

ARTICLES OF ASSOCIATION
of
OCTOPUS ~~HT~~ AIM VCT 2 PLC
(adopted by Special Resolution passed on [● 20204 August 2019](#))

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PRELIMINARY

1. No regulations for management of a company set out in subordinate legislation made under any statute concerning companies shall apply to the Company, but these Articles alone shall be the Articles of Association of the Company.
2. In these Articles:
 - 2.1 if not inconsistent with the subject or context, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column;

Words	Meanings
the Acts	the Companies Act 2006 and all other statutes, orders, regulations or other subordinate legislation for the time being in force concerning companies so far as they apply to the Company;
Alternate Director	an alternate director appointed in accordance with Article 96;
these Articles	these Articles of Association as from time to time altered;
the Auditors	the auditors for the time being of the Company;
the Board	the Directors or any of them acting as the Board of Directors of the Company;
calendar year	a year from 1 January to 31 December inclusive;
clear days	in relation to the period of a notice means 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;
the Directors	the directors for the time being of the Company;
Executive Director	a Director holding any office or employment or providing any services as referred to in Article 111;
the Group	the Company and all Subsidiary Undertakings for the time being;
the holder	in relation to shares means the member whose name is entered in the Register as the holder of the shares;
ITA	the Income Tax Act 2007;
London Stock Exchange	London Stock Exchange plc or any successor to its functions;

member	a member of the Company;
the Office	the registered office of the Company for the time being;
Official List	the Official List of the UK Listing Authority;
Paid	paid or credited as paid;
the Register	the register of members of the Company;
the Regulations	The Uncertificated Securities Regulations 2001 (SI 200 No.2001/3755) and any provision of the Acts which supplement or replace such regulations;
the Seal	the common seal of the Company;
the Secretary	the secretary of the Company or any other person appointed by the Board to perform the duties of the secretary of the Company including: a joint, assistant or deputy secretary;
Shares	the shares in the capital of the company from time to time (however classified and of any denomination);
Shareholder	a holder of shares from time to time;
Subsidiary Undertaking	a subsidiary undertaking of the Company;
the Transfer Office	the place where the Register is for the time being situated;
UK Listing Authority	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;
the United Kingdom	Great Britain and Northern Ireland;
Venture Capital Trust	as defined in section 249 of ITA;
in writing	written, or produced by any legible and non-transitory visible substitute for writing, or partly one and partly another and whether sent or supplied in electronic form or otherwise; and
Year	any period of 12 consecutive months;

- 2.2 words denoting the masculine gender shall include the feminine and neuter genders, words denoting the singular number shall include the plural number and vice versa; words denoting persons shall include corporations;
- 2.3 words or expressions defined in the Acts or the Regulations shall, if not inconsistent with the subject or context, bear the same meaning in these Articles;
- 2.4 all references to any statute or statutory provision shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force (whether coming into force before or after the adoption of these Articles).

LIABILITY OF MEMBERS

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

SHARES

- 4. Subject to the provisions of the Acts and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine, or in the absence of such determination, or so far as any such resolution does not make specific provision, as the Board may determine.
- 5. Subject to the provisions of the Acts and to any authority of the Company required by the Acts the Board may allot shares or grant rights to subscribe for or to convert any security into shares to such persons, on such terms and at such times as it may think fit.
- 6. Subject to the provisions of the Acts, shares may be issued by the Company which are to be redeemed or are liable to be redeemed at the option of the Company or the holder and the Board may determine the terms, conditions and manner of redemption of such shares.
- 7. In addition to all other powers of paying commissions the Company may exercise the powers of paying commissions conferred by the Acts. Subject to the provisions of the Acts, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound to recognise any interest in any share except an absolute right to the entirety of the share.
- 9.
 - 9.1 The Company may, with respect to any fully paid shares, issue a warrant (a "share warrant") stating that the bearer of the warrant is entitled to the shares specified in it and may provide (by coupons or otherwise) for the payment of future dividends on the shares included in a share warrant;
 - 9.2 The powers referred to in Article 9.1 may be exercised by the Board, which may determine and vary the conditions on which share warrants shall be issued, and in particular on which a new share warrant or coupon will be issued in the place of one damaged, defaced, worn out or lost (provided that no new share warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been

destroyed); the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at general meetings; dividends will be paid; and a share warrant may be surrendered and the name of the holder entered in the Register in respect of the shares specified in it;

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

UNCERTIFICATED SHARES

10.

- 10.1 The Company can issue shares and other securities in uncertificated form. The Company can:

10.1.1 permit existing shares and other securities to be held or converted into uncertificated form, and

10.1.2 permit any shares or other securities to be transferred, or otherwise dealt in dematerialised form pursuant to the Regulations.

- 10.2 If the Company has any shares which are in uncertificated form, these Articles will continue to apply to such shares, but only insofar as they are consistent with:

10.2.1 holding those shares as uncertificated shares;

10.2.2 transferring ownership of those shares by using a relevant system;

10.2.3 any of the provisions of the Regulations; and

10.2.4 any regulation laid down by the Board under Article 10.4.

- 10.3 Where any class of shares in the capital of the Company is a participating security and the Company is entitled under any provisions of the Acts or the rules made and practices instituted by the operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any shares which are held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the operator of the relevant system) shall include the right to:

10.3.1 require any holder of any uncertificated shares which are the subject of any exercise by their Company or any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale, or transfer of such shares or direct the holder to take such steps, by instructions given by means of a relevant system otherwise, as may be necessary to sell or transfer such shares; and/or

10.3.2 appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of shares as may be required to effect transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned; and/or

- 10.3.3 transfer any uncertificated shares which are the subject of any exercise by the Company of any such entitlement by entering the name of the transferee in the Register in respect of that share as a transferred share; and/or
 - 10.3.4 otherwise rectify or change the Register in respect of that share in such manner as may be appropriate; and/or
 - 10.3.5 take such other action as may be necessary to enable those shares to be registered in the name of the person to whom the shares have been sold or disposed of or as directed by him.
- 10.4 the Board can also lay down regulations:
- 10.4.1 which govern the issue, holding and transfer and, where appropriate, the mechanics of conversion and redemption of uncertificated shares;
 - 10.4.2 which govern the mechanics for payments involving the relevant system; and
 - 10.4.3 which make any other provisions which the Board consider are necessary to ensure that these Articles are consistent with the Regulations, and with any rules or guidance of an operator of a relevant system under the Regulations.
- 10.5 If stated expressly, such regulations will apply instead of other relevant provisions in these Articles relating to certificates and the transfer, conversion and redemption of shares and other securities and any other provisions which are not consistent with the Regulations. If the Board does make any regulations under Article 10.4, Article 10 2 will still apply to the Articles, when read in conjunction with those regulations.
- 10.6 Subject to the Acts, the Directors may issue shares as certificated shares or uncertificated shares and a class of share shall not be treated as two classes by virtue of that class comprising both certificated and uncertificated shares or any provision of these Articles relating thereto.
- 10.7 References herein to a share (or to a holding of a share) being in uncertificated form or in certificated form are references, respectively, to that share being an uncertificated unit of a security or a certificated unit of a security.

SHARE CERTIFICATES

- 11. Every member (other than a person who is not entitled to a certificate under the Acts) shall upon the issue or transfer to him of shares in certificated form be entitled, without payment, to receive within fifteen business days after allotment or lodgement of a transfer to him of those shares one certificate for all the shares of each class held by him in certificated form and, upon transferring a part of the shares comprised in a certificate, a certificate for the balance of such shares without charge to the extent that the balance is held in certificated form. Shares of different classes may not be included in the same certificate The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
- 12. Share certificates of the Company (other than letters of allotment, scnp certificates and other like documents) shall, unless the Board by resolution otherwise determines, either generally or in any particular case or cases, be issued under the Seal or under any official seal kept by the Company. Whether or not share certificates are issued under a seal, the Board may by

resolution determine, either generally or in any particular case or cases, that any signatures on any certificates for shares, stock or debenture or loan stock (except where the trust deed constituting any stock or debenture or loan stock provides to the contrary) or representing any other form of security of the Company need not be autographic but may be applied to the certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person Every share certificate shall specify the number and class of the shares to which it relates and the amount paid up on such shares.

13. If a share certificate is worn out, damaged, defaced, lost, stolen or destroyed, it may be renewed without payment of any fee but on such terms (if any) as to evidence and Indemnity with or without security and otherwise as the Board requires and, in the case of a worn out, damaged or defaced certificate, on delivery up of that certificate. In the case of loss, theft or destruction, the person to whom the new certificate is issued may be required to pay to the Company any exceptional out of pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity.

LIEN ON SHARES

14. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it and to any share or security issued in right of it.
15. The Company may sell in such manner as the Board determines any shares on which the Company has a lien if the sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder or otherwise by operation of law, demanding payment and stating that if the notice is not complied with the shares may be sold.
16. To give effect to a sale the Board may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser The purchaser shall not be bound to see to the application of the purchase moneys, and the title of the transferee to the shares shall not be affected by any act, omission, irregularity or invalidity relating to the proceedings relating to the sale.
17. The net proceeds of the sale, after payment of the costs of sale, shall be applied in or towards payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

18. Subject to the terms of allotment, the Board may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to at least fourteen clear days' notice having been given specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable jointly and severally with the successors in title to his shares for calls

made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

19. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of that share.
21. If a call remains unpaid after it has become due and payable the person from whom the sum is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate, but the Board may waive payment of the interest wholly or in part.
22. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.
23. Subject to the terms of allotment, the Board may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
24. The Board may, if it thinks fit, receive from any member willing to advance it, all or any part of the moneys uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at the appropriate rate or at such other rate as may be agreed between the Board and such member, subject to any directions of the Company in general meeting.

