommodated or there is some other reason why they cannot adequately hear or participate in the meeting;
  - (ii) it has become, or is likely to become, impracticable to conduct, or to continue to conduct, the business of the meeting in an orderly manner;
  - (iii) an adjournment is necessary to protect the safety of any person attending the meeting; or
  - (iv) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- (c) No business may be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting from which the adjournment took place.
- (d) If under these Articles a meeting is adjourned for 30 days or more, at least seven clear days' notice specifying the place, the date and the time of the adjourned meeting and the general nature of the business to be transacted shall be given as in the case of the original meeting. Except in these circumstances, it is unnecessary to give notice of an adjournment or notice of the business to be transacted at an adjourned meeting.
- (e) The Board shall fix the place, the date and the time of an adjourned meeting if the original meeting has been adjourned indefinitely.



### **Amendments to resolutions and other matters**

68. (a) If the chairman of the meeting in good faith rules an amendment proposed to a resolution under consideration out of order, any error in that ruling does not affect the validity of a vote on the original resolution.
- (b) No amendment to a resolution to be proposed as a special resolution at a general meeting may be considered or voted on unless:
- (i) the chairman of the meeting proposes the amendment at the general meeting at which the original resolution is to be proposed; and
  - (ii) the amendment does not go beyond what is necessary to correct a grammatical or clerical error and does not depart from the substance of the original resolution.
- (c) No amendment to a resolution to be proposed as an ordinary resolution at a general meeting may be considered or voted on unless:
- (i) notice of that amendment is sent to the Company not less than 48 hours before the meeting is to take place; or
  - (ii) in the absence of such a notice, the chairman of the meeting in his absolute discretion decides that the amendment may be considered and voted on,
- and the proposed amendment does not, in the opinion of the chairman of the meeting, acting in good faith, alter the effect or the scope of the original resolution to a major degree.
- (d) The decision of the Board or the chairman of the meeting made in good faith on matters of procedure or which arise incidentally from the business of the meeting, and as to whether a matter is of such a nature, is final.
- (e) With the consent of the chairman, an amendment may be withdrawn by the proposer before it is voted upon.

### **Method of voting**

69. A resolution put to the vote of a general meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by:
- (a) the chairman of the meeting;
  - (b) at least five members present in person or by proxy and entitled to vote at the meeting;
  - (c) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting (excluding any voting rights attached to any shares in the Company held as treasury shares); or
  - (d) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been Paid up equal to not less than one-tenth of the total sum Paid up on all the shares conferring that right (excluding any shares in the Company conferring a right to vote at the meeting which are held as treasury shares).

### **Chairman's declaration on a result of a show of hands**

70. Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

### **Proxy empowered to demand a poll**

71. The appointment of a proxy to vote at a meeting is deemed to confer authority to demand, or join in demanding a poll (and for the purposes of Article 69, a demand by a person as proxy for a member or as duly authorised corporate representative of a member is the same as a demand by that member and to vote on a poll or on the election of a chairman of the meeting).

### **Errors in counting votes**

72. If at a meeting a vote is counted which ought not to have been counted, or might have been rejected, or if at a meeting a vote has not been counted which ought to have been counted, the error does not vitiate the result of the voting unless:
- (a) it is pointed out at that meeting (but not at an adjournment of that meeting); and
  - (b) in the opinion of the chairman of the meeting it is of sufficient magnitude or significance to vitiate the result of the voting.

### **When a poll has to be taken and notice of a poll**

73. A validly demanded poll on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A validly demanded poll on any other question shall be taken forthwith or at such later time and place as the chairman of the meeting decides not being more than 30 days from the date of the meeting or adjourned meeting at which the poll is demanded. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting in respect of which it is 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.

### **Manner of taking a poll**

74. The chairman of the meeting shall decide the manner in which a poll is to be taken (including, without limitation, the use of ballot or voting papers). The chairman of the meeting may, in the event of a poll, appoint scrutineers (who need not be members) and may adjourn the meeting to a place and time fixed by him for the purpose of declaring the result of the poll. The result of a poll is deemed to be the resolution of the meeting at which the poll is demanded.

### **Continuance of other business**

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

### **Demand for a poll may be withdrawn**

76. A demand for a poll may be withdrawn before the poll is taken but only with the consent of the chairman of the meeting. A demand so withdrawn does not invalidate the result of a show of hands declared before the demand was made. If a demand for a poll is so withdrawn:

- (a) before the result of a show of hands is declared, the meeting shall continue as if the demand had not been made; or
- (b) after a result of a show of hands is declared, the chairman of the meeting or other member or members so entitled may demand a poll.

## **C. VOTES**

### **Voting rights**

77. Subject to any rights or restrictions as to voting attached to any shares:

- (a) on a vote on a resolution on a show of hands at a general meeting:
  - (i) each member who (being an individual) is present in person has one vote;
  - (ii) each duly authorised representative of a corporation (which is a member) who is present has the same voting rights as the corporation would be entitled to;
  - (iii) subject to article 77(a)(iv), each proxy present who has been properly appointed by one or more members who is entitled to vote on the resolution has one vote; and
  - (iv) each proxy present who has been properly appointed by more than one member entitled to vote on the resolution and has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution, has one vote for and one vote against the resolution;
- (b) on a vote on a resolution on a poll taken at a general meeting, each member who (being an individual) is present in person or by proxy or (being a corporation) is present by one or more duly authorised representatives or by proxy has one vote for each share held by him.

### **Voting by joint holders**

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

### **Member of unsound mind**

79. A member who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person appointed by that court. That committee, receiver, curator bonis or other person may on a poll vote by proxy. The right to vote is exercisable only if evidence satisfactory to the Board of the authority of the person claiming to vote has been deposited at the Office or at such other place as is specified in the notice of meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which that person claims to vote.

### **Objections to the qualification of a voter**

80. An objection to the qualification of a voter may only be raised at the meeting or adjourned meeting at which the vote objected to is given or tendered. An objection shall be referred

to the chairman of the meeting, whose decision is final and conclusive. Each vote not disallowed at that meeting is valid for all purposes.

### **Voting on a poll**

81. On a poll, votes may be given personally, by corporate representative or by proxy. On a poll, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

### **Appointment of a proxy**

82. (a) A member may appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting of the Company.
- (b) The appointment of a proxy shall be in writing (a "**Proxy Notice**").
- (c) The Board is entitled to require that a Proxy Notice shall be in a particular form and is entitled to require different forms for different purposes.
- (d) A Proxy Notice in Hard Copy Form shall be signed by the appointing member or his agent duly authorised in writing, or, if the appointing member is a corporation, under its common seal or by a duly authorised agent or officer.
- (e) A Proxy Notice in Electronic Form shall be authenticated in the manner that is specified from time to time by the Board for documents of that type which are sent or supplied in Electronic Form or (if the Board has not specified its requirements for the authentication of that type of document) in the manner indicated by the Statutes for documents or information sent or supplied in Electronic Form.
- (f) The Company or any person acting on its behalf, may require reasonable evidence of the authority of any agent or officer that signs or authenticates a Proxy Notice on behalf of a member to be submitted with the Proxy Notice. If a Proxy Notice is signed or authenticated under a power of attorney or other written authority, the Company or any person acting on its behalf may require any written authority under which the appointment has been made, or a copy of that authority certified notarially or in some other way approved by or on behalf of the Board to be submitted with the Proxy Notice.
- (g) The Company is under no obligation to check that a proxy exercises the votes of his appointor whether at all or in accordance with his appointor's instructions.

### **Identity and number of proxies**

83. (a) A proxy need not be a member.
- (b) A member holding more than one share may appoint more than one proxy in relation to the same meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the appointing member.
- (c) If more than one proxy is appointed, a Proxy Notice shall specify the whole number of shares in respect of which a proxy appointed in that Proxy Notice is entitled to act on behalf of the appointing member. If the Company receives more than one appointment of a proxy in respect of the same share or shares, the appointment received last revokes each earlier appointment unless the Company decides that a different method for deciding which appointment or appointments is valid is more appropriate. The Company's decision as to which appointment or appointments is valid are final.

- (d) If more than one proxy is appointed by a member, a proxy appointed by that member need not, if he votes, use his votes in the same way as another proxy appointed by that member.

### Valid delivery of Proxy Forms

84. (a) A Proxy Notice and any evidence required by the Board to be supplied with it in accordance with Article 82(f) may be delivered:
- (i) in Hard Copy Form; or
  - (ii) in Electronic Form, subject to any limitations imposed by the Company when providing an electronic address pursuant to the 2006 Act.
- (b) A proxy appointment relating to a meeting is only valid if the Proxy Notice and any evidence required to be supplied with it in accordance with Article 82(f) is received:
- (i) in the case of documents in Hard Copy Form:
    - (aa) at such place within the United Kingdom as is specified for the receipt of Proxy Notices in the notice of meeting or in the form of Proxy Notice issued by the Company in relation to the meeting or if no such place is specified, at the Office; or
    - (bb) in the case only of a Proxy Notice submitted pursuant to Article 84(b)(iii)(cc) at the place of the relevant meeting into the hands of the chairman of the meeting or the Secretary; or
  - (ii) in the case of documents in Electronic Form:
    - (aa) to any address specified by or on behalf of the Company for the purpose of receiving the appointment of a proxy in Electronic Form in:
      - (A) the notice convening the meeting;
      - (B) any form of Proxy Notice issued by the Company in relation to the meeting; or
      - (C) the invitation to appoint a proxy issued by the Company in relation to the meeting; and
  - (iii) in each case specified in Article 84(b) (but subject to Article 84(c)):
    - (aa) not less than 48 hours (or such shorter time as the Board may determine) before the time appointed for holding the meeting or adjourned meeting at which the person named in the Proxy Notice proposes to vote;
    - (bb) in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours (or such shorter time as the Board may determine) before the time appointed for the taking of the poll; or
    - (cc) in the case of a poll taken following the conclusion of the meeting or adjourned meeting at which it was demanded but 48 hours or less after it was demanded, before the end of the meeting at which it was demanded (or such later time as the Board may determine).

- (c) The Company may specify (in the notice convening the meeting or in the form of Proxy Notice issued by the Company or otherwise) the latest time before a particular meeting, adjourned meeting or poll (as the case may be) by which a Proxy Notice shall be received in order to be valid, and in calculating the 48 hour or 24 hour periods referred to in Article 84(b)(iii)(aa) and 84(b)(ii)(bb) for such purpose, the Board is entitled to take into account only hours that fall in a working day, such that the latest time before a particular meeting, adjourned meeting or poll (as the case may be) by which a Proxy Notice shall be received in order to be valid may be greater than 48 hours or 24 hours (as the case may be).