FORFEITURE AND SURRENDER OF SHARES

25. If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
26. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture. The Board may accept upon such terms and conditions as may be agreed a surrender of any share liable to be forfeited and, subject to such terms and conditions, a surrendered share shall be treated as if it had been forfeited.
27. Subject to the provisions of the Acts, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board determines either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board thinks fit Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the share to that person.

28. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate from the date of forfeiture until payment but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
29. A statutory declaration by a Director or the Secretary that a share has been forfeited or sold to satisfy a lien of the Company on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any act, omission, irregularity or invalidity relating to the proceedings relating to the forfeiture, sale or disposal of the share.

TRANSFER OF SHARES

30. All transfers of shares which are in certificated form may be effected by transfer in writing in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of it.
31. All transfers of shares which are in uncertificated form may be effected by means of a relevant system.
32. Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and to the extent that the balance is to be held in certificated form, a new certificate for the balance of such shares issued in lieu without charge.
33. The Board may decline to register any instrument of transfer relating to shares in certificated form unless it is in respect of only one class of shares and is lodged (duly stamped if required) at the Transfer Office (or such other place as the Board may determine from time to time) accompanied by the relevant share certificate(s) 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 some other person on his behalf, the authority of that person so to do). In the case of a transfer of shares in certificated form by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgment of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.
34. The Board may, in the case of securities in certificated form, in their absolute discretion and in the case of shares in uncertificated form, in the circumstances permitted by the Regulations, without assigning any reason therefore refuse to register any transfer of shares (not being fully-paid shares) provided that, where any such shares are admitted to the Official List, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Board may also refuse to register an allotment or transfer of shares (whether fully-paid or not) in favour of more than four persons jointly.

35. If the Board refuses to register a transfer, it shall as soon as practicable and in any event within two months after the date on which;
- 35.1 The transfer was lodged with the Company (in the case of shares held in certificated form); or
- 35.2 The Operator-instruction was received by the Company (in the case of shares held in uncertificated form)
- send to the transferee notice of the refusal together with its reasons for the refusal. The Board shall provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request.
36. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share or for making any entry in the Register affecting the title to any share.
37. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall (save in the case of suspected fraud) be returned to the person lodging it when notice of the refusal is given.
38. For all purposes of these Articles relating to the registration of transfers of shares, the renunciation of the allotment of any shares by the allottee in favour of some other person shall be deemed to be a transfer and the Board shall have the same powers of refusing to give effect to such a renunciation as if it were a transfer.

TRANSMISSION OF SHARES

39. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest, but nothing contained in these Articles shall release the estate of a deceased member from any liability in respect of any share which had been held (whether solely or jointly) by him.
40. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence being produced as the Board may properly require and subject as hereinafter provided, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered and the share is held in uncertificated form he shall execute an instrument of transfer of the share to that person. If he elects to have another person registered and the share is held in uncertificated form, he shall transfer the share to his nominee by way of a relevant system All the provisions of these Articles relating to the transfer and the registration of transfers of shares (including any right to refuse to register any instrument of transfer) shall 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 entitlement had not occurred.
41. Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall have the rights (of which he would be entitled if he were the holder of the share), except that he shall not, before being registered as the holder of the share, be entitled in respect of it to receive notice of or to attend or vote at any meeting of the Company or at any separate

meeting of the holders of any class of shares in the Company. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

UNTRACEABLE SHAREHOLDERS

42.1 The Company shall be entitled to sell at the best price reasonably obtainable any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that:

42.1.1 for a period of twelve years the Company has paid at least three cash dividends (whether interim or final) on the shares and no such dividend has been claimed or cashed; and

42.1.2 the Company has at the expiration of the said period of twelve years by advertisement in both a national newspaper and in a newspaper circulating in the area in which the address on the Register (or other last known address or address given for service of notices) of such member or person so entitled is located given notice of its intention to sell such shares;

42.1.3 the said advertisements are published on the same day or within 30 days of each other; and

42.1.4 during the period of three months following the last publication of the said advertisements the Company has received no communication in respect of such share from such member or person entitled.

If at any time during or after the said period of twelve years further shares have been issued in respect of those held at the commencement of that period or of any issued in right during that period and, since the date of issue, the requirements of paragraphs 42.1.2 to 42.1.4 of this Article have been satisfied in respect of such further shares, the Company may also sell the further shares.

42.2 To give effect to a sale the Board may authorise some person to execute an instrument of transfer of the shares to be sold. The purchaser shall not be bound to see to the application of the purchase moneys and the title of the transferee to the shares shall not be affected by any act, omission, irregularity or invalidity relating to the proceedings relating to the sale the net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled to the shares for an amount equal to the net proceeds, which shall be a debt of the Company, and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created and no interest shall be payable in respect of the debt, and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments for the benefit of the Company as the Board may from time to time determine.

DISCLOSURE OF INTERESTS

43.1 For the purposes of this Article, unless the context otherwise requires:

43.1.1 "disclosure notice" means a notice issued by or on behalf of the Company requiring disclosure of interests in shares pursuant to the Acts;

- 43.1.2 "specified shares" means all or, as the case may be, some of the shares specified in a disclosure notice;
- 43.1.3 "restrictions" means one or more, as the case may be, of the restrictions referred to in paragraph 43.3 of this Article;
- 43.1.4 "restriction notice" means a notice issued by or on behalf of the Company stating, or substantially to the effect, that (until such time as the Board determines otherwise pursuant to paragraph 43.4 of this Article) the specified shares referred to therein shall be subject to one or more of the restrictions stated therein;
- 43.1.5 "restricted shares" means all or, as the case may be, some of the specified shares referred to in a restriction notice;
- 43.1.6 a person other than the member holding a share shall be treated as appearing to be interested in that share if;
- (a) the member has informed the Company, whether under any statutory provision relating to disclosure of interests or otherwise, that the person is, or may be, or has been at any time during the three years immediately preceding the date upon which the disclosure notice is issued, so interested; or
 - (b) the Board (after taking account of any information obtained from the member or, pursuant to a disclosure notice, from any other person) knows or has reasonable cause to believe that the person is, or may be, or has been at any time during the three years immediately preceding the date upon which the disclosure notice is issued, so interested; or
 - (c) in response to a disclosure notice, the member or any other person appearing to be so interested has failed to establish the identities of all those who are so interested and (after taking into account the response and any other relevant information) the Company has reasonable cause to believe that such person is or may be so interested;
- 43.1.7 "connected" shall have the meaning given in section 839 of the Income and Corporation Taxes Act 1988;
- 43.1.8 "interested" shall be construed as it is for the purpose of section 793 Companies Act 2006;
- 43.1.9 "recognised investment exchange" shall have the same meaning as in section 285 of Financial Services and Markets Act 2000; and
- 43.1.10 for the purposes of paragraphs 43.2.2 and 43.4 of this Article the Company shall not be treated as having received the information required by the disclosure notice in accordance with the terms of such disclosure notice in circumstances where the Board knows or has reasonable cause to believe that the information provided is false or materially incorrect.

- 43.2 Notwithstanding anything in these Articles to the contrary, if:
- 43.2.1 a disclosure notice has been served on a member or any other person appearing to be interested in the specified shares; and
 - 43.2.2 the Company has not received (in accordance with the terms of such disclosure notice) the information required therein in respect of any of the specified shares within fourteen days after the service of such disclosure notice;
- then the Board may (subject to paragraph 43.7 below) determine that the member holding the specified shares shall, upon the issue of a restriction notice referring to those specified shares in respect of which information has not been received, be subject to the restrictions referred to in such restriction notice, and upon the issue of such restriction notice such member shall be so subject. As soon as practicable after the issue of a restriction notice the Company shall serve a copy of the notice on the member holding the specified shares.
- 43.3 The restrictions which the Board may determine shall apply to restricted shares pursuant to this Article shall be one or more, as determined by the Board, of the following:
- 43.3.1 that the member holding the restricted shares shall not be entitled, in respect of the restricted shares, to attend or be counted in the quorum or vote either personally or by proxy at any general meeting or at any separate meeting of the holders of any class of shares or upon any poll or to exercise any other right or privilege in relation to any general meeting or any meeting of the holders of any class of shares;
 - 43.3.2 that no transfer of the restricted shares shall be effective or shall be registered by the Company (subject in the case of the uncertificated shares to the Regulations);
 - 43.3.3 that no dividend (or other moneys payable) shall be paid in respect of the restricted shares and that, in circumstances where an offer of the right to elect to receive shares instead of cash in respect of any dividend is or has been made, any election made thereunder in respect of such specified shares shall not be effective;
 - 43.3.4 provided that in the case of uncertificated transfers, the Board may only exercise their discretion not to register a transfer if permitted to do so by the Regulations.
- 43.4 The Board may determine that one or more of the restrictions imposed on restricted shares shall cease to apply at any time. If the Company receives in accordance with the terms of the relevant disclosure notice the information required therein in respect of the restricted shares all restrictions imposed on the restricted shares shall cease to apply seven days after receipt of the information. In addition, in the event that the Company receives an executed instrument of transfer in respect of all or any restricted shares, which would otherwise be given effect to, pursuant to a sale;
- 43.4.1 on a recognised investment exchange; or
 - 43.4.2 on any stock exchange outside the United Kingdom on which the Company's shares are normally dealt; or