### **Scope of proxy appointment**

85. (a) Unless the Proxy Notice provides to the contrary, the appointment of a proxy in relation to a meeting is deemed to:
- (i) include the right for the proxy to speak at the meeting;
  - (ii) include the right for the proxy to vote or abstain from voting, either on a show of hands or on a poll, including the power to vote as the proxy decides on:
    - (aa) any amendment of a resolution put to the meeting;
    - (bb) any procedural motion or resolution put to the meeting; and
    - (cc) any other business put to the meeting which may properly come before the meeting; and
  - (iii) be valid for any adjournment of the meeting to which it relates.
- (b) A Proxy Notice which relates to more than one meeting (including, an adjournment of a meeting) and has been received in accordance with these Articles for the purpose of any meeting, is not required to be received again for the purposes of any subsequent meeting to which it relates.
- (c) The appointment of a proxy does not prevent a member from attending and voting in person at the meeting to which the Proxy Notice relates. However, if the member votes in person on a resolution, then as regards that resolution, his appointment of a proxy will not be valid insofar as it relates to the exercise of voting rights attached to the same shares in respect of which the member has voted in person.
- (d) An appointment of a proxy is invalid after the expiration of 12 months from the date of appointment of the proxy, except at an adjournment of a meeting which was originally held within 12 months from that date or on a poll demanded at a meeting or an adjourned meeting which was originally held within 12 months from that date.

### **Board to send out form of Proxy Notice to all members**

86. (a) The Board shall, while any of the Company's shares are admitted to the Official List, and otherwise may, at the Company's expense, send to each member entitled to be sent notice of a meeting and to vote at it, a form to appoint a proxy for use at a general meeting.
- (b) A form of Proxy Notice sent to each member pursuant to Article 86(a):

- (i) shall provide for three-way voting on all resolutions to be proposed at the meeting to which it relates, other than resolutions relating to the procedure of the meeting;
  - (ii) shall provide a space for insertion of the name of the member's choice of proxy (and confirm that a member is entitled to appoint a proxy of his own choice), but may also nominate in the alternative any one or more of the Directors or another person; and
  - (iii) if it is sent in hard copy form by post, may be sent with provision for its return pre-paid.
- (c) If for the purpose of a general meeting, invitations to appoint a proxy are issued at the Company's expense, those invitations shall be sent to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it by proxy (although they need not all be sent by the same means). The accidental omission to give such an invitation to, or the non-receipt of that invitation by, a member entitled to attend and vote at a meeting does not invalidate the proceedings of that meeting.

#### **When votes by proxy valid although authority revoked**

87. (a) A vote given in accordance with the terms of a Proxy Notice, a demand for a poll by a proxy and the inclusion of a proxy in determining whether there is a quorum at a meeting is valid even though:
- (i) the member who appointed the proxy dies or is of unsound mind;
  - (ii) the Proxy Notice is revoked; or
  - (iii) the authority under which the Proxy Notice was executed on behalf of the member is revoked.
- (b) The provisions in Article 87(a) do not apply, and the authority of a person to act as a proxy is terminated if the Company receives notice of the death, mental condition or revocation of the Proxy Notice or other authority not later than the last time by which the Proxy Notice should have been received in order to be valid for use at the meeting, adjourned meeting or poll (as the case may be) at which the proxy purports to act.
- (c) In order to be valid, the notification referred to in Article 87(b) ("**Notice of Termination of Proxy**") shall be in writing and:
- (i) in the case of a Notice of Termination of Proxy in Hard Copy Form, be received at the Office or at such other place within the United Kingdom as is specified for the receipt of Proxy Notices in the notice of the meeting or adjourned meeting to which the appointment relates; or
  - (ii) in the case of a Notice of Termination of Proxy in Electronic Form be received at:
    - (aa) any address specified by or on behalf of the Company for the purpose of receiving the appointment of a proxy in Electronic Form in (subject to any limitations specified by the Company when providing the address):
      - (A) the notice convening the meeting;

- (B) any form of Proxy Notice issued by the Company in relation to the meeting; or
- (C) the invitation to appoint a proxy issued by the Company in relation to the meeting.

**A corporate member may appoint a representative**

88. A corporation which is a member may, by a resolution of its directors or other governing body, authorise one or more individuals to act (subject to the Statutes) as its representative or representatives at a meeting of the Company. The Company, or any person acting on its behalf, may require evidence of the authority of a representative to act to be submitted, in such form as the Company may from time to time approve, before permitting that representative to exercise his powers.

**Directors entitled to attend and speak at general meetings**

89. (a) Each Director (or failing him, any alternate) may attend and speak at any general meeting.
- (b) The chairman may invite to attend or speak at a general meeting any person whom the chairman considers has knowledge or experience of the Company's business or of any other matter which in the opinion of the chairman will assist in the deliberations of the meeting.

**V. DIRECTORS**

**A. NUMBER, APPOINTMENT AND REMUNERATION**

**Number of Directors**

90. Unless and until otherwise decided by the Company by ordinary resolution and subject to the Statutes, the number of Directors may not be less than two and not more than 25.

**Increase or reduction in permitted number of Directors**

91. Without prejudice to Article 93, the Company may from time to time by ordinary resolution:
- (a) increase or reduce the number of Directors; and
  - (b) appoint a person to be a Director to fill a casual vacancy or as an additional Director.

**Share qualification of Directors**

92. Neither a Director nor an alternate Director is required to hold any shares as a qualification to being a Director or alternate Director.

**Appointment of Director to fill a casual vacancy**

93. The Board may from time to time appoint a person to be a Director to fill a casual vacancy or as an additional Director if in either case the total number of Directors does not exceed any maximum fixed in accordance with these Articles. Subject to these Articles, a Director so appointed holds office until the next annual general meeting and then is eligible for election or re-appointment.

**Appointment of Directors to executive office**

94. The Board may from time to time appoint any one or more of its body to any executive office for such period and on such terms (including, without limitation, remuneration) as it



decides and, subject to the provisions of any contract between the Director so appointed and the Company, may revoke that appointment or vary the terms of it.

### **Remuneration of Directors**

95. The Directors (other than a Director holding an executive office pursuant to Article 94) are entitled to remuneration by way of fees for their services as Directors. The total amount of that remuneration may not exceed £2,000,000 in each year or such higher amount (if any) decided by the Company by ordinary resolution. The remuneration is to be divided amongst the Directors in such proportions as the Directors, by resolution, agree and in default of agreement, equally. The remuneration is deemed to accrue daily. The Board and a Director may agree that any remuneration payable to the Director pursuant to this Article may consist (wholly or partly) of payments by way of pension contributions or premiums to secure pension benefits, whether pursuant to a pension scheme or otherwise.

### **Remuneration for special or additional services**

96. A Director appointed to an executive office or who serves on a committee or who devotes special attention to the Company's business or who otherwise performs services which the Board decides are outside the scope of the ordinary duties of a director or who goes or resides abroad in connection with the Company's business may be paid such extra remuneration (whether by way of salary, commission or percentage of profits or otherwise) in addition to that payable to him under Article 94 or 95 as the Board may decide.

### **Expenses**

97. In addition to any remuneration payable under Articles 93 to 95, a Director may be paid such reasonable travelling, hotel and other expenses as he properly incurs in connection with the discharge of his duties including, without limitation, attending or returning from meetings of the Board, committees of the Board or general meetings.

## **B. RETIREMENT**

### **Directors to retire**

98. (a) At each annual general meeting each Director who:
- (i) was appointed by the Board since the previous annual general meeting; or
  - (ii) was last elected or last re-elected (or is treated by virtue of the Statutes as if he had been so elected or re-elected) at or before the annual general meeting held in the third calendar year before the current year,
- shall retire from office.
- (b) A retiring Director is eligible for election, re-election or re-appointment.

### **Retiring Director to hold office until dissolution of meeting**

99. A Director retiring at a general meeting retains office until the dissolution of that meeting except if a resolution is passed to elect another person instead of the retiring Director or a resolution for his re-election is put to the meeting and lost. A retiring Director who is re-elected or deemed to have been re-elected continues in office without break.

## **C. VACATION OF, AND REMOVAL FROM, OFFICE**

### **Re-appointment of a retiring Director**

100. The Company at a general meeting may by ordinary resolution fill the vacancy caused by a Director retiring in accordance with these Articles by appointing the retiring Director or (subject to the Statutes and these Articles) another person.

### **Each re-appointment to be voted on separately**

101. At a general meeting a motion for the appointment of two or more persons as Directors by a single resolution may only be made if a resolution that it is to be made has first been agreed by the meeting without any vote being given against it.

### **Notice required of an intention to propose a new Director**

102. A person (other than a Director retiring in accordance with Article 98 or a person recommended by the Board for appointment as a Director) is only eligible for appointment as a Director at a general meeting if:

- (a) a member (not being the person) who is qualified to be present and vote at the meeting has, not less than seven nor more than 42 days before the day appointed for the meeting, given the Company at the Office written notice of his intention to propose the person for appointment, which shall include all particulars about the person which the Company would need to include in the register of directors and register of directors' residential addresses and disclose pursuant to the Listing Rules were the person to be elected as a Director, and written notice signed by the person and stating his willingness to be appointed; and
- (b) the notice signed by the person has not been withdrawn.

### **Vacation of office**

103. The office of a Director is vacated if:
- (a) he becomes prohibited by law from acting as a director or he ceases to be a Director by virtue of these Articles;
  - (b) not being an executive Director holding that office for a fixed term, he resigns by notice signed by him and that notice is lodged at the Office or if he tenders his resignation (orally or by notice) and Board resolves to accept it;
  - (c) he becomes bankrupt, an interim order is made in respect of him, he enters into an arrangement or composition with his creditors generally or he is unable to pay his debts within the meaning of section 268 of the Insolvency Act 1986 or pursuant to any similar legislation in any other jurisdiction;
  - (d) a registered medical practitioner is of the opinion that he has become mentally incapable of acting as a director and may remain so for more than three months or he becomes a patient for the purposes of any statute in any jurisdiction relating to mental health, and in either case the Board resolves that his office be vacated;
  - (e) an order is made by a court of competent jurisdiction on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian, receiver or other person to exercise powers with respect to his property or affairs; or

- (f) he is absent from meetings of the Board for six consecutive months (whether or not any alternate Director appointed by him attends in his place) and the Board resolves that his office be vacated;

and upon such vacation of office, he automatically ceases to be a member of any committee or subcommittee of the Board.

#### **Removal from office by notice from co-Directors**

104. The office of a Director (the "Specified Director") is also vacated if he is removed from office by him being given written notice signed by all his co-Directors (other than any alternate Director for the Specified Director acting in his capacity as such). The notice may be signed by an alternate Director instead of the Director who appointed the alternate Director. This Article is not to be taken as depriving a person removed under it of any right to claim compensation or damages in respect of the termination of his appointment as a Director or of any appointment with the Company which terminates on his ceasing to be a Director.

#### **D. ALTERNATE DIRECTORS**

##### **Appointment, removal and powers**

105. (a) A Director (other than an alternate Director) may at any time by notice appoint as his alternate Director another Director or another person (whether or not a member). The appointment of an alternate Director who is not already a Director is not operative until his appointment has been approved by a majority consisting of two-thirds of the Directors.
- (b) The Directors may at any time, by a majority consisting of two-thirds of the Directors (except the alternate Director who is the subject of the vote and the Director who appointed him), revoke the appointment of an alternate Director. A Director may at any time by notice revoke the appointment of his alternate Director and may appoint another person in his place in accordance with Article 105(a). A notice of revocation sent to or left at the Office is sufficient evidence of that revocation. If a Director dies or ceases to hold the office of Director, the appointment of his alternate Director ceases automatically. If an event occurs in respect of the alternate Director which, if it happened to the appointing Director would result in his appointment being terminated, the appointment of the alternate Director ceases automatically. However, if a Director retires but is re-appointed, a valid appointment of an alternate Director which was in force immediately before his retirement continues to operate after his re-appointment as if he had not retired.
- (c) An alternate Director who has given the Company an address at which notices may be given to him, is entitled:
- (i) to receive notices of all meetings of the Board and all committees of the Board of which the Director appointing him is a member; and
  - (ii) if the Director appointing the alternate Director is not present at a meeting referred to in Article 105(c)(i), to attend and vote as a Director at that meeting and to have and exercise all the powers, rights, duties and authorities of that Director.
- (d) An alternate Director is an officer of the Company and is alone responsible to the Company for his acts and defaults and is not deemed to be the agent of the Director appointing him.

- (e) Unless the Company or the Board otherwise resolves, the remuneration of an alternate Director is payable out of the remuneration payable to the Director appointing the alternate. The Director and alternate Director shall agree the amount of that remuneration. The Company is not obliged to pay any fees directly to an alternate Director.

## **E. INTERESTS OF DIRECTORS AND CONFLICTS OF INTEREST**

### **Authorisation of conflicts of interest arising other than in relation to transactions or arrangements with the Company**

106. (a) The Board may authorise to the fullest extent permitted by law any matter which would otherwise result in a Director breaching his duty to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which could reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty and a conflict of duties), but the Director in question:
- (i) may not be counted as participating at the meeting or part of the meeting at which the authorisation is considered for the purposes of the quorum requirement;
  - (ii) may not vote on the matter and, if he does vote, his vote may not be counted in determining whether the authorisation was agreed to; and
  - (iii) may, if the other Directors attending the meeting so decide, be excluded from the meeting while the authorisation is under consideration.
- (b) The Board may make any such authorisation subject to any limits or conditions as it thinks fit, and may withdraw the authority, or vary or impose any limits or conditions, at any time.
- (c) In giving any such authorisation, the Board may decide that if a Director obtains or has obtained any information otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- (i) disclose any such information to the Board or to any Director or other officer or employee of the Company; or
  - (ii) use or apply any such information in performing his duties as a Director,
- but this Article is without prejudice to any equitable principle or rule of law which may excuse the Director from disclosing information, in circumstances where disclosure would otherwise be required under this Article.

### **Other Director's interests**

107. (a) Subject to the Statutes, and provided that he has declared the nature and extent of his interest, a Director may:
- (i) act, directly or through a body corporate or firm in which he is (directly or indirectly) interested, in a professional capacity for the Company (other than as auditor) on such terms as to tenure of office, remuneration or otherwise as the Board decides;
  - (ii) be a party to or otherwise directly or indirectly interested in any other proposed or existing transaction or arrangement (whether or not constituting a contract) with, or entered into by, the Company or by any

body corporate or firm in which the Company is (directly or indirectly) interested; and

- (iii) be a director or other officer of, or employee or member of, or holder (directly or indirectly) of any other place of profit under, or act (directly or indirectly) in a professional capacity (other than as auditor) for, a body corporate or firm which the Company controls or in which it is (directly or indirectly) interested.
- (b) The Board may exercise the voting power conferred by the shares in a body corporate held or owned by the Company, or exercisable by the Board as directors of that other body corporate or where the Company is a director of that other body corporate, in such manner in all respects as it decides. Subject to Articles 108 and 109, a Director may vote in favour of the exercise of those voting rights in the manner set out in this Article, notwithstanding that he may be, or be about to be, appointed a director, managing director, manager or other officer or employee or member of, or the holder of a place of profit under, that body corporate, and as such is or may become interested in the exercise of those voting rights in that manner.

### **Declaration of Interests**

108. (a) Subject to the Statutes, a Director need not declare an interest:
- (i) if it cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (ii) if, or to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware).
- (b) For the purposes of this Article a Director may disclose his interest in a contract, transaction or arrangement by a general notice given to the Directors to the effect that he:
- (i) has an interest (as member, officer, employee or otherwise) in a specified body corporate or firm and is to be regarded as interested in any contract, transaction or arrangement that may, after the date of notice, be made with that body corporate or firm (and stating the nature and extent of the Director's interest in the specified body corporate or firm); or
  - (ii) is connected with a specified person (other than a body corporate or firm) and is to be regarded as interested in any contract, transaction or arrangement that may, after the date of notice, be made with that person (and stating the nature of his connection with the specified person).

### **Restriction on voting**

109. (a) Except as provided in Articles 109(b) and 109(c) or as otherwise decided by the Board pursuant to Article 106, a Director may not vote at a meeting of the Board in respect of a contract, transaction or arrangement in which the Director has an interest (whether direct or indirect) which may reasonably be regarded as likely to give rise to a conflict of interest. The Director may not be counted in the quorum present on a resolution in respect of such a contract, transaction or arrangement. If the Director votes in contravention of this Article, his vote is not counted.
- (b) Subject to the provisions of the Statutes and these Articles, a Director may vote at a meeting of the Board (and be counted in the quorum present) on a resolution in

respect of a contract, transaction or arrangement of a sort described in Article 107 where that Director's interest arises solely because of his interest in shares, debentures or other securities of or otherwise in or through the Company and/or solely because the contract, transaction or arrangement falls within one or more of the following categories:

- (i) a contract, transaction, arrangement or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings in which offer the Director is or may be entitled to participate as holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;
  - (ii) a contract, transaction, arrangement or proposal for giving the Director a security, guarantee or indemnity in respect of:
    - (aa) money lent or obligations incurred by him or by another person at the request of, or for the benefit of, the Company or any of its subsidiary undertakings; or
    - (bb) a debt or obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility (wholly or partly) under a guarantee or indemnity or by the giving of security;
  - (iii) a contract, transaction, arrangement or proposal concerning any other body corporate or firm where the Director is interested solely by virtue of being directly or indirectly (whether through a person connected with the Director or otherwise and whether as an officer, creditor, shareholder or otherwise) interested in such other body corporate or firm provided that he and any person connected with him do not to his knowledge hold an interest in shares (as that term is defined in the 2006 Act for the purposes of Part 22 of the 2006 Act) representing 1% or more of the issued equity share capital (calculated excluding any shares held as treasury shares) of that body corporate or of another body corporate through which his interest is derived or of the voting rights available to members of either body corporate (calculated excluding any voting rights attached to any shares held as treasury shares);
  - (iv) a contract, transaction, arrangement or proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including the Directors; or
  - (v) a contract, transaction, arrangement or proposal for the benefit of employees of the Company or any of its subsidiary undertakings (including, without limitation, an Employees' Share Scheme) which does not award to the Director any privilege or benefit not generally awarded to the employees to whom the arrangement relates.
- (c) Subject to the Statutes, the Company may by ordinary resolution:
- (i) suspend or relax the provisions of this Article to any extent, either generally or in respect of a particular matter; or
  - (ii) ratify any contract, transaction, arrangement or proposal not properly authorised because of a contravention of this Article.
- (d) If a proposal is under consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment) of two or more

Directors to offices with, or as employees of, the Company or a body corporate in which the Company is interested, the proposal may be divided and considered in relation to each Director separately. In such a case, each of the Directors concerned (unless debarred from voting for a reason that is not solely his proposed appointment) may vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- (e) For the purposes of Articles 107 to 109:
  - (i) an interest of a Director includes an interest of a person who is connected with the Director; and
  - (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge is not to be treated as an interest of his.
- (f) For the purposes of Article 109, an interest of an alternate Director includes an interest of the Director who appointed him.

### **Ruling on Director's interest**

110. If a question arises at a meeting as to the entitlement of a Director to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to, in the case of a Director other than the chairman of the meeting, the chairman and, in the case of the chairman, the remainder of the Board. The chairman's ruling (or the Board's ruling in the case of the chairman) in relation to the Director is final and conclusive except if the nature or extent of the Director's interest has not been fairly disclosed.

### **Effect of compliance with these Articles**

111. (a) The general duties which a Director owes to the Company by virtue of sections 171 to 177 of the 2006 Act will not be infringed by anything done (or omitted to be done) by a Director in compliance with:
- (i) any limits or conditions imposed by the Board pursuant to Article 106(b) or in accordance with Article 106(c); or
  - (ii) any other requirements or guidance of the Board made or issued from time to time relating to or dealing with actual or potential conflicts of interest or duty.
- (b) A Director is not, by reason of his office (or the fiduciary relationship established by that office), accountable to the Company for any remuneration, profits, or other benefits derived by him from any matter authorised in accordance with Article 106, or from any interest permitted under Article 107, and the acceptance of such remuneration, profits, or other benefits by a Director will not constitute a breach of that Director's duty to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- (c) A contract, transaction or arrangement which is authorised in accordance with Article 106, or is permitted in accordance with Article 107, is not liable to be avoided on the grounds of the Director's interest or any benefit deriving from it.

## **F. POWERS, DUTIES AND PROCEEDINGS OF DIRECTORS**

### **Board to manage the Company's business**

112. The Board shall manage the Company's business. The Board may exercise all the Company's powers that are not required by the Statutes or these Articles to be exercised in general meeting. The Board shall exercise those powers in accordance with the Statutes, these Articles and any direction (whether or not inconsistent with these Articles) given by the Company by special resolution. Such a direction and any amendment of these Articles does not invalidate a prior act of the Board which would have been valid if the direction or amendment had not been given or made. The general powers given by this Article are not limited or restricted by any special authority or power given to the Board by another Article.

### **Change of Name**

113. The Board may change the name of the Company in accordance with the Statutes.

### **Delegation of powers**

114. (a) The Board may delegate any of its powers, authorities or discretions:
- (i) to such persons (including one or more individuals or a committee or local board and whether or not including a Director);
  - (ii) by such means (including by power of attorney);
  - (iii) on such terms (including remuneration);
  - (iv) to such an extent;
  - (v) in relation to such matters or territories; and
  - (vi) on such conditions or subject to such restrictions,
- as it thinks fit.
- (b) Any delegation of the kind referred to in Article 114(a) is, in the absence of express provision to the contrary in the terms of delegation, deemed to include authority to sub-delegate to one or more Directors or to any employee or agent of the Company, all or any of the powers or discretions delegated.
- (c) The Board may revoke any delegation in whole or part, or alter its terms or remove any person from any group to which any of its powers, authorities or discretions are delegated under this article.
- (d) The Board may make regulations to govern the proceedings of any committee or local board to which any of its powers, authorities or discretions are delegated under this article.
- (e) The Board's power to delegate under this Article is not limited by the fact that in certain provisions in these Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or a committee of the Board.