43.4.3 on the acceptance of a takeover offer for the shares of the class of which such restricted shares form part;

to a party not connected with the member holding such restricted shares or with any other person appearing to be interested in such restricted shares, then all the restrictions imposed on such restricted shares shall cease to apply with effect from the date on which any such transfer as aforesaid is received by the Company for registration provided always that if, within ten days after such receipt, the Board decides that it has reasonable cause to believe that the change in the registered holder of such restricted shares would not be as a result of an arm's length sale resulting in a material change in the beneficial interests in such restricted shares, the restrictions imposed on the restricted shares shall continue to apply;

43.5 Where the Board makes a decision pursuant to the proviso to paragraph 43.4 above, the Company shall notify the purported transferee of such decision as soon as practicable and any person may make representations in writing to the Board concerning any such decision. The Company shall not be liable to any person as a result of having imposed restrictions or deciding that such restrictions shall continue to apply if the Board acted in good faith;

43.6 Where dividends or other moneys are not paid as a result of restrictions having been imposed on restricted shares, such dividends or other moneys shall accrue and, upon the relevant restriction ceasing to apply, shall be payable (without interest) to the person who would have been entitled had the restriction not been imposed;

43.7 Where the aggregate number of shares of the same class as the specified shares in which any person appearing to be interested in the restricted shares (together with persons connected with him) appears to be interested represents less than 0.25 per cent, (in nominal value) of the shares of that class (excluding any shares of that class held as treasury shares) in issue at the time of service of the disclosure notice in respect of such specified shares only the restriction referred to in sub-paragraph 43.3.1 of this Article may be determined by the Board to apply.

43.8 Shares issued in right of restricted shares shall on issue become subject to the same restrictions whilst held by that member as the restricted shares in right of which they are issued. For this purpose, shares which the Company offers or procures to be offered to shareholders pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain members by reason of legal or practical problems associated with offering shares outside the United Kingdom) shall be treated as shares issued in right of restricted shares;

43.9 The Board shall at all times have the right, at its discretion, to suspend, in whole or in part, any restriction notice given pursuant to this Article either permanently or for any given period and to pay to a trustee any dividend payable in respect of any restricted shares or in respect of any shares issued in right of restricted shares. Notice of any suspension, specifying the sanctions suspended and the period of suspension, shall be given to the relevant holder in writing within seven days after any decision to implement such a suspension;

43.10 The limitations on the powers of the Board to impose and retain restrictions under this Article are without prejudice to the Company's power to apply to the court pursuant to the Acts to apply these or any other restrictions on any conditions.

ALTERATION OF SHARE CAPITAL

44. The Company may by ordinary resolution: Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; and

- 44.2 Subject to the provisions of the Acts, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or deferred rights or be subject to any restrictions as compared with the others.
45. Whenever as the result of any consolidation, division or sub-division of shares any difficulty arises, the Board may settle it as it thinks fit and in particular (but without prejudice to the generality of the foregoing) where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share and as a result of such consolidation such holder would become entitled to a fraction of a consolidated share;
- 45.1 The Board may determine which of the shares of such holder are to be treated as giving rise to such fractional entitlement and may decide that any of those shares shall be consolidated with any of the shares of any other holder or holders which are similarly determined by it to be treated as giving rise to a fractional entitlement for such other holder or holders, into a single consolidated share and the Board may, on behalf of all such holders, sell such consolidated share for the best price reasonably obtained to any person (including, subject to the provisions of the Acts, the Company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3 00 or such other sum as the Board may from time to time determine, may be retained for the benefit of the Company) the Board may authorise a person to execute an instrument of transfer of the shares to, or in accordance with, the directions of the purchaser, and the transferee shall not be bound to see to the application of any purchase consideration, nor shall his title to the shares be affected by any act, omission, irregularity or invalidity relating to the proceedings in reference to the sale; or
- 45.2 The Board may (subject to any relevant authority required by the Acts) issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation); and the amount required to pay up such shares shall be appropriated at the Board's discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up the share. In relation to such a capitalisation the Board may exercise all the powers conferred on it by Article 158 without an ordinary resolution of the Company.
46. Subject to the provisions of the Acts, the Board may treat shares of a holder in certificated form and in uncertificated form as separate holdings in giving effect to sub-divisions and/or consolidations and may cause any shares arising on sub-division or consolidation and representing fractional entitlements to be entered in the Register as shares in certificated form where this is desirable to facilitate the sale thereof.
47. The Company may not exercise any right in respect of treasury shares held by it, including any right to attend or vote at meetings, to participate in any offer by the Company to shareholders or to receive any distribution (including in a winding-up), but without prejudice to its right to sell the treasury shares, to transfer the shares for the purposes of or pursuant to an employees' share scheme, to receive an allotment of shares as fully paid bonus shares in respect of the treasury shares or to receive any amount payable on redemption of any redeemable treasury shares.

GENERAL MEETINGS

48. The Board may call general meetings. If there are not sufficient Directors capable of acting to call a general meeting, any Director may call a general meeting. If there is no Director able to act, any two members may call a general meeting for the purpose of appointing Directors.
49. The accidental omission to give notice of a meeting, or to send a form of proxy or other document with a notice, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy or other document by such a person, shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

50. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. The absence of a quorum shall not preclude the appointment of a chairman in accordance with the provisions of these Articles, which shall not be treated as part of the business of the meeting. Two members present in person or by proxy and entitled to vote upon the business to be transacted at the meeting shall be a quorum. [Members attending a general meeting who are not in the same location as each other may form part of the quorum.](#)
51. In calculating whether a quorum is present, if two or more persons are appointed as proxies for the same member or two or more persons are appointed as corporate representatives of the same corporate member, only one of such proxies or only one of such corporate representatives shall be counted
52. If such a quorum is not present within fifteen minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) from the time appointed for the meeting, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case it shall stand adjourned to such day (not being less than ten clear days after the date appointed for the meeting) and to such time and place as the Board may determine. If at any such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, a member present in person or by proxy and entitled to vote upon the business to be transacted at the meeting shall be a quorum.
53. The chairman (if any) of the Board or in his absence the deputy chairman (if any) shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman present and willing to act as chairman at any meeting within five minutes after the time appointed for holding the meeting the Directors present shall choose one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman. If no Director is willing to act as chairman, or if no Director is present within five minutes after the time appointed for holding the meeting, the members present in person or by proxy and entitled to vote shall choose one of their number to be chairman of the meeting.
54. A Director shall, notwithstanding that he is not a member, and on the invitation of the Chairman any other person shall be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
55. The chairman of a meeting at which a quorum is present may, with the consent of the meeting (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place. The chairman may adjourn any meeting to another time and place without the consent of the meeting if he is of the opinion that it is necessary to adjourn in order to secure the proper and orderly conduct of the meeting or to give all persons entitled

to do so a reasonable opportunity of attending, speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.

56. When a meeting is adjourned for thirty days or more (otherwise than due to the absence of a quorum) or without a time and place for the adjourned meeting being fixed, at least seven clear days' notice of the adjourned meeting shall be given in the same manner as in the case of the original meeting. Otherwise it shall not be necessary to give any such notice.
57. No business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place.

58.

58.1 The Board may, if it considers it necessary, when specifying the place of a general meeting;

58.1.1 direct that the general meeting shall be held at a place specified in the notice ("Main Meeting Place") at which the chairman of the meeting shall preside; and

58.1.2 make arrangements for simultaneous attendance and participation by electronic means at another place or other places by members and proxies otherwise entitled to attend the general meeting but excluded from it under the provisions of this Article 56.5 or who wish to attend at the other place or any of such other places.

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

58.3 The members present in person or by proxy at the other place or places by electronic means pursuant to the provisions of Article 58.1.2 shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that general meeting shall be duly constituted and its proceedings shall be duly constituted and its proceedings valid if the chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members attending all the general meeting places are able to:

58.3.1 participate in the business for which the general meeting has been convened;

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

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

58.4 If it appears to the chairman of the general meeting that the facilities at the Main Meeting Place or at the other place or places have become inadequate for the purpose referred to in Article 58.3, then the chairman may, without the consent of the general meeting, interrupt or adjourn the general meeting. All business conducted at that general meeting up to the time of adjournment shall be valid. The provisions of Articles 55 to 57 shall apply to that adjournment.