### **Appointment of attorneys, agents and registrar**

115. (a) The Board may for time to time (by power of attorney or otherwise) appoint, whether in the United Kingdom or elsewhere, a person or a fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney



or agent of the Board or the Company. The Board may delegate to that attorney or agent any of its powers, authorities and discretions for such purposes, for such period and on such terms and conditions as it decides. The Board's power to delegate is effective in relation to its powers, authorities and discretions generally and is not limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee of the Board. The power of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with the attorney or agent as the Board decides and may authorise the attorney or agent to sub-delegate all or any of his powers, authorities or discretions.

- (b) The Board may remove a person appointed under Article 115 and may revoke or vary the delegation.
- (c) The Board shall appoint a person to act as registrar of the Company's shares or debentures on such terms as it decides and, if relevant, on such terms that are consistent with the Regulations.

### **Overseas Branch Register**

- 116. (a) The Company may exercise those powers conferred by the Statutes with regard to the keeping of an Overseas Branch Register in any territory permitted by the Statutes where the Company transacts business. Subject to the Statutes, the Board may make and vary regulations in connection with the keeping of that register.
- (b) Subject to and to the extent permitted by the Statutes, and to the rules applicable to such a system, the Company may determine that any shares or class of shares held on an Overseas Branch Register may be held in uncertificated form in accordance with any system outside the United Kingdom which enables title to such shares to be evidenced and transferred without a written instrument and which is a Relevant System.

### **Borrowing powers**

- 117. (a) Subject as hereinafter provided and to the provisions of the Statutes, the Board may exercise all the Company's powers:
  - (i) to borrow money on such terms as the Board decides; and
  - (ii) for any purpose (including, without limitation, for the purpose of securing a sum of money borrowed or interest payable on that sum), to issue perpetual or redeemable debentures or other securities and to mortgage or charge all or part of the undertaking or property (present or future) or uncalled capital of the Company. Any debentures or other securities may be issued on such terms that they are assignable free from any equities between the Company and the person to whom the debentures or other securities are issued.
- (b) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights, powers of control or rights of influence exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure having regard to the fiduciary duties of the directors of such undertakings) that the aggregate amount for the time being remaining outstanding at any time of all moneys borrowed by the Group and for the time being owing to persons outside the Group less the aggregate amount of Current Asset Investments shall not at

any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to two times the Adjusted Capital and Reserves.

(c) For the purpose of this Article:

- (i) the "Group" means the Company and its subsidiary undertakings for the time being;
- (ii) the "relevant balance sheet" means at any time the latest audited consolidated balance sheet dealing with the state of affairs of the Company and (with or without exceptions) its subsidiary undertakings;
- (iii) the "Adjusted Capital and Reserves" shall mean at any material time a sum equal to the aggregate, as shown by the relevant balance sheet, of the amount paid up on the issued or allotted share capital of the Company, the amount of minority interests in subsidiary undertakings and the amount standing to the credit of reserves (including the profit and loss account and any share premium account or capital redemption reserve) of the Group included in the consolidation in the relevant balance sheet but after:
  - (aa) deducting therefrom any debit balance on profit and loss account or on any other reserve;
  - (bb) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital and/or any such reserves (other than profit and loss account) subsequent to the date of the relevant balance sheet and so that for this purpose if any issue or allotment or proposed issue or allotment of shares by the Company for cash has been underwritten or agreed to be subscribed then such shares shall be deemed to have been issued or allotted and the amount (including any premium) of the subscription monies payable in respect hereof (not being monies payable later than six months after the date of allotment) shall to the extent so underwritten or agreed to be subscribed be deemed to have been paid up on the date when the issue of such shares was underwritten or agreed to be subscribed (or, if such underwriting or subscription was conditional, on the date when it becomes unconditional);
  - (cc) making such adjustments as may be appropriate in respect of any distribution declared, recommended or made by the Company or its subsidiary undertakings (to the extent not attributable directly or indirectly to the Company) out of profits accrued up to and including the date of the relevant balance sheet to the extent that such distribution is not provided for in such balance sheet;
  - (dd) making such adjustments as may be appropriate in respect of any variation in the interest of the Company in its subsidiary undertakings (including a variation whereby an undertaking becomes or ceases to be a subsidiary undertaking) since the date of the relevant balance sheet;
  - (ee) if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any undertaking is to become or cease to be a subsidiary undertaking of the Company, making all such adjustments as would be appropriate if such transaction had been carried into effect;

- (iv) "moneys borrowed" shall be deemed to include (to the extent that the same would not otherwise fall to be taken into account):
- (aa) the amount of all debentures allotted or issued (whether or not for cash) by any member of the Group which are not for the time being beneficially owned by a company within the Group;
  - (bb) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;
  - (cc) the aggregate amount owing by any member of the Group under finance leases (as determined in accordance with any then current Statement of Standard Accounting Practice or Financial Reporting Standard or otherwise in accordance with United Kingdom generally accepted accounting principles but excluding leaseholds of immovable property) and for this purpose "finance lease" means a contract between a lessor and the Company or any of its subsidiary undertakings 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 the lessee or sub-lessee;

but shall be deemed not to include:

- (dd) moneys borrowed by any member of the Group for the purpose of repaying, redeeming or purchasing (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof pending the application for such purpose or, if earlier, the end of such period;
- (ee) any amounts borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by any government, governmental agency or body or by a person (not being the Company or any of its subsidiary undertakings) carrying on the business of providing credit insurance up to an amount equal to that part of the price which is guaranteed or insured;
- (ff) moneys borrowed in respect of which no interest (or equivalent payment) is payable by any member of the Group;
- (gg) the amount of any debentures or other borrowed moneys (not being debentures which are, or borrowed moneys the indebtedness in respect of which is, for the time being beneficially owned within the Group) the repayment whereof is guaranteed by any member of the Group or which a member of the Group may be required to purchase, or the amount of any other guarantee or contingent liability,

and so that:

- (hh) no amount shall be taken into account more than once in the same calculation but subject thereto (aa) to (gg) above shall be read cumulatively; and
- (ii) in determining the amount of any debentures or other moneys borrowed for the purpose of this paragraph 117(c)(iv) there shall be taken into account the nominal or principal amount thereof (or, in the case of partly-paid debentures, the amount for the time being paid up thereon) together with any fixed or minimum premium payable on redemption or repayment provided that if moneys are borrowed on terms that they may be repayable earlier than their final maturity date (whether by exercise of an option on the part of the issuer or the creditor (or a trustee for the creditor) by reason of a default or for any other reason) at a premium or discount to their principal amount then there shall be taken into account the amount (or the greater or greatest of two or more alternative amounts) which would, if those circumstances occurred, be payable on such repayment at the date as at which the calculation is made;
- (v) "Current Asset Investments" means the aggregate of :
  - (aa) cash in hand of the Group;
  - (bb) sums standing to the credit of any current or other bank account of any member of the Group;
  - (cc) the amount of such assets as would be included in "Current Assets - Investments" in a consolidated balance sheet of the Group prepared as at the date of the relevant calculation in accordance with the principles used in the preparation of the relevant balance sheet.
- (d) For the purpose of the foregoing paragraphs borrowed moneys expressed in or calculated by reference to a currency other than United States dollars shall be converted into United States dollars at the relevant rate of exchange used for the purpose of the relevant balance sheet save that moneys borrowed (or first brought into account for the purposes of this Article) since the date of such balance sheet shall be converted at the rate of exchange or approximate rate of exchange (determined on such basis as the Auditors may determine or approve) ruling on the date on which such moneys are borrowed (or first taken into account as aforesaid); provided that in the case of any bank overdraft or other borrowing of a fluctuating amount (together herein described as an "Overdraft Account") the following further provisions shall apply:
  - (i) if the amount outstanding on an Overdraft Account on a date as at which a calculation is being made for the purpose of the foregoing limit is not more than the amount outstanding on such Overdraft Account at the date of the relevant balance sheet, the whole of such amount shall be converted at the rate of exchange used for the purpose of such balance sheet;
  - (ii) if the amount outstanding on an Overdraft Account on a date as at which the calculation is being made for such purpose exceeds the amount which was outstanding on the same Overdraft Account at the date of the relevant balance sheet (or if the latter amount is nil), an amount equal to the excess shall be converted at the rate of exchange or approximate rate of exchange (determined on such basis as the Auditors may determine or

approve) on the last business day preceding the date as on which the calculation is being made for such purpose and the balance shall be converted at the rate of exchange used for the purpose of the said balance sheet.

- (e) The determination of the Auditors as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding on all concerned and for the purposes of their computation the Auditors may at their discretion make such further or other adjustments (if any) as they think fit. Nevertheless the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit hereinbefore contained is inadvertently exceeded an amount of borrowed moneys 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 became aware that such a situation has or may have arisen.
- (f) No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would therefore be exceeded.

#### **Power of Board to delegate the power to make calls**

118. If any uncalled capital of the Company is included in or charged by a mortgage or other security, the Board may delegate to the person in whose favour the mortgage or security is executed, or to a person in trust for him, the power to make calls on the members in respect of that uncalled capital, and to sue (in the Company's name or otherwise) for the recovery of amounts becoming due in respect of calls made and to give valid receipts for those amounts. That power subsists during the continuance of the mortgage or security notwithstanding any change of Directors. That power is assignable if so expressed.

#### **Signing of cheques and similar instruments**

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

#### **Director's places of profit in other companies**

120. A Director may continue to be or become a director (executive or non-executive), managing director, manager or other officer of, or employee or member of, or holder of a place of profit under, a company which the Company controls or in which it is interested. That Director is not accountable for any remuneration or other benefits received by him as a director, managing director, manager or other officer of, or employee or member of, or holder of a place of profit under, such a company. The Board may exercise the voting power conferred by the shares in such a company held or owned by the Company, or exercisable by members of the Board as directors of that company, in such manner in all respects as it decides (including, without limitation, the exercise of the voting power in favour of a resolution appointing a member of the Board to be a director, managing director, manager or other officer or employee of, or holder of a place of profit under, that company, or voting or providing for the payment of remuneration to the director, managing director, manager or other officer or employee of that company). Subject to Articles 106 to 114, a Director may vote in favour of the exercise of those voting rights in the manner set out in this Article, notwithstanding that he may be, or be about to be, appointed a

director, managing director, manager or other officer or employee or member of, or the holder of a place of profit under, that company, and as such is or may become interested in the exercise of those voting rights in that manner.

### **Pension and superannuation funds and charitable subscriptions**

121. (a) The Board may (either alone or with an Associated Company):
- (i) establish and maintain, or procure the establishment and maintenance of, or otherwise contribute to a non-contributory or contributory pension or superannuation fund or arrangement, share option or share incentive scheme, profit-sharing scheme or trust for the benefit of a Relevant Person;
  - (ii) give, or procure the giving of, donations, gratuities, pensions, allowances, death or disability benefits or emoluments to, or to a person in respect of, a Relevant Person;
  - (iii) establish and subsidise, or subscribe to, an institution, association, club or fund calculated to be for the benefit of, or to advance the interests and well-being of, the Company, an Associated Company or a Relevant Person;
  - (iv) make payments for, or towards, the insurance of a Relevant Person; or
  - (v) subscribe or guarantee money for a charitable, benevolent or political purpose for an exhibition or for a public, general or other object which the Board decides is useful.
- (b) In this Article:
- (i) "Associated Company" means a subsidiary undertaking of the Company or a company or undertaking which is directly or indirectly controlled by or associated in business with a Group Company; and
  - (ii) "Relevant Person" means a person who is or was at any time in the employment or service of the Company or an Associated Company (including, without limitation, a Director or other officer of the Company or a director or other officer of an Associated Company who, in either case, holds or held at any time a salaried employment or office with the Company or Associated Company) or a spouse, former spouse, relative or dependant of such a person.
- (c) Subject to the Statutes, a Director who is a Relevant Person may participate in and retain for his own benefit a donation, gratuity, pension, allowance, death or disability benefit or emolument paid pursuant to this Article. The receipt of such a benefit does not disqualify a person from being or becoming a Director.

### **Power to make provision for employees**

122. The Board is authorised to sanction (by resolution of the Board) the exercise of any power conferred on the Company by section 247 of the 2006 Act.

### **Meetings of the Board**

123. The Board may meet for the despatch of its business, adjourn and otherwise regulate meetings as it decides. Questions arising at a meeting are to be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting has a casting vote. A Director who is also an alternate Director is entitled, in the absence of his appointor, to a

separate vote on behalf of his appointor in addition to his own vote. A Director may, and the Secretary on the request of a Director shall, at any time summon a meeting of the Board. Notice of a meeting of the Board is deemed to be duly given to a Director if it is given to him personally, to an address given by him to the Company for that purpose or sent to him at his last-known address given by him to the Company for that purpose. Notice of a meeting of the Board need not be in writing. A Director may prospectively or retrospectively waive the right to receive notice of a meeting of the Board.

### **Quorum**

124. (a) The Directors may fix the quorum for the transaction of the business of the Board and unless so fixed the quorum is two individuals.
- (b) A meeting of the Board at which a quorum is present may exercise all the powers and discretions for the time being exercisable by the Board.
- (c) A person attending a meeting of the Board, who is acting as an alternate Director, is counted in the quorum only if the Director appointing him is not present. A person who is acting as an alternate director for a Director who is not present shall be counted only once for the purposes of counting in the quorum, even if he is acting as an alternate Director for more than one Director or is also a Director.

### **Telephone meetings**

125. (a) A meeting of the Board may consist of a conference between Directors some or all of whom are in different places if each Director who participates is able:
- (i) to hear each of the other participating Directors addressing the meeting; and
- (ii) if the Director so wishes, to address all of the other participating Directors simultaneously,
- whether directly, by conference telephone or any other form of communications equipment (whether in use when these Articles are adopted or developed subsequently) or by a combination of these methods. Each Director so participating in a meeting is deemed to be "present" at that meeting for the purpose of these Articles.
- (b) 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.
- (c) 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.

### **Restricted power of Directors if number falls below prescribed minimum**

126. The continuing Directors or a sole continuing Director may act notwithstanding a vacancy in their body. However, if and so long as the number of Directors is reduced below the minimum number of Directors fixed as the quorum necessary for the transaction of the business of the Board, the continuing Directors or Director may only act for the purpose of filling vacancies in their body or of summoning general meetings of the Company. If no Directors are or Director is able or willing to act, the Secretary or any two members may requisition a general meeting for the purpose of appointing Directors.

### **Chairman of the Board**

127. The Directors may from time to time elect and remove a chairman, a deputy chairman or vice chairman of their meetings and decide the period for which they are respectively to hold office. The chairman or, in his absence, the deputy chairman or vice chairman shall preside at all meetings of the Board. If there is no chairman, deputy chairman or vice chairman or if at a meeting the chairman, deputy chairman and vice chairman are not present within 15 minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

### **Directors' resolutions**

128. (a) If:
- (i) each Director for the time being entitled to receive notice of a meeting of the Board and to vote on the resolution and not being less than a quorum, or each member of a committee of the Board, agrees to the passing of a resolution; and
  - (ii) the agreement of the Director or member of the committee to the passing of the resolution is contained in:
    - (aa) a document sent in Electronic Form of a type that the Board decides may be used in relation to this Article and which complies with each requirement (including, without limitation, those as to authentication) that the Board has specified for documents of that type that are sent in Electronic Form; or
    - (bb) a document sent in Hard Copy Form signed by the Director or member,

that resolution is effective as a resolution passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held.
- (b) For the purposes of Article 128(a)(ii)(bb):
- (i) the agreement of the Directors or members of the committee may be contained in several documents in the same form each signed by one or more of the Directors or members of the committee; and
  - (ii) a signature may be affixed to a Hard Copy of the document and the signed document is valid if the Company receives the original signed document in Hard Copy Form, a copy sent using Electronic Means or the original.
- (c) For the purposes of Article 128(a), an alternate Director need not agree to the passing of a resolution if his appointor has agreed to its passing and if an alternate Director has agreed to the passing of a resolution, his appointor need not agree to its passing.

### **Powers of a quorum of the Board**

129. A meeting of the Board at which a quorum is present may exercise all the powers and discretions for the time being exercisable by the Board.

### **Proceedings of committees and local boards**

130. The meetings and proceedings of a committee or local board appointed pursuant to Article 114 consisting of two or more members of the Board are governed by the provisions of these Articles regulating the meetings and proceedings of the Board so far



as they are applicable and are not superseded by any regulations made by the Board under Article 114.

### **Validity of acts of the Board, committees and local boards**

131. Each act done bona fide by a meeting of the Board, a committee of the Board, a local board or a person acting as a Director, notwithstanding that it is afterwards discovered that there was a defect in his appointment as a Director, or that the person was disqualified from holding office, or had vacated office, or was not entitled to vote, is as valid as if the person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

### **Minutes**

132. (a) The Board shall cause minutes to be made of:
- (i) all appointments of officers made by the Board;
  - (ii) the names of the Directors (and any alternate Directors) present at each meeting of the Board, a committee of the Board or a local board; and
  - (iii) all resolutions and proceedings at all meetings of the Company, the holders of any class of shares in the Company, the Board, a committee of the Board or a local board.

These minutes, if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next succeeding meeting, are evidence of the proceedings.

- (b) A register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept by making entries in bound books or by recording them otherwise than in a legible form (including, without limitation, the use of computer storage facilities) if the recording is capable of being reproduced in a legible form. If bound books are not used, the Board shall take adequate precautions for guarding against falsification and for facilitating its discovery.

### **Availability of Records for Inspection**

133. The Company shall keep and make available for inspection to the extent required by the Statutes copies or memoranda of the employment contracts of Directors (including, without limitation, shadow directors) and all registers and records which the Company is required by the Statutes to keep and to make available for inspection.

### **Appointment of and acts of the Secretary**

134. (a) The Board may appoint the Secretary on such terms and conditions as it decides and may remove the Secretary (but without prejudice to any claim which the Secretary may have against the Company).
- (b) A person may only be appointed to the office of Secretary after the date of the adoption of these Articles if he is duly qualified in accordance with the Statutes.
- (c) The Board may appoint one or more persons to be deputy or assistant secretary. A deputy or assistant secretary may do anything required or authorised to be done by the Secretary.

### **Custody and use of the Seal**

135. The Board may decide whether or not the Company is to have a common seal. The Board shall provide for the safe custody of each Seal and each Securities Seal. Subject to Articles 14 and 16, a seal may not be affixed to any instrument except by the authority of a resolution of the Board or a committee of the Board authorised by the Board to give that authority. The Board may decide whether or not any instrument to which the Seal or the Securities Seal is affixed is to be signed. If it is to be signed, at least one Director and such other person as the Board may appoint for the purpose shall sign each instrument to which that seal is so affixed. Subject to Articles 14, 16 and 21, the Board may from time to time make such regulations as it decides determining the persons and the number of those persons in whose presence the Seal or the Securities Seal is to be used, and until otherwise so determined such a seal shall be affixed in the presence of a Director and the Secretary or of two Directors or of one Director in the presence of a witness who attests the signature.

### **Securities Seal and official seal for use overseas**

136. The Company may have a Securities Seal and one or more official seals for use overseas under the provisions of the Statutes, where and as the Board decides. The Board may by writing under the Seal appoint an agent or committee to be the duly authorised agent of the Company for the purpose of affixing and using abroad an official seal and may impose restrictions on the use of that seal.

### **Authentication of documents**

137. A Director, the Secretary or a person appointed by the Board may certify as true copies or extracts, copies or extracts of any document affecting the Company's constitution, and any resolution passed by the Company, the Board or a committee of the Board, and any books, records, documents and accounts relating to the Company's business. If any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having custody of them is deemed to be a person appointed by the Board under this Article. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company, the Board or a committee of the Board which is certified in accordance with this Article is conclusive evidence in favour of all persons dealing with the Company on the faith of that document or extract, that the resolution has been duly passed or, as the case may be, that the minute or extract is a true and accurate record of proceedings at a duly constituted meeting.

## **VI. DIVIDENDS AND DISTRIBUTIONS**

### **Distribution of profits**

138. Subject to the Statutes, the Company may by ordinary resolution declare dividends to be paid to the members in accordance with their respective rights, but no dividend may exceed the amount recommended by the Board.

### **Dividends only payable on paid up and called-up capital**

139. Except as otherwise provided by the rights attached to shares, a dividend shall be declared and paid according to the amounts Paid up on the shares in respect of which the dividend is paid. An amount Paid up on a share in advance of calls may not be treated for the purposes of this Article as Paid up on the share. 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, except that if a share is issued on terms that it ranks for dividends as if Paid up (wholly or partly) as from a particular date, that share ranks for dividends accordingly.

### **Deduction from dividends of unpaid calls**

140. The Board may deduct from a dividend or any other amount payable to a member on or in respect of a share any amount presently payable by the member to the Company on account of calls or otherwise in relation to the shares of the Company.

### **Interim dividends**

141. (a) Subject to Articles 138 and 139 and the Statutes, the Board may:
- (i) from time to time resolve to pay to the members such interim dividends as appear to the Board to be justified by the Company's profits;
  - (ii) pay half yearly or at other suitable intervals to be decided by the Board any dividend expressed to be payable at a fixed rate if it is of the opinion that the Company's profits justify the payment;
  - (iii) if at any time the Company's share capital is divided into different classes, declare and pay interim dividends in respect of those shares in the Company's capital which confer on the holders of those shares deferred or non-preferred rights as well as in respect of those shares which confer on the holders of those shares preferential rights with regard to dividends. No interim dividend may be paid on shares carrying deferred or non-preferred rights if at the time of payment any preferential dividend is in arrear.
- (b) If the Board acts in good faith the Directors are not responsible to the holders of shares conferring a preference for any damage that they may incur because of the payment of an interim dividend on any shares in the Company's capital having deferred or non-preferred rights.