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

~~58. The Board may, for the purpose of controlling the level of attendance and ensuring the safety of those attending at any place specified for the holding of a general meeting, from time to time make such arrangements as the Board shall in its absolute discretion consider to be appropriate and may from time to time vary any such arrangements in place or make new arrangements. The entitlement of any member or proxy to attend a general meeting at such place shall be subject to any such arrangements as may be for the time being approved by the Board. In the case of any meeting to which such arrangements apply the Board may, when specifying the place of the meeting:~~

~~58.1 Direct that the meeting shall be held at a place specified in the notice at which the Chairman of the meeting shall preside (the "Principal Place"); and~~

~~58.258.6 Make arrangements for simultaneous attendance and participation at other places by members otherwise entitled to attend the general meeting, but excluded from the Principal Place under the provisions of this Article, or who wish to attend at any of such other places, provided that persons attending at the Principal Place and at any of such other places shall be able to see, and hear and be seen and heard by, persons attending at the Principal Place and at such other places, by any means. Such arrangements for simultaneous attendance may include arrangements for controlling the level of attendance in any manner at any of such other places (as stated above), provided that they shall operate so that any members and proxies excluded from attending at the Principal Place are able to attend at one of the other places. For the purposes of all other provisions of these Articles any such meeting shall be treated as being held and taking place at the Principal Place.~~

59.

59.1 The Chairman shall take such action or give such directions as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting. The Chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall his determination as to whether any matter is of such a nature;

59.2 The Board may direct that any person wishing to attend any meeting should provide evidence of identity and submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances. The Board shall be entitled in its absolute discretion to refuse entry to, or eject from, any meeting any person who fails to provide such evidence of identity or to submit to such searches or to otherwise comply with such security arrangements or restrictions.

60.

60.1 No amendment or proposed amendment to any ordinary resolution shall be put to or voted upon by the members at any general meeting or adjourned general meeting unless the Company has received written notice of the amendment or proposed amendment and of the intention of the proposer to attend and propose it at least forty-eight hours before the time fixed for the general meeting. Notwithstanding that no such written notice shall have been given, the chairman, in his absolute discretion, may accept or propose at any general meeting or adjourned general meeting amendments to an ordinary resolution of a minor or formal nature or to correct a manifest error or which he may in his absolute discretion consider fit for consideration at the meeting;

60.2 In the case of a resolution duly proposed as a special resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may be considered or voted upon.

- 60.3 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
61. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, or on the withdrawal of any other demand for a poll, a poll is demanded by:
- 61.1 The chairman of the meeting; or
- 61.2 At least three members present in person or by proxy having the right to vote on the resolution (excluding voting rights attaching to shares held as treasury shares); or
- 61.3 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 on the resolution (excluding voting rights attaching to shares held as treasury shares), or
- 61.4 A member or members present in person or by proxy holding shares in the Company conferring a right to vote on the resolution, 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 voting rights attaching to shares held as treasury shares); or
- and a demand by a person as proxy for a member shall be the same as a demand by the member.
62. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has been earned 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 minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
63. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
64. A poll shall be taken in such manner as the chairman of the meeting directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
65. A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll (other than on the election of a chairman of the meeting or on a question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
66. 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 at 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.

VOTES OF MEMBERS

67. Subject to the provisions of the Acts, to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to these Articles, at any general meeting, every member who is present in person shall, on a show of hands, have one vote, every proxy who has been appointed by a member entitled to vote on the resolution shall, on a show of hands, have one vote and every member present in person or by proxy shall, on a poll, have one vote for each share of which he is the holder.
68. If, on a vote on a resolution on a show of hands a proxy has been duly appointed by more than one member entitled to vote on the resolution and is instructed by one or more of those members to vote for the resolution and by one or more others to vote against it, or is instructed by one or more of those members to vote in one way and is given discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way) he has one vote for and one vote against the resolution.
69. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names of the holders stand in the Register in respect of the joint holding.
70. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll or by proxy, and otherwise exercise all his rights as a member by his receiver or other person authorised in that behalf appointed by that court. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote or act shall be deposited at the Office, or at such other place as is specified by the Board for the deposit of instruments of proxy, not less than forty-eight hours (excluding any part of a day which is not a working day) before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised or, in the case of a poll, at least forty-eight hours (excluding any part of a day which is not a working day) before the time appointed for the taking of the poll and in default the right to vote shall not be exercisable.
71. Unless the Board otherwise determines, no member shall exercise the right to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him or exercise any other right or privilege conferred by membership in relation to any such meeting or poll unless all moneys presently payable by him in respect of that share have been paid.
72. No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting or poll at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. Any vote which is not disallowed at such a meeting or poll shall be valid for all purposes. The decision of the Chairman on such matters shall be final and conclusive.
73. The Company shall not be bound to enquire whether any proxy or corporate representative votes in accordance with the instructions given to him by the member he represents and if a

proxy or corporate representative does not vote in accordance with the instructions of the member he represents the vote or votes cast shall nevertheless be valid for all purposes

PROXIES

74. Any person or persons (whether a member of the Company or not) may be appointed to act as a proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member. The appointment of a proxy or proxies shall not preclude a member from attending and voting in person on a show of hands or on a poll on any matters in respect of which the proxy or proxies is or are appointed. In the event that and to the extent that a member personally votes his shares his proxy or proxies shall not be entitled to vote and any vote cast by a proxy in such circumstances shall be ignored.
75. When two (or more) valid but differing appointments of proxy are received in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly received, none of them shall be treated as valid in respect of that share.
76. The appointment of a proxy or proxies shall, subject to the provisions of the Acts:
- 76.1 Be in writing, in any common form or in such other form as the Board may approve, and (i) if in writing but not in electronic form, made under the hand of the appointor or of his attorney duly authorised in writing; or, if the appointor is a corporation, under its common seal or under the hand of some officer or attorney or other person duly authorised in that behalf, or (n) if in writing in electronic form, submitted by or on behalf of the appointor and authenticated;
- 76.2 Be deemed (subject to any contrary direction contained in it) to confer authority to exercise all or any rights of his or their appointee to demand or join in demanding a poll and to speak at any meeting and to vote (whether on a show of hands or on a poll) on any resolution or amendment of a resolution put to the meeting in respect of which the proxy is given, as the proxy or proxies think(s) fit;
- 76.3 Unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
- 76.4 Where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings.
77. In relation to uncertificated shares:
- 77.1 The Board may allow a proxy for a holder of any shares in uncertificated form to be appointed by electronic communication in the form of an uncertificated proxy instruction. The Board may also allow any supplement to the uncertificated proxy instruction or any amendment or revocation of any uncertificated proxy instruction to be made by a further uncertificated proxy instruction;
- 77.2 The Board may decide what method should be used to determine at what time the instruction or notification is treated as being received by the Company. The Board may treat any notification purporting or expressed to be sent on behalf of a holder of a share in uncertificated form as sufficient evidence of the authority of the person sending the instruction to send it on behalf of that holder;

- 77.3 For the purposes of this Article 77, an uncertificated proxy instruction is a properly authenticated dematerialised instruction, and/or other instruction or notification, sent through a relevant system to a participant in that system chosen by the Board to act for the Company. The uncertificated proxy instruction may be in any form and subject to any terms and conditions that the Board deems appropriate, but always subject to the facilities and requirements of the relevant system.
- 78.
- 78.1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is authenticated, or a copy of such authority certified notarially or in some other way approved by the Board, shall:
- 78.1.1 in the case of an appointment not in electronic form (including any such power of attorney or other authority) be deposited at the Office, or at such other place or places (within the United Kingdom) as is specified in the notice convening the meeting or in any notice of any adjourned meeting or in any appointment of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
 - 78.1.2 in the case of an appointment in electronic form (including any such power of attorney or other authority), where an address has been specified for the purpose of receiving documents or information in electronic form:
 - 78.1.2.1 in the notice convening the meeting; or
 - 78.1.2.2 in any instrument of proxy sent out by the Company in relation to the meeting; or
 - 78.1.2.3 in any invitation in electronic form to appoint a proxy issued by the Company in relation to the meeting, be received at such address not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
 - 78.1.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or
 - 78.1.4 in the case of a poll not taken forthwith but taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting or any Director, the Secretary or some other person authorised for the purpose by the Company.
- 78.2 The Board may specify in the notice convening the meeting that, in determining the time for delivery of proxies pursuant to this Article, no account shall be taken of any part of a day that is not a working day.
79. An appointment of proxy not deposited, delivered or received in the manner specified in Article 78 shall be invalid. No appointment of proxy shall be valid after the expiry of 12 months from the date named in it as the date of its execution or the date of its submission,

except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting, in cases where the meeting was originally held within 12 months from such date.

80. A vote given, or demand for a poll made, by a proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the appointment of proxy, or of the authority under which the appointment of proxy was executed, or the transfer of the share in respect of which the appointment of proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office, (or at such other place or places or address as has or have been appointed for the deposit or receipt of appointments of proxy under Article 78) not later than the last time at which an appointment of a proxy should have been received under Article 78 in order for it to be valid for use at the meeting, adjourned meeting or poll as appropriate.

REPRESENTATIVES OF CORPORATIONS

81. Any corporation (which includes, without prejudice to the foregoing, any company, body corporate (not being a corporation sole), limited partnership or association of persons) which is a member of the Company may, by resolution of its directors or other governing body, authorise any person it thinks fit to act as its representative at any meeting of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company present in person and shall for the purposes of these Articles be regarded as a member present in person. Such representative may be required to produce a copy of such resolution certified by a proper officer of such corporation or such other evidence of his authority as the Board or any officer of the Company may reasonably request.