### **Dividend Payment Arrangements**

142. (a) The Board shall have the power from time to time to adopt such arrangements as appear to the Board to be advantageous to the Company (whether in terms of the elimination of foreign exchange risks, the simplification of exchange control requirements, the maximisation of the efficiency of the Company's dividend payment arrangements or in any other manner which appears to the Board to be to the benefit of the Company) for the payment of dividends (in such currency as the Board may determine) to members who appear to the Board from the Register or any Overseas Branch Register to be resident in any particular jurisdiction (any such arrangement being referred to in this Article as a "Dividend Payment Arrangement"), provided that the Board shall not adopt any Dividend Payment Arrangement in respect of any particular jurisdiction unless the Board is satisfied that members resident in that jurisdiction are in the opinion of the Board in no worse or materially better position financially than they would have been had they received dividends directly from the Company in the currency of the particular jurisdiction in which they are resident.
- (b) A Dividend Payment Arrangement in respect of any particular jurisdiction may involve the establishment of any trust or fiscal agency or other arrangement (whether of a similar nature or not, and whether or not involving or requiring the issue of any share of any particular class by any subsidiary of the Company to any person, trust or fiscal agent or otherwise) for the receipt, by or on behalf of any member of the Company, of amounts paid by way of dividend to such member or such trust or fiscal agent or other arrangement by the Company or by one or more subsidiaries of the Company on the basis that the amounts payable by the Company to any such member by way of dividend in respect of their shares shall abate in accordance with the provisions of this Article by the amount which that

member is entitled to receive pursuant to any such Dividend Payment Arrangement.

- (c) The Board shall have the power in its absolute discretion from time to time and at any time to amend, suspend or discontinue the operation of any Dividend Payment Arrangement either generally or in relation to any particular dividend.
- (d) Where any amount paid by way of dividend or other distribution to or through the medium of any Dividend Payment Arrangement by the Company or one or more subsidiaries of the Company is received by or through such Dividend Payment Arrangement by or on behalf of any member, the entitlements of such member to be paid any dividend by the Company pursuant to these Articles shall be reduced by the corresponding amount which that member is entitled to receive from or through the Dividend Payment Arrangement.
- (e) Where amounts are received by or through a Dividend Payment Arrangement in one currency and a dividend is declared by the Company in another currency, the amounts so received by or through a Dividend Payment Arrangement shall, for the purposes of the comparison required by subparagraph (d) above, be converted into the currency in which the Company has declared the dividend at such rate as the Board shall consider appropriate.
- (f) For the purposes of subparagraph (d), the amounts which any member is entitled to receive by or through a Dividend Payment Arrangement shall irrespective of the fact that such amounts are not actually received by the member, be deemed to include:
  - (i) any amount which may be compelled by law to be withheld from any amount payable to that member by or through the Dividend Payment Arrangement in respect of any matter;
  - (ii) a pro rata share of any taxation which any company declaring and paying any such amount is obliged to withhold or to deduct from the amount of any dividend or other amount paid by it to or through the Dividend Payment Arrangement;
  - (iii) any taxation which is obliged to be withheld or to be deducted from any amount paid by or through the Dividend Payment Arrangement to the member in question or which is payable by or through the Dividend Payment Arrangement in respect of any dividend received or paid through the Dividend Payment Arrangements; and
  - (iv) any taxation which any company paying any dividend is obliged to pay in respect of that dividend (being an amount paid in addition to the dividend) provided in this case that the member concerned is able to obtain a credit for such taxation in calculating the tax liability in respect of the dividend in the jurisdiction in which the Dividend Payment Arrangement is established.

#### **Record dates for dividend payments and capitalisation distributions**

143. A resolution of the Company in general meeting or a resolution of the Board resolving to pay a dividend on shares of any class may state that the dividend is payable to the persons registered as the holders of those shares at the close of business on a particular date or at such other time as the Board may decide. That date or time may be a date or time before that on which the resolution is passed. This Article applies in the same way to capitalisation issues to be effected pursuant to Article 154.

### Interest Not Payable

144. The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- (a) the terms on which the share was issued or allotted; or
- (b) the provisions of another agreement between the holder of that share and the Company.

### Method of payment

145. (a) In these Articles, a reference to a "distribution recipient" is to:

- (i) the holder of a share in respect of which a dividend or other amount is payable;
- (ii) in the case of joint holders of a share in respect of which a dividend or other amount is payable, the joint holder who is first named in the Register; or
- (iii) (except as otherwise provided by these Articles) the person entitled by transmission to a share in respect of which a dividend or other amount is payable, or where there is more than one such person, such person as all the persons entitled by transmission direct or, failing such direction, any one of them.

(b) A dividend or other amount payable in respect of a share may be paid by such method as the Board, in its absolute discretion, may decide. Different methods of payment may apply to different holders or groups of holders (such as overseas holders). Without limiting any other method of payment which the Company may adopt, the Board may decide that payment can be made wholly or partly:

- (i) by cheque or warrant or any other similar financial instrument sent by post to the registered address of the distribution recipient, or to such other person and address as the distribution recipient may by notice direct. The cheque or warrant shall be made payable to the order of the distribution recipient, or of such other person as the distribution recipient entitled to the payment may by notice direct, and crossed "a/c Payee";
- (ii) by inter-bank transfer, in electronic form, by Electronic Means or by such other means approved by the Board to an account (of a type approved by the Board) nominated in writing by the distribution recipient; or
- (iii) in the case of a share in uncertificated form, by means of the Relevant System (subject to the facilities and requirements of the Relevant System) if the Company is authorised to do so by or on behalf of the distribution recipient.

(c) The Board may retain any dividend payable to a person entitled by transmission until that person has produced such evidence of his right as the Board may require.

(d) The following shall constitute a good discharge to the Company:

- (i) payment of the cheque or warrant, if purporting to be duly endorsed, or where unendorsed appearing to have been duly paid by the bank on whom it is drawn;

- (ii) the collection of funds from or transfer of funds by a bank in accordance with a direct credit, bank transfer or electronic funds transfer; or
  - (iii) in respect of a share in uncertificated form, the making of payment by means of the Relevant System (which may include the sending by the Company or by a person on its behalf of an instruction to the Operator to credit the cash memorandum account of the distribution recipient).
- (e) Each cheque or warrant sent and each payment made by transfer of funds by a bank or by means of the Relevant System is at the risk of the distribution recipient. The Company is not responsible for any sums lost or delayed in the course of payment by any method used by the Company in accordance with Article 145(b).
- (f) Except as otherwise provided by the rights attached to shares, a dividend or other amount payable in respect of a share may be paid by such means and in such currency as the Board may decide.

#### **Company not obliged to send dividends to untraceable shareholders**

146. If, in respect of a dividend or other amount payable in respect of a share, on two consecutive occasions (or after one occasion if reasonable enquiries have failed to establish a new address for the person or persons entitled to that payment) a cheque or warrant in payment of the dividend or other amount is sent by post and is returned undelivered or left uncashed during the period for which it is valid, the Company is not obliged to send a dividend or other amount in respect of that share until a person entitled to the share notifies the Company of an address for that purpose.

#### **Company may retain unclaimed dividends**

147. (a) If the Board decides that payments will be made by electronic transfer pursuant to Article 145(b)(ii), but no account is duly nominated for receipt of such a payment or an electronic transfer into such an account is rejected or refunded, the Company may credit the amount payable to an account of the Company. Any amount so transferred is to be treated as having been duly paid to its originally intended distribution recipient at the time it is credited to the account in question of the Company. The Company shall then hold such amount in that account until the amount in question is claimed by the person or persons duly entitled to it, and a valid account is duly nominated by such person or persons for receipt of the amount in question, upon which nomination the Company shall pay that amount from the account in which the amount has been held into the nominated account.
- (b) The payment by the Board of an unclaimed dividend or other amount payable in respect of a share into a separate account does not constitute the Company a trustee in respect of it. The Board may invest or otherwise use for the Company's benefit any unclaimed dividend or other amount payable in respect of a share until it is claimed. A dividend unclaimed for 12 years from the date that it became payable is forfeited and belongs to the Company. A dividend or other amount payable in respect of a share only bears interest against the Company if it is provided in the rights of the share.

#### **Any joint holder may give receipt for a dividend**

148. If several persons are registered as joint holders of a share or are entitled to a share by transmission or by any other event, any one of them may give effectual receipts for a dividend or other amount payable in respect of the share.

### Waiver of Dividends

149. (a) A person may waive his entitlement to a dividend or other sum payable in respect of a share by giving the Company notice in writing, signed by him, to that effect, but if:
- (i) the share has more than one holder; or
  - (ii) more than one person is entitled by transmission to the share,
- the notice is not effective unless it is expressed to be given, and is signed, by all of the holders or persons entitled by transmission.
- (b) The Company may decline to act on a notice of waiver and continue to pay dividends or other sums to the person that is otherwise entitled to receive them.

### Payment of dividend in specie

150. A general meeting declaring a dividend may (if the Board recommends) direct payment of the dividend wholly or partly by the distribution of specific assets (including, without limitation, Paid up shares, debentures or debenture stock of any other company). The Board shall give effect to such a resolution. The Board may settle any difficulty arising in connection with the distribution in such manner as it decides. In particular, the Board may: (a) issue fractional certificates; (b) fix the value for distribution of any asset or any part of it and may decide that cash is to be paid to a member on the basis of that value to adjust the rights of members; (c) vest any asset in trustees on trust for the persons entitled to the dividend; and (d) generally make any arrangements (including, without limitation, arrangements for the allotment, acceptance and sale of any asset or fractional certificate, or any part of it).

### Scrip dividends

151. The Board may, with the sanction of the Company by ordinary resolution, and if there are sufficient unissued shares available taking into account other requirements, offer to the holders of shares the right to elect to receive an allotment of additional shares, credited as fully paid, wholly or partly, instead of cash in respect of a dividend which is specified in the applicable resolution or that part of the dividend as the Board may decide. The following provisions apply:
- (a) the resolution may specify a particular dividend or may specify all or any dividends falling to be declared or paid during a specified period, being a period expiring not later than five years after the date of the meeting at which the resolution is passed;
  - (b) the Board shall decide the basis of allotment so that, as nearly as may be considered convenient, the relevant value of the additional shares (including any fractional entitlement) to be allotted instead of any amount of dividend is not less than an amount equal to the net cash amount that those holders would have otherwise received by way of a dividend and may not (unless authorised by a special resolution) exceed an amount equal to the sum of the net cash amount of that dividend and the associated tax credit. For the purposes of this Article:
    - (i) "relevant value" of a share shall be calculated either: (aa) by reference to the average of the middle market quotations (less the relevant dividend unless the shares are already quoted ex that dividend) on the London Stock Exchange (derived from the Daily Official List or a similar publication) on at least five consecutive dealing days selected by the Board, but starting no earlier than the day on which the Board announces

the proposed relevant dividend; or (bb) in such other manner as the Board may decide; and

- (ii) "associated tax credit" is the tax credit which would be available to the recipient of a dividend under section 231 of the Income and Corporation Taxes Act 1988 on the assumption that the recipient is an individual resident in the United Kingdom for United Kingdom taxation purposes;
- (c) the Board shall notify the holders of the shares of the rights of election offered to them and shall send, with or after that notice, forms of election and specify the procedure to be followed and the place at which, and the latest date and time by which, duly completed forms of election shall be lodged to be effective;
- (d) the dividend (or that part of it in respect of which a right of election has been offered) may not be paid in cash on shares in respect of which the election has been duly exercised (the "elected shares"). On and with effect from the due date of payment of the dividend (or part of it) in respect of which a right of election has been offered or such earlier date (after the election) as the Board may decide, additional shares are to be allotted instead of payment of cash to the holders of the elected shares on the basis of allotment decided in accordance with this Article. For this purpose, the Board shall capitalise, out of such of the amounts standing to the credit of reserves (including, without limitation, any share premium account and capital redemption reserve) or profit and loss account as the Board may decide, an amount equal to the total nominal amount of the additional shares for allotment and distribution to and amongst the holders of elected shares on that basis;
- (e) the additional shares so allotted rank *pari passu* in all respects with the fully paid shares of the same class then in issue except only as regards participation in the relevant cash dividend (or share election instead of it);
- (f) the Board may do anything which it considers necessary or expedient to give effect to such an offer and capitalisation, with power to make such provisions as it may decide for dealing with shares becoming distributable in fractions (including, without limitation, provisions by which, in whole or in part, fractional entitlements are disregarded or rounded up or carried forward or the benefit of fractional entitlements accrues to the Company or to one or more charities nominated by it rather than to the relevant members). The Board may authorise a person on behalf of all relevant members to enter into an agreement with the Company providing for that capitalisation and matters incidental to it. An agreement made under that authority is effective and binding on all relevant persons;
- (g) the Board may make such exclusions from an offer of rights of election to holders of shares as it may decide as a result of any legal or practical problems under, or expense incurred in connection with the requirements of, the laws of, or the requirements of any regulatory authority or stock exchange in, any territory;
- (h) the Board may decide to treat as valid for the purposes of this Article a mandate in force to receive regularly (and not in relation to a single dividend only) shares instead of receiving payment of cash dividends. If the Board makes such a decision, the mandate entitles the relevant holders of shares to an allotment of new shares pursuant to this Article; and
- (i) the Board may (if it considers it necessary or desirable for any reason to do so) from time to time before payment of any dividend, disregard any election or mandate received in connection with this Article and pay the relevant dividend or dividends in cash.



## VII. RESERVES

### Board may carry profits to reserve and carry forward profits

152. The Board may, before recommending any dividend (including, without limitation, a preferential dividend), carry to reserve out of the Company's profits (including, without limitation, any premiums received on the issue of debentures or other securities of the Company) such amounts as it decides as a reserve or reserves which, at the Board's discretion, may be applied for any purpose to which the Company's profits may be properly applied and before such an application may, at the Board's discretion, be employed in the Company's business or be invested in such investments as the Board decides. The Board may also without placing the amount to reserve carry forward any profits which it decides is prudent not to distribute.

### Depletion of assets

153. If at any time the net assets of the Company (as defined in section 831(2) of the 2006 Act) are half or less of the amount of the Company's called-up share capital, the Board shall, not later than 28 days from the earliest day on which that fact is known to any Director, duly convene a general meeting for a date not later than 56 days from that day for the purpose of considering whether any, and if so what, measures should be taken to deal with the situation.

## VIII. CAPITALISATION OF PROFITS

### Capitalisation issues

154. The Board may with the authority of an ordinary resolution of the Company:
- (a) subject to the provisions of this Article, resolve to capitalise any undistributed profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or other fund, including, without limitation, the Company's share premium account, capital redemption reserve and redenomination reserve, if any;
  - (b) appropriate the sum resolved to be capitalised to the members or any class of members on the record date specified in the relevant resolution who would have been entitled to it if it were distributed by way of dividend and in the same proportions. Except if the relevant resolution specifies otherwise, if on the relevant record date the Company holds treasury shares of the same class as those members or class of members, the Company is to be treated as if it were entitled to receive dividends in respect of those treasury shares which would have been payable if a person other than the Company had held those treasury shares;
  - (c) apply that sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares, debentures or other obligations of the Company of a nominal amount equal to that sum but the share premium account, the capital redemption reserve, any redenomination reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
  - (d) allot the shares, debentures or other obligations credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other;

- (e) where shares or debentures become, or would otherwise become, distributable under this Article in fractions, make such provision as they decide for any fractional entitlements including, without limitation:
  - (i) authorising their sale and transfer to any person;
  - (ii) resolving that the distribution be made as nearly as practicable in the correct proportion but not exactly so;
  - (iii) ignoring fractions altogether; or
  - (iv) resolving that cash payments be made to any members to adjust the rights of all parties;
- (f) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for either:
  - (i) the allotment to those members respectively, credited as fully paid, of any shares, debentures or other obligations to which they are entitled on the capitalisation; or
  - (ii) the payment up by the Company on behalf of the members of the amounts, or any part of the amounts, remaining unpaid on their existing shares,

and any agreement made under that authority is binding on all those members;  
and
- (g) generally do all acts and things required to give effect to the ordinary resolution.

## **IX. ACCOUNTS AND AUDIT**

### **Keeping of accounts and retention of accounting records**

155. The Board shall ensure that proper accounts and accounting records are kept in accordance with the Statutes and in particular with respect to:
- (a) all amounts of money received and expended by the Company from day to day and the matters in respect of which the receipt and expenditure take place;
  - (b) all sales and purchases of goods and services by the Company;
  - (c) the assets and liabilities of the Company; and
  - (d) all statements of stocktakings whenever made.

### **Location of accounting records**

156. The accounting records shall be kept at the Office, or (subject to the Statutes) at another place as decided by the Board. Those records shall always be open to inspection by the Directors and other officers of the Company. No member (other than a Director or an officer of the Company) shall have the right to inspect any account, book or document of the Company except if that right is conferred by the Statutes or if he is so authorised by the Board or the Company in general meeting.

### **Accounts to be laid before general meetings**

157. The Directors shall ensure that, in accordance with the Statutes, such profits and loss accounts, balance sheets, group accounts (if any) and reports as are specified in the Statutes are prepared and laid before the Company in general meeting.

**Auditors' report**

158. The auditors' report shall be open to inspection as required by the Statutes.

**Reports and accounts to be delivered to members and others**

159. (a) Except as provided in Article 159(b), a copy of the Company's annual accounts, directors' report and auditors' report on those accounts shall, not less than 21 clear days before an annual general meeting, be delivered or posted to: (i) the registered address of each member and holder of debentures of the Company (or such address or number as may have been notified by the member for receipt of such communications in Electronic Form) ; (ii) the auditors; and (iii) each other person entitled by these Articles or the Statutes to receive copies of those documents or notices of meetings from the Company.
- (b) While the Company's shares are admitted to the Official List, the Company's annual accounts, directors' report and auditors' report on those accounts must also be made available on the Company's website or any other permissible website in accordance with the Statutes.
- (c) Where permitted by the Statutes, the Company may send to persons referred to in Article 159(a) summary financial statements which comply with the Statutes ("Summary Financial Statements") instead of the documents specified in Article 159(a). Summary Financial Statements are to be sent not less than 21 clear days before the annual general meeting at which the documents specified in Article 159(a) of which the Summary Financial Statements are a summary are to be laid as provided in Article 159(a). Article 159(b) is without prejudice to the right of a person who wishes to receive the documents specified in Article 159(a) to require them to be sent to him.
- (d) An accidental non-compliance with this Article does not invalidate the proceedings at an annual general meeting.

**Cases in which reports and accounts need not be delivered**

160. Article 159 does not require a copy of the documents specified in that Article to be sent to more than one joint holder or to a person of whose address the Company is not aware. A member or holder of debentures or person entitled by the Statutes or these Articles to receive a copy of these documents to whom a copy has not been sent is entitled to receive a copy free of charge on application at the Office.

**Appointment of auditors**

161. Auditors are to be appointed and their duties, powers, rights and remuneration regulated in accordance with the Statutes.

**Accounts to be audited annually**

162. Once at least in each year the Company's accounts shall be examined and the balance sheet, profit and loss account and the Company's group accounts (if any) reported on by an auditor or the auditors.

**Validity of acts of auditors**

163. Subject to the Statutes, each act done by a person acting as an auditor is, as regards a person dealing in good faith with the Company, valid notwithstanding that there was a defect in his appointment or that he was at the time of his appointment not qualified for appointment.

## **Rights of auditors**

164. The auditor is entitled to attend each general meeting and to receive each notice of and other communication relating to a general meeting which a member is entitled to receive, and to be heard at each general meeting on any part of the business of the meeting which concerns him as auditor.

## **X. COMMUNICATIONS**

### **A. Introduction**

#### **Interpretation**

165. A reference in Part X of these Articles to a document or information includes a notice to be sent, given or supplied to or by a person pursuant to these Articles.

#### **Notice shall be in writing**

166. A notice, document or other information to be sent, given or supplied to or by a person pursuant to these Articles shall be in writing, unless specified to the contrary in these Articles.

### **B. Communication by a member**

#### **Methods for members to give documents and information to the Company**

167. Subject to the Statutes and these Articles, a member may send or supply documents or information that is required or authorised to be sent to the Company by these Articles or by the Statutes in Hard Copy Form, in Electronic Form or in any other form permitted by the Statutes and these Articles.

#### **Communication by a member in Hard Copy Form**

168. A member may give the Company a document or information in Hard Copy Form by delivering it by hand or sending it by post (posted in a pre-paid envelope) to the Company at:
- (a) the Office;
  - (b) another address notified for that purpose by the Company; or
  - (c) another address to which any provision of the Statutes authorises the document or information to be sent or supplied.

#### **Communication by a member in Electronic Form**

169. (a) A member may give the Company a document or information in Electronic Form if:
- (i) the Company has agreed, generally or specifically, that the document or information may be sent or supplied in Electronic Form (and has not revoked that agreement); or
  - (ii) the Company is deemed by a provision of the 2006 Act to have agreed that the document or information may be sent or supplied in Electronic Form,
- but then only in the type of Electronic Form that the Company has agreed to, or is deemed by the 2006 Act to have agreed to.

- (b) Where the document or information is sent or supplied to the Company by Electronic Means, it may only be sent or supplied to an address:
  - (i) specified for the purpose by the Company, generally or specifically; or
  - (ii) deemed by a provision of the Statutes to have been so specified.
- (c) Where the document or information is sent or supplied to the Company in Electronic Form by hand or by post, it shall be sent or supplied to the Office or to another address to which it could validly be sent pursuant to Article 168 if it were in Hard Copy Form (subject to any limitations specified by the Company when providing that address).