CLASS MEETINGS

82. Unless otherwise provided by the terms of issue of any class of shares of the Company, all the provisions of these Articles relating to general meetings of the Company or to the proceedings at general meetings shall, mutatis mutandis, apply to every separate meeting of the holders of any class of shares of the Company, whether or not held in connection with the variation or abrogation of the rights attached to the shares of the class save that:
- 82.1 The necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal amount of the issued shares of the class or, at any adjourned meeting of such holders, the holder or holders of shares of the class who are present in person or by proxy, whatever his or their holdings;
- 82.2 A poll may be demanded by any holder of shares of the class present in person or by proxy; and
- 82.3 If a meeting of the holders of any class of shares is adjourned there shall be no minimum period of notice of the adjourned meeting and at any adjourned meeting one person holding shares of that class in question who is present in person or by proxy shall be a quorum.

NUMBER OF DIRECTORS

83. Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall not be less than two nor more than ten.

APPOINTMENT AND RETIREMENT OF DIRECTORS

84. A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless an ordinary resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.
85. At each annual general meeting of the Company there shall retire by rotation:
- 85.1 All Directors who held office at each of the two immediately preceding annual general meetings and who did not retire at either of them; and
- 85.2 Such additional number of the Directors which when added to the Directors retiring pursuant to article 85.1 equals one third of the Directors (or if their number is not three or a multiple of three, the number nearest to but not exceeding one-third).
86. Subject to the provisions of the Acts and of these Articles, the Directors to retire by rotation under Article 85 shall be, so far as necessary to obtain the number required, first, any Director who wishes to retire and not offer himself for re-election and secondly, those Directors who have been longest in office since their appointment or last re-appointment As between two or more Directors who have been in office for an equal length of time, the Director to retire shall, in default of agreement between them, be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting notwithstanding any change in the number or identity of the Directors after that time but before the dose of the meeting.
87. Any Director who is to retire at or before an annual general meeting for any reason other than retaining by rotation under Article 85 shall not be taken into account in calculating the number and identity of the Directors to retire by rotation at that annual general meeting.
88. A Director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed or deemed to have been re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.
89. At any general meeting at which a Director retires under any provision of these Articles, the Company may by ordinary resolution fill the vacancy by electing the retiring Director or some other person who is eligible for appointment and willing to act as a Director. If the Company does not do so, the retiring Director shall (if willing) be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or a resolution for the re-appointment of the Director is put to the meeting and lost.
90. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
91. No person other than a Director retiring (by rotation or otherwise) at the meeting shall be appointed or reappointed a Director at any general meeting unless
- 91.1 He is recommended by the Board; or
- 91.2 Not less than seven nor more than twenty-one clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company at the office of his intention to propose that person for appointment or

reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors together with notice executed by that person confirming his willingness to be appointed or reappointed.

- 92. Subject to the provisions of these Articles, the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.
- 93. The Board may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 94. In addition to any power of removal conferred by the Acts, the Company may by ordinary resolution remove any Director before the expiration of his period of office and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a Director in his place. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company. Any person so appointed shall be treated, for the purpose of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he is appointed was last appointed or reappointed a Director.
- 95. In addition to the provisions for retirement of Directors set out in these Articles, the office of a Director shall be vacated if
 - 95.1 He becomes bankrupt, has an interim receiving order made against him, makes any arrangement or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
 - 95.2 If in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of the mental health of that Director which wholly or partly prevents that Director from personally exercising any powers or rights which that Director would otherwise have and the Board resolves that his office be vacated;
 - 95.3 He is absent from meetings of the Board during a continuous period of six months without permission of the Board and his Alternate Director (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated; or
 - 95.4 He ceases to be a Director by virtue of any provision of the Acts, is removed from office or becomes prohibited by law from being a Director, or
 - 95.5 He resigns his office by notice to the Company; or
 - 95.6 He is removed from office by notice in writing signed by all the other Directors; or
 - 95.7 A resolution of the Board declaring a Director to have vacated office under the terms of Article 89 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

ALTERNATE DIRECTORS

96. Any Director may appoint any other Director, or any other person approved by resolution of the Board and willing to act, to be an Alternate Director and may remove from office an Alternate Director so appointed by him.
97. The appointment of an Alternate Director shall automatically determine in any of the following events:
- 97.1 If his appointor terminates the appointment;
- 97.2 On the happening of any event which, if he were a Director, would cause him to vacate the office of Director;
- 97.3 If he resigns his appointment by notice to the Company;
- 97.4 If his appointor ceases for any reason to be a Director otherwise than by retiring and being reappointed or deemed to be reappointed at the meeting at which he retires;
- 97.5 If he is not a Director and the Board revokes its approval of him by resolution.
98. An Alternate Director shall in like manner as a Director be entitled at his appointor's request to receive notice in like manner as a Director of all meetings of the Board and of all meetings of committees of the Board of which his appointor is a member, to attend and vote and (save as provided in these Articles) be counted in the quorum at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence.
99. An Alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director and in respect of his office of Alternate Director may receive such remuneration from the Company as the Board may determine. An Alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.
100. An Alternate Director shall, during his appointment, be an officer of the Company and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.
101. Any appointment or removal of an Alternate Director shall be in writing signed by the Director making or revoking the appointment or in any other manner approved by the Board and shall take effect (subject to any approval required by these Articles) upon receipt of such written appointment or removal at the Office or by the Secretary
102. A Director or any other person may act as Alternate Director to represent more than one Director and an Alternate Director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.
103. The provisions of Articles 121 to 128 (inclusive) shall apply to an Alternate Director to the same extent as if he was a Director and for the purposes of those provisions an Alternate Director shall be deemed to have an interest which conflicts, or possibly may conflict, with the interest of the Company if either he or his appointor has such an interest.
104. An Alternate Director shall cease to be an Alternate Director:
- 104.1 If his appointor revokes his appointment; or

- 104.2 If his appointor ceases for any reason to be a Director, provided that if any Director retires at a general meeting but is re-appointed or deemed to be re-appointed at the same meeting, any valid appointment of an alternate Director which was in force immediately before his retirement shall remain in force; or
- 104.3 If any event occurs in relation to him which, if it occurred in relation to his appointor, would cause the appointor to vacate office.

POWERS OF DIRECTORS

105. Subject to the provisions of the Acts and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No alteration of these Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board by these Articles and a duly convened meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.
106. The Company may change its name by resolution of the Board.
107. The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board with power to sub-delegate.
108. The Board may from time to time, by power of attorney executed by the Company or otherwise, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney or other authority may contain such provisions for the protection and convenience of persons dealing with any such attorney or agent as the Board may think fit and may also authorise any such attorney or agent to sub-delegate all or any of the powers, authorities and discretions vested in him.

DELEGATION OF DIRECTORS' POWERS

109. The Board may delegate any of its powers, authorities and discretions (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the agreement of the terms of service or termination of employment or appointment of or the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to any committee consisting of one or more Directors together with any other person or persons approved by the Board, with power to sub-delegate. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of these Articles regulating the proceedings of the Board so far as they are capable of applying Insofar as any power, authority or discretion is delegated to a committee, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be read and construed as if it were a reference to the exercise of such power, authority or discretion by such committee Every such committee shall have as a majority of its membership persons who are Directors and no resolution of any such

committee shall be effective unless the majority of the persons present (in person or by their Alternate Directors) at the meeting at which it is passed are Directors.

BORROWING POWERS

110.1 The Board shall restrict the borrowings of the Company, and shall so far as possible by the exercise of the Company's voting rights in and other rights or powers of control over its Subsidiary Undertakings secure that they restrict their borrowings, so that the aggregate principal amount at any time outstanding in respect of money borrowed by the Group shall not without the previous sanction of an ordinary resolution of the Company exceed a sum equal to 10 per cent of the adjusted share capital and reserves;

110.2 For the purposes of this Article:

110.2.1 "adjusted share capital and reserves" means the aggregate of the amount paid up or credited as paid up on the allotted or issued share capital of the Company and the amount standing to the credit of each of the consolidated capital and revenue reserves (including any share premium account, capital redemption reserve, revaluation reserve and profit and loss account but net of any debit balance on profit and loss account) of the Group all as shown in the latest audited consolidated balance sheet of the Group but adjusted as may be necessary*:

- (a) to take account of any variation in the paid up share capital, share premium account or capital redemption reserve of the Company since the date of that balance sheet and so that for this purpose if any issue or proposed issue of shares by the Company for cash has been underwritten (whether conditionally or not) then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription money shall to the extent so underwritten be deemed to have been paid up on the date when the issue was underwritten;
- (b) to take account in the case of Subsidiary Undertakings of the interests of participants outside the Group (if any) and any variation in the interest of the Company in any Subsidiary Undertaking between the date of the balance sheet and the date for which the calculation falls to be made; and
- (c) to take account of any other factor which the Directors or the Auditors consider relevant;

110.2.2 "money borrowed" shall include:

- (a) the nominal amount and any fixed or minimum premium payable on redemption or repayment of any debentures or loan capital issued by any member of the Group,
- (b) the nominal amount of any issued share capital and the principal amount of any money borrowed the redemption or repayment of which is guaranteed or secured or the subject of

an indemnity by the Company or any Subsidiary Undertaking (together in each case with any fixed or minimum premium payable on final redemption or repayment) except so far as such money borrowed is otherwise taken into account as money borrowed by the Company or a Subsidiary Undertaking;

but the following shall be disregarded:

- (c) money borrowed by a member of the Group from another member of the Group, other than amounts to be taken into account under paragraph 110.2.2(e) of this Article,
- (d) any money borrowed intended to be applied within four months of being borrowed in the repayment of any money previously borrowed pending its application for such purpose within such period; and
- (e) that proportion of the total money borrowed by any partly-owned Subsidiary Undertaking which its issued equity share capital not for the time being beneficially owned directly or indirectly by the Company bears to the whole of its issued equity share capital but a like proportion of any borrowings from such partly-owned Subsidiary Undertaking by the Company or any other Subsidiary Undertaking shall fall to be treated as borrowings of the Company or such other Subsidiary Undertaking notwithstanding the same would not otherwise be taken into account.

110.3 For the purposes of calculating the amount of money borrowed under this Article there shall be credited (subject, in the case of any item held or deposited by a partly-owned Subsidiary Undertaking, to the exclusion of a proportion thereof equal to the proportion of the issued equity share capital of the partly-owned Subsidiary Undertaking which is not directly or indirectly attributable to the Company) against the gross amount of money borrowed the aggregate of:

110.3.1 cash in hand of the Group;

110.3.2 the realisable value of certificates of deposit and securities of governments and companies owned by a member of the Group; and

110.3.3 cash deposits and the credit balance on each current account of the Group with banks in the United Kingdom or elsewhere if the remittance of the cash to the United Kingdom is not prohibited by any law, regulation, treaty or official directive; however, if the remittance of such cash is prohibited it shall nonetheless be deducted from amounts borrowed but only to the extent that it may be set-off against or act as security for such amounts.

110.4 No person dealing with the Company or any of its Subsidiary Undertakings shall by reason of the foregoing provisions be concerned to see or enquire whether this limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual;

110.5 A report by the Auditors stating what is in their opinion, based on their examination of the accounting records of the Group or such other evidence as they may think appropriate, the

amount of the adjusted share capital and reserves or the amount of money borrowed or to the effect that the limit imposed by this Article was not or will not be exceeded at any time or times shall be conclusive evidence of such amount or fact for the purposes of this Article.

EXECUTIVE DIRECTORS

111. Subject to the provisions of the Acts, the Board may:
- 111.1 Appoint one or more of its body to the office of managing director or chief executive or to any other executive office (except that of auditor) of the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or any Subsidiary Undertaking or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Board determines and it may remunerate any such Director for his services as it thinks fit;
- 111.2 Permit any person appointed to be a Director to continue in any other office or employment held by him with the Company or any Subsidiary Undertaking before he was so appointed.
112. Any appointment of a Director to the office of managing director or chief executive shall terminate if he ceases to be a Director but without prejudice to any claim for damages for breach of contract of service between the Director and the Company and he shall not (unless any agreement between him and the Company shall otherwise provide) cease to hold his office as Director by reason only of his ceasing to be managing director or chief executive. Any person who, on ceasing to hold the office of managing director or chief executive, remains in office as a Director shall, if he has been exempt from retirement by rotation during his period of appointment, retire from office at the next following annual general meeting and shall then be eligible for reappointment, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under these Articles.
113. An Executive Director shall not be exempt from retirement by rotation, and (unless any agreement between him and the Company shall otherwise provide) he shall not cease to hold his office or employment with the Company by reason only of his ceasing to be a Director nor cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director.
114. The emoluments and benefits of any Executive Director for his services as such shall be determined by the Board and may be of any description, and (without limiting the generality of the foregoing) may include membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants or, apart from membership of any such scheme or fund, the payment of a pension or other benefits to him or his dependants on or after retirement or death.
115. The Board may delegate or entrust to and confer upon any Executive Director any of the powers, authorities and discretions exercisable by it (with power to sub-delegate) upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw or vary all or any part of such powers.

ASSOCIATE DIRECTORS

116. The Board may at any time and from time to time appoint any person to be an associate director having such title, including the word "director" as the Board may decide and may at

any time remove any person so appointed. A person so appointed shall not be a Director of the Company and shall not be a member of the Board. Subject as aforesaid, the Board may define and limit the powers and duties of any associate director and may determine his remuneration which may be in addition to any other remuneration receivable by him from the Company or any Subsidiary Undertaking.

REMUNERATION OF DIRECTORS

117. The ordinary remuneration of the Directors (other than any Executive Directors appointed under these Articles) shall be such amount as the Directors shall from time to time determine provided that, unless otherwise approved by the Company in general meeting, the aggregate of the ordinary remuneration of such Directors shall not exceed £125,000 per year. The ordinary remuneration shall be divided among such Directors in such manner as the Directors may determine. A Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration.
118. Any Director who, by request of the Board, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

DIRECTORS' EXPENSES

119. The Directors may be paid all travelling, hotel and other expenses as they may incur in connection with their attendance at meetings of the Board or of committees of the Board or general meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties.

DIRECTORS' GRATUITIES AND PENSIONS

120. The Board may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a Subsidiary Undertaking or a predecessor in business of the Company or of any Subsidiary Undertaking, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

DIRECTORS' INTERESTS

121. A Director who is in any way, whether directly or indirectly, interested in a transaction, proposal or arrangement with the Company shall, at the meeting of the Board at which the transaction, proposal or arrangement is first considered or, if later, the first meeting of the Board after he knows that he is or has become so interested, declare the nature of his interest. For the purposes of this Article:
- 121.1 A general notice given to the Board by a Director that he is to be regarded as having an interest of the nature and extent specified in the notice in any transaction, proposal or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction, proposal or arrangement of the nature and extent so specified;
- 121.2 An interest of which a Director has no knowledge (and of which it is unreasonable to expect him to have knowledge) shall not be treated as an interest of his; and

- 121.3 An interest of a person who is connected with a Director shall be treated as an interest of the Director.
122. Subject to the provisions of the Acts, and provided that he has disclosed to the Board the nature and extent of any interest of his in accordance with Article 121, a Director notwithstanding his office:
- 122.1 May be a party to, or otherwise interested in, any transaction, proposal or arrangement with the Company or in which the Company is otherwise interested;
- 122.2 May be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or has a power of appointment;
- 122.3 May hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may agree, either in addition to or in lieu of any remuneration provided for by any other Article; and
- 122.4 Shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction, proposal or arrangement or from any interest in any such body corporate and no such transaction, proposal or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

AUTHORISATION OF INTERESTS OF DIRECTORS

123. The Board may authorise, to the fullest extent permitted by law:
- 123.1 Any matter which, if not so authorised, would or might result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) and which may reasonably be regarded as likely to give rise to a conflict of interest;
- 123.2 A Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of this Article 123.2 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises;
- 123.3 An authorisation under Article 123 2 may be given to such terms and conditions as the Board thinks fit to impose at the time of such authorisation or subsequently and the authorisation may be varied or terminated by the Board at any time;
- 123.4 An authorisation under Article 123.2 is only effective if any requirement as to the quorum of the meeting is met without the Director in question and any other interested Director counting in the quorum at any meeting at which such matter, or such office, employment or position, is approved and the authorisation is agreed to without their voting or would have been agreed to if their votes had not been counted;
- 123.5 If a matter or office, employment or position, has been authorised by the Board in accordance with this Article 123 (and subject to Article 123 3) then -

- 123.5.1 the Director shall not be under any duty to the Company with respect to any information which he obtains or has obtained as a result of such matter, office, employment or position and in respect of which he owes a duty of confidentiality to another person. In particular, the Director shall not be in breach of the general duties he owes to the Company under the Acts because he fails to disclose such information to the Board or to any Director or other officer or employee of the Company and/or fails to use or apply any such information in performing his duties as a Director of the Company;
- 123.5.2 the Director may (and shall if required by the Board) absent himself from meetings or discussions of the Board at which any matter relating to a conflict of interest or possible conflict of interest arising from that matter, or that office, employment or position, will or may be discussed; and
- 123.5.3 the Director may (and shall if required by the Board) decline to receive and/or review any information or documents provided by the Company which will or may relate to or be connected to any matter relating to a conflict of interest or potential conflict of interest arising from that matter, or that office, employment or position.
- 123.6 A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Board pursuant to this Article 123 (subject in any such case to any terms or conditions to which such approval is for the time being subject).
- 123.7 Any reference in this Article to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 123.8 This Article 123 does not apply to a conflict of interest arising in relation to any transaction or arrangement with the Company.
- 123.9 This Article is without prejudice to the operation of Article 122 and a director who shall have in accordance with Article 121 disclosed any material interest shall not infringe or be in breach of his duties to the Company by reason of such interest.
124. A Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which to his knowledge he or a person connected to him has, directly or indirectly, an interest which is material (otherwise than by virtue of his interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless his interest arises only because the case falls within one or more of the following paragraphs:
- 124.1 The resolution relates to the giving to him or a person connected with him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him or such a person at the request of or for the benefit of, the Company or any Subsidiary Undertaking;
- 124.2 The resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any Subsidiary Undertaking for which the Director or a person connected with him has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

- 124.3 His interest arises by virtue of him or a person connected with him subscribing or agreeing to subscribe for any shares, debentures or other securities of the Company or any Subsidiary Undertaking or by virtue of him or a person connected with him being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the Company or any Subsidiary Undertaking for subscription, purchase or exchange;
- 124.4 The resolution relates in any way to any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he and any persons connected with him do not to his knowledge hold a beneficial interest in shares representing one per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company;
- 124.5 The resolution relates in any way to an arrangement for the benefit of the employees of the Company or any Subsidiary Undertaking which does not award him as such any privilege or advantage not generally awarded to the employees to whom such arrangement relates;
- 124.6 The resolution relates in any way to the purchase or maintenance of insurance for the Directors or for persons who include the Directors.
125. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
126. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment of two or more Directors to offices or employments with the Company or a body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
127. If any question arises at any meeting as to whether an interest of a Director (other than the Chairman's interest) shall reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned (so far as it is known to him) has not been fairly disclosed to the Board.
128. If any question arises at any meeting as to whether an interest of the Chairman shall reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of the Chairman to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman), whose majority vote shall be final and conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the Board.
129. Subject to the provisions of the Acts and to the Listing Rules, the Company may by ordinary resolution suspend or relax the provisions of Articles 121 to 128, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of these Articles.