### **C. Communication by the Company**

#### **Methods for the Company to give documents and information**

170. Subject to the Statutes and these Articles, the Company may send or supply documents or information to a member or any other person in such form and by such means as it may decide in its absolute discretion, including:
- (a) in Hard Copy Form;
  - (b) in Electronic Form; or
  - (c) by means of a website.

#### **Communication by the Company or the Board in Hard Copy Form**

171. (a) The Company or the Board may give a member or another person a document or information in Hard Copy Form:
- (i) by personally handing it to the intended recipient; or
  - (ii) by sending it by hand, or by pre-paid post, in an envelope addressed to the intended recipient:
    - (aa) to a person in his capacity as a member, at his address as shown in the Register;
    - (bb) to a person in his capacity as a Director, at his address as shown in the register of directors;
    - (cc) to a company, at its registered office;
    - (dd) to an address notified for that purpose by the intended recipient; or
    - (ee) to an address to which any provision of the Statutes authorises the document or information to be sent or supplied.
- (b) Where the Company is unable to obtain any address falling within paragraph (a) above, the document or information may be sent or supplied to the intended recipient's last address known to the Company.

#### **Communication by the Company in Electronic Form**

172. (a) The Company may give a member a document or information in Electronic Form if:

- (i) the member or other person has agreed, generally or specifically, that the document or information may be sent or supplied in Electronic Form (and has not revoked that agreement); or
  - (ii) if the member or other person is a body corporate who is deemed by a provision of the Statutes to have agreed that the document or information may be sent or supplied in Electronic Form.
- (b) Where the document or information is sent or supplied by the Company by Electronic Means, it may only be sent or supplied to an address:
- (i) specified for the purpose by the intended recipient, generally or specifically; or
  - (ii) where the intended recipient is a body corporate, deemed by a provision of the Statutes to have been so specified.
- (c) Where the document or information is sent or supplied by the Company in Electronic Form by hand or by post, it shall be:
- (i) handed personally to the intended recipient; or
  - (ii) sent or supplied to an address to which it could validly be sent pursuant to Article 168 if it were in Hard Copy Form.

#### **Communication by the Company by means of a website**

173. (a) A document or information may be sent or supplied by the Company to a member or other person by being made available on a website if the member or other person:
- (i) has agreed, generally or specifically, that the document or information may be sent or supplied to him in that manner; or
  - (ii) is taken to have so agreed in accordance with the Statutes,
  - (iii) and has not revoked that agreement.
- (b) A document or information sent or supplied by means of a website shall be made available on the website in such form and for such length of time as is required by the Statutes.
- (c) The Company shall notify the intended recipient of the availability of:
- (i) the presence of the document or information on the website;
  - (ii) the address of the website;
  - (iii) the place on the website where it may be accessed; and
  - (iv) how to access the document or information,
- in accordance with the Statutes.

#### **Communication by other means**

174. (a) A document or information that is sent or supplied to the Company otherwise than in Hard Copy Form, Electronic Form or by means of a website is validly sent or supplied if it is sent or supplied in a form or manner that has been agreed by the Company.

- (b) A document or information that is sent or supplied by the Company or the Board otherwise than in Hard Copy Form, Electronic Form or by means of a website is validly sent if it is sent or supplied in a form or manner that has been agreed by the intended recipient.

#### **Communication with Members with no address in the UK or the Republic of South Africa**

175. Subject to the Statutes, a member who has no registered address within either the United Kingdom or the Republic of South Africa is not entitled to have a document or other information sent or supplied to him by the Company, unless:
- (a) he has notified the Company of an address either in the United Kingdom or the Republic of South Africa at which documents or information in hard copy form may be sent to him; or
  - (b) both of the following conditions are satisfied:
    - (i) the member has agreed with the Company that documents or information of that kind may be sent to him by Electronic Means, and has notified the Company of an address for that purpose and any other information that the Company needs to use that means of communication effectively; and
    - (ii) the Board agrees to permit the use of Electronic Means to supply that type of document or information to that member, which agreement the Board may in its absolute discretion withhold (including in circumstances in which the Board considers that the sending of the document or information to such address using Electronic Means would or might infringe the laws of any other jurisdiction or cause legal or practical problems arising in respect of the laws of, or the requirements of a regulatory body or stock exchange or other authority in, any territory).

#### **Communication by the Company to joint holders of a share**

176. (a) In the case of joint holders of a share, a document or information is validly sent or supplied to all joint holders of a share if it is sent or supplied to the person who is named first in the Register in respect of the joint holding.
- (b) Where anything is required by the Statutes or these Articles to be agreed or specified in relation to a document or information to be sent or supplied to the holder of a share that is held by joint holders, the Company is only required to obtain the agreement or specification of the person who is named first in the Register in respect of the joint holding, and is entitled to rely on that agreement or specification being binding on all joint holders.

#### **The giving of documents or information to a deceased or bankrupt member**

177. A notice, document or information sent to an address of a member pursuant to these Articles is, notwithstanding that the member is dead, bankrupt, of unsound mind or (being a corporation) in liquidation, and whether or not the Company has notice of the member's death, bankruptcy, insanity or liquidation, deemed to have been duly given in respect of a share registered in the name of the member as sole or joint holder, unless his name has at the time of giving the notice or document been removed from the Register as the holder of the share. A document or information given in accordance with this Article is for all purposes deemed a sufficient giving of that document or information on each person interested (whether jointly with or as claiming through or under him) in that share.

### Communication with untraced shareholders

178. (a) If:
- (i) on three consecutive occasions any document or other communication to a member has been returned undelivered or the Company or its agent receives notification that it has not been delivered; or
  - (ii) the Company has stopped sending dividend payments to a member pursuant to Article 147,
- the member ceases to be entitled to receive documents or information from the Company.
- (b) A member who has ceased to be entitled to receive documents or information from the Company pursuant to Article 178(a) becomes entitled to receive a document or information again by sending the Company or its agent:
- (i) a new registered address (or other postal address for such purposes) within the United Kingdom; or
  - (ii) if the Board has agreed to the use of Electronic Means to supply that type of document or information and the member has agreed with the Company that documents or information of that kind may be sent to him by Electronic Means, an address for that purpose and any other information that the Company needs to use that means of communication effectively

### Disruption of postal services

179. If by reason of the suspension or curtailment of postal services in, or in any part of, the United Kingdom or the Republic of South Africa (for the purposes of this Article the "affected territory") the Company is unable effectively to send some or all notices to convene a general meeting (or notification as to the availability of the notice of meeting on a website) by post:
- (a) the Board may decide that the only Persons to whom notice of the affected general meeting shall be sent are:
    - (i) the Directors;
    - (ii) the Company's auditors;
    - (iii) those members to whom notice to convene the general meeting can validly be sent by Electronic Means;
    - (iv) those members to whom notice to convene the general meeting can validly be sent by means of a website and to whom notification as to the availability of the notice of meeting on a website can validly be sent by Electronic Means; and
    - (v) those members who are not resident in the affected territory to whom the Company is able to send notices to convene a general meeting by post; and
  - (b) the Company shall in all such cases:
    - (i) advertise the notice of meeting in at least one national daily newspaper published in the affected territory;



- (ii) make the notice of meeting available on its website from the day the notice was sent until the conclusion of the meeting or any adjournment of the meeting; and
- (iii) send a confirmatory copy of the notice (or a confirmatory notification as to the availability of the notice on the Company's website in the case of those members to whom notice to convene the general meeting can validly be sent by means of a website but to whom notification as to the availability of the notice of meeting on a website can not validly be sent by Electronic Means) by post to any member who has not been sent notice of the meeting by Electronic Means or by means of a website, if at least seven days before the day of the meeting the sending of notices by post to addresses throughout the affected territory again becomes practicable.

#### **Deemed delivery of documents and information sent or supplied by the company**

180. (a) A document or information (whether in Hard Copy Form or Electronic Form) which is sent by the Company by post is deemed to have been received at the expiration of 24 hours if pre-paid as first class post, and 48 hours if pre-paid as second class post, after it has been posted. In proving service it is sufficient to prove that the envelope containing the notice or document was properly addressed, pre-paid and posted.
- (b) A document or information (whether in Hard Copy Form or Electronic Form) which is not sent by post or Electronic Means but is delivered by hand by the Company in accordance with Article 171(a) is deemed to have been received on the day it is delivered.
- (c) A document or information sent or supplied by Electronic Means by the Company is deemed to have been received at the expiration of 2 hours from the time on the day it is sent. In proving service it is sufficient to prove that the document or information sent or supplied by Electronic Means was properly addressed and shown as sent in a report or log retained by or on behalf of the Company.
- (d) Where a document or information is sent or supplied by the Company by means of a website, it is deemed to have been received:
- (i) when the material was first made available on the website; or
  - (ii) if later, when the intended recipient received (or, in accordance with this Article 180, is deemed to have received) notice of the fact that the document or information is available on the website.
- (e) A member present, either personally or by proxy or being a corporation present by way of a duly authorised representative appointed pursuant to the Statutes or Article 88, at a meeting of the Company or of the holders of a class of shares in the Company is deemed for all purposes to have received notice of the meeting and, if required, of the purposes for which it was called.

#### **Persons becoming entitled to shares to be bound by notices**

181. A person who by operation of law, transfer or otherwise becomes entitled to a share is bound by a notice given by the Company in respect of that share (other than a Section 793 Notice) which, before his name is entered in the Register or Operator Register, has been properly given to a person from whom he derives his title to that share.

## **XI. WINDING - UP**

### **Distribution of assets in specie**

182. In the winding-up (whether the liquidation is voluntary or by the court) of the Company the liquidator may, with the authority of a special resolution and any other sanction required by the Statutes, divide among the members (excluding the Company in respect of shares held as treasury shares) in specie the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind, and may for these purposes set a value as he deems fair on any one or more class or classes of property, and may decide how such a division is to be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, decides and the liquidation of the Company may be closed and the Company dissolved, but so that no member is compelled to accept any shares in respect of which there is a liability.

### **Sale by a liquidator**

183. In the case of a sale by the liquidator of the Company under section 110 of the Insolvency Act 1986, the liquidator may by contract of sale agree (so as to bind all the members) for the allotment to the members (excluding the Company in respect of shares held as treasury shares) direct of the proceeds of sale in proportion to their respective interests in the Company, and may also by that contract limit a time at the expiration of which obligations or shares not accepted are deemed to have been irrevocably refused and are at the disposal of the Company. The power of sale of a liquidator includes a power to sell wholly or partly in exchange for the debentures or other obligations of another company, either then already constituted, or about to be constituted for the purpose of carrying out the sale.

## **XII. INDEMNITIES**

### **Indemnity to Directors and other officers**

184. To the extent permitted by the Statutes, the Company may indemnify out of the assets of the Company each Director, Secretary or other officer of the Company or of an associated company of the Company against each loss, cost and liability incurred by him in relation to or in connection with his duties, powers or office, including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme. This Article 184 does not authorise indemnification of a person appointed as an auditor of the Company (whether or not an officer).

### **Security for personal liability in relation to sums due by the Company**

185. If a Director or other person becomes personally liable for the payment of an amount primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or other person from incurring any loss in respect of that liability.