PROCEEDINGS OF THE BOARD

130. Subject to the provisions of these Articles, the Board may regulate its proceedings as it thinks fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to a Director who is absent from the United Kingdom, unless he has given notice to the Company of an address within the United Kingdom to which notice should be sent during his absence or an address to which notice may be sent in electronic form. A Director may waive notice of any meeting either prospectively or retrospectively.
131. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
132. The quorum for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two. A person who holds office as an Alternate Director shall, if his appointor is not present, be counted in the quorum provided that a Director or Alternate Director who attends a meeting of the Board shall for the purposes of a quorum be counted as one person notwithstanding that he also attends such meeting as an Alternate Director or that he attends as an Alternate Director appointed by more than one Director.
- 133.
- 133.1 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board by means of conference telephone or any other form of communication, (provided that all persons participating in the meeting are able to communicate to the others any information or opinions they have throughout such meeting), by a series of telephone calls from the Chairman of the meeting or by exchange of communication in electronic form addressed to the Chairman of the meeting;
- 133.2 A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the Board shall determine failing which where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting is;
- 133.3 A resolution passed at any meeting held in the above manner, and authenticated by the Chairman of the meeting or the Secretary, shall be as valid and effectual as if it had been passed at a meeting of the Board (or committee, as the case may be) duly convened and held;
134. If the number of Directors is less than the minimum for the time being prescribed by these Articles, the remaining Director or Directors shall act only for the purposes of appointing an additional Director or Directors to make up such minimum or of convening a general meeting of the Company for the purpose of making such appointment. If there is or are no Director or Directors able or willing to act, any two members may summon a general meeting for the purpose of appointing Directors. Subject to the provisions of these Articles, any additional Director so appointed shall hold office only until the dissolution of the first annual general meeting of the Company following his appointment unless he is re-elected during such meeting.
135. The Board may appoint one of its number to be the chairman of the Board and one or more deputy chairmen and may at any time remove them from office. Unless he is unwilling to do so, the chairman of the Board shall preside at every meeting of the Board at which he is

present But if there is no chairman of the Board or deputy chairman holding office, or if at any meeting neither the chairman of the Board nor a deputy chairman is present and willing to preside within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

136. A resolution in writing authenticated by all the Directors entitled to receive notice of a meeting of the Board (not being less than the number required to form a quorum of the Board) or all members of a committee of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form each authenticated by one or more Directors; but a resolution authenticated by an Alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an Alternate Director, it need not be signed by the Alternate Director in that capacity. The resolution, to be effective, need not be authenticated by a Director who is prohibited by these Articles from voting thereon or which vote could not count in relation thereto, or by his Alternate Director.
137. All acts done by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director, Alternate Director or member of a committee shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment or continuance in office of any Director, Alternate Director or person acting as aforesaid, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was duly qualified and had continued to be a Director, Alternate Director or member of a committee and had been entitled to vote.

SECRETARY

138. Subject to the provisions of the Acts, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board. Two or more persons may be appointed as joint secretaries and the Board may also appoint from time to time on such terms as it may think fit one or more temporary or assistant or deputy secretaries.

MINUTES

139. The Board shall cause minutes to be made in books kept for the purpose:
- 139.1 of all appointments of officers made by the Board; and
- 139.2 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the Board, and of committees of the Board, including the names of the Directors present at each such meeting.

Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or of the meeting at which they are approved, shall be sufficient evidence without any further proof of the facts stated in them.

THE SEAL

140. The Seal shall be used only by the authority of a resolution of the Board or of a committee of the Board so authorised. The Board may determine whether any instrument to which the Seal is affixed shall be signed and, if it is to be signed, who shall sign it and by what means

the Board may also determine, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical or other means Unless otherwise so determined:

- 140.1 Share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under the Seal in respect of any debentures or other securities need not be signed and any signature may be affixed to or printed on any such certificate by any means approved by the Board; and
- 140.2 Every other instrument to which the Seal is affixed shall be signed by one Director and by the Secretary or by two Directors or by one Director in the presence of a witness who attests his signature or by such other persons as the Board or a committee of the Board shall appoint for that purpose (and, if the Secretary is a limited company, such company may nominate any person to act on its behalf).
- 141. Any instrument signed by one Director and the Secretary, by two Directors or by one Director in the presence of a witness who attests his signature and, in any such case, expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be so signed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

DIVIDENDS

- 142. Subject to the provisions of the Acts and save as otherwise provided in these Articles, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board.
- 143. Except as otherwise provided by the rights attached to the shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 144. Subject to the provisions of the Acts, the Board may pay interim dividends if it appears to the Board that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes of shares, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The Board may also pay at intervals settled by it any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Board acts in good faith the Directors shall not incur any liability to the holders of shares conferring preferred rights for any loss that they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
- 145. The Directors may from time to time before recommending any dividend, whether preferential or otherwise, but having regard to the Company's status as a venture capital trust set aside out of the profits of the Company (including any premiums received upon the issue of debentures or other securities or rights of the Company), and carry to reserve, such

sums as they think proper as a reserve or reserves. Such sums shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and, pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments (including, but subject to the provisions of the Act, the shares of the Company) as the Directors may from time to time think fit. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think it prudent not to divide.

146. The Board may deduct from any dividend or other moneys payable on or in respect of a share to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.
147. No dividend or other moneys payable in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share. All unclaimed dividends may be retained by the Company or invested or made use of by the Company as the Board may think fit until they are claimed and so that the Company shall not be obliged to account for any interest or other income derived from them nor shall it be constituted a trustee in respect of them or be responsible for any loss thereby arising. Any interest or profits earned on unclaimed dividends invested or otherwise made use of shall belong to the Company. Any dividend which has remained unclaimed for twelve years from the date when it was declared or became due for payment shall be forfeited and cease to remain owing by the Company.
148. Any dividend or other moneys payable in respect of a share shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such other moneys shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
149. The Board may pay the dividends or other moneys payable on shares in respect of which any person is entitled to be registered as holder by transmission to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

METHOD OF PAYMENT

- 150.1 The Company may pay any dividend, interest or other sum payable in respect of a share in cash or by direct debit, bank transfer, cheque, dividend warrant, or money order or by any other method (including by electronic means) as the Board may consider appropriate. In respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other moneys by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system);
- 150.2 Subject to any special rights for the time being attached to any shares, every such cheque, warrant or order may be sent by post or other delivery service (or by such other means offered by the Company as the member or persons entitled to it may agree in writing) to the registered address (or in the case of a Depositary, subject to the approval of the Board, such persons and addresses as the Depositary may require) of the member or person entitled to

it (or, if two or more persons are holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the member or otherwise by operation of law, to the registered address of such of those persons as is first named in the Register) or to such person and such address as such member or person or persons may direct in writing. In respect of shares in uncertificated form, every such payment made by such other method as is referred to in Article 150.1 shall be made in such manner as may be consistent with the facilities and requirements of the relevant system concerned. Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may in writing direct;

- 150.3 Every cheque, warrant, order or other form of payment is sent at the risk of the person entitled to the money represented by it, and shall be made payable to the person or persons entitled, or to such other person as the person or persons entitled may direct in writing. Payment of the cheque, warrant, order or other form of payment (including, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system concerned) shall be a good discharge to the Company. If any such cheque, warrant, order or other form of payment has or shall be alleged to have been lost, stolen or destroyed, the Board may, at the request of the person entitled thereto, issue a replacement cheque or warrant or order or make payment in some other form, subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Board may think fit;
- 150.4 Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other moneys payable in respect of such share;
- 150.5 Subject to any special rights for the time being attached to any shares, the Board may, at its discretion, make provisions to enable a Depositary and/or any member as the Board shall from time to time determine to receive duly declared dividends in a currency or currencies other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such market rate selected by the Board as it shall consider appropriate ruling at the close of business in London on the date which is the business day last preceding:
- 150.5.1 in the case of a dividend to be declared by the Company in general meeting, the date on which the Board publicly announces its intention to recommend that specific dividend, and
- 150.5.2 in the case of any other dividend, the date on which the Board publicly announces its intention to pay that specific dividend,

provided that where the Board considers the circumstances to be appropriate it shall determine such foreign currency equivalent by reference to such market rate or rates or the mean of such market rates prevailing at such time or times or on such other date or dates, in each case falling before the time of the relevant announcement, as the Board may select.

151. If on two consecutive occasions cheques or warrants in payment of dividends or other moneys payable in respect of any shares have been sent through the post in accordance with the provisions of the preceding Article but have been returned undelivered or left uncashed during the periods for which they are valid or, following one such occasion reasonable

enquiries have failed to establish any new address of the registered holder, the Company need not thereafter despatch further cheques or warrants in payment of dividends or other moneys payable on or in respect of the share in question until the member or other person entities thereto shall have communicated with the Company and supplied in writing to the Transfer Office a new address to be used for the purpose.

152. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of any dividend wholly or in part by the distribution of specific assets and in particular of fully paid shares or debentures of any other company, and the Board shall give effect to such directions Where any difficulty arises in regard to the distribution, the Board may settle the same as it thinks expedient, and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the members entitled to the dividend, as may seem expedient to the Board.

SCRIP DIVIDENDS

153. The Board may, with the sanction of an ordinary resolution of the Company, offer the holders of shares (other than the holder of shares held in treasury) the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of such dividend or dividends as are specified by such resolution The following provisions shall apply:
- 153.1 The resolution may specify a particular dividend, or may specify all or any dividends declared or paid within a specified period, but such period shall end not later than the beginning of the annual general meeting in the fifth year following that in which such resolution is passed;
- 153.2 The entitlement of each holder of shares to new shares shall be such that the Relevant Value of such new shares shall be as nearly as possible equal to (but not in excess of) the cash amount that such holders would otherwise have received by way of dividend. For this purpose "Relevant Value" shall be the average of the middle market quotations for such a share as derived from the London Stock Exchange Daily Official List on such five consecutive dealing days as the Directors shall determine provided that the first of such dealing days shall be on or after the day when the shares are first quoted "ex" the relevant dividend; a certificate or opinion of the Auditors as to the amount of the relevant value shall be conclusive;
- 153.3 The basis of allotment shall be such that no member shall be allotted a fraction of a share; the Board may make such provisions as it thinks fit for any fractional entitlements, including provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained, and in each case accumulated, on behalf of any member and such accruals or retentions are applied to the allotment by way of bonus to, or cash subscription on behalf of, such member of fully paid Ordinary Shares and/or provisions whereby cash payments may be made to members to respect of their fractional entitlements;
- 153.4 The Board, after determining the basis of allotment, shall notify the holders of shares in writing of the right of election offered to them and (except in the case of any holder from whom the Company has received written notice in such form as the Board may require which is effective for the purposes of the relevant dividend that such holder wishes to receive shares instead of cash in respect of all future dividends in respect of which the Board offers

the holders of shares the right to elect to receive shares as aforesaid) shall send with, or following, such notification, forms of election and specify the procedure to be followed and place at which, and the latest date and time by which, duly completed forms of election must be lodged in order to be effective;

- 153.5 The Board may exclude from any offer any holders of Ordinary Shares or any Ordinary Shares held by a Depositary or any Ordinary Shares on which dividends are payable in foreign currency where the Board considers that the making of the offer to them or in respect of such shares would or might involve the contravention of the laws of or the requirements of any regulatory body or stock exchange or other authority in any territory or that for any other reason the offer should not be made to them or in respect of such shares;
- 153.6 The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on shares in respect of which such election has been duly made ("the elected shares") and instead additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as provided above. For such purpose the Board shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine a sum equal to the aggregate nominal amount of the additional shares to be allotted on such basis and shall apply the same in paying up in full the appropriate number of new shares for allotment and distribution to and amongst the holders of the elected shares on such basis. A Board resolution capitalising any part of such reserve or fund or profits shall have the same effect as if such capitalisation had been declared by ordinary resolution of the Company in accordance with Article 158 and in relation to any such capitalisation the Board may exercise all the powers conferred on them by Article 158 without need of such ordinary resolution;
- 153.7 The additional shares so allotted shall rank *pari passu* in all respects with the fully-paid shares of that class in issue on the record date for the dividend in respect of which the election is made save only as regards participation in the relevant dividend;
- 153.8 The Board may terminate, suspend or amend any offer of the right to elect to receive Ordinary Shares in lieu of any cash dividend at any time and generally may implement any scrip dividend scheme on such terms and conditions as the Board may from time to time determine and take such other action as the Board may deem necessary or desirable from time to time in respect of any such scheme; and
154. If several persons are entered in the Register as joint holders of any share or are jointly entitled to a share, any one of them may give receipts for any dividend or other moneys payable in respect of the share and the Board may deduct from the dividends or other moneys payable in respect of any share held jointly by several persons all sums of money (if any) presently payable to the Company from any one or more of the registered holders on account of calls or otherwise in relation to shares in the Company held in the joint names of all (but not some only) of such registered holders.

DISTRIBUTION OF REALISED CAPITAL PROFITS

155. At any time when the Company has given notice in the prescribed form (which has not been revoked) to the registrar of companies of its intention to carry on business as an investment company ("a Relevant Period") distribution of the Company's capital profits shall be prohibited. The Board shall establish a reserve to be called the capital reserve. During a Relevant Period all surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing

with any capital asset in excess of the book value thereof and all other monies which are considered by the Board to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the Acts, the Board may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the Acts, any expenses, loss or liability (or provision therefor) which the Board considers to relate to a capital item or which the Board otherwise considers appropriate to be debited to the capital reserve shall be carried to the debit of the capital reserve. During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that notwithstanding any other provision of these Articles during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution or be applied in paying dividends on any shares in the Company. In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution or be applied in paying dividends on any shares in the Company.

156. Notwithstanding any other provision of these Articles, but without prejudice to the rights attached to any shares and subject always to the Acts, the Company or the Board may by resolution specify any date (the "record date") as the date at the close of business (or such other time as the Board may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such record date may be on or at any time before the date on which the same is paid, made, given or served or (in the case of any dividend, distribution, interest, allotment or issue) at any time after the same is recommended, resolved, declared or announced but without prejudice to the rights inter se in respect of the same of transferors and transferees of any such shares or other securities. No change in the register of such holders after the record date shall invalidate the same.

ACCOUNTS

157. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by the Acts or authorised by the Board or by ordinary resolution of the Company:
- 157.1 Save as provided in this Article, a copy of the annual accounts of the Company together with a copy of the Auditors' report and the Directors' report shall, not less than twenty-one days before the date of the general meeting at which copies of those documents are to be laid, be sent to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings.
- 157.2 Copies of the documents referred to in paragraph 157.1 of this Article need not be sent;
- 157.2.1 to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware; or
- 157.2.2 to more than one of the holders of shares or debentures in respect of those shares or debentures

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

- 157.3 The Company may instead of sending copies of its annual accounts to the extent permitted by the Acts make the annual accounts available on a website or provide summary financial statements.

CAPITALISATION OF PROFITS

- 158.1 The Board may with the authority of an ordinary resolution of the Company:
- 158.1.1 subject as hereinafter provided, resolve to capitalise all or any part of the profits of the Company to which this Article applies;
 - 158.1.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either:
 - (a) in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively; or
 - (b) in paying up in full new shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions;or partly in one way and partly in the other;
 - 158.1.3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as it determines in the case of shares or debentures otherwise becoming distributable under this Article in fractions; and
 - 158.1.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, created as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.
- 158.2 The profits of the Company to which this Article applies shall be any undivided profits of the Company not required for paying fixed dividends on any preference shares or other shares issued on special conditions and shall be deemed to include:
- 158.2.1 any reserves arising from appreciation in capital assets or ascertained by valuation; and
 - 158.2.2 any other amounts for the time being standing to any reserve or reserves including capital redemption reserve and share premium account;
- Provided that to the extent required by the Acts;
- 158.2.3 the Company shall not apply an unrealised profit in paying up debentures or any amounts unpaid on any of its issued shares; and

- 158.2.4 the only purpose to which sums standing to share premium account or capital redemption reserve shall be applied pursuant to this Article shall be the payment up in full of new shares to be allotted and distributed as aforesaid.

NOTICES

159.

- 159.1 Notwithstanding anything to the contrary in these Articles, any notice or document to be given, sent, issued, deposited, served, delivered or lodged (or the equivalent) to or by any person pursuant to these Articles (other than a notice calling a meeting of the Directors) shall be in writing and, if the Board in its absolute discretion considers appropriate for any purpose or purposes under these Articles, any such notice or document shall be deemed given, sent, issued, deposited, served, delivered or lodged, or the equivalent where it is sent in electronic form, to an address for the time being notified for that purpose to the person giving the notice, but subject always to the provisions of Article 159.2 and, in the case of notices or other documents sent in electronic form, subject to and in accordance with the provisions of the Acts;
- 159.2 Subject to the Acts, any notice, document or information may be validly sent or supplied by the Company by making it available on a website if, in addition to the requirements of the Acts:
- 159.2.1 that member has agreed that such notice, document or information may be sent or supplied to him by making it available on a website or the member is deemed to have so agreed having been asked by the Company to agree that the Company may send or supply notices, documents and information to him by making it available on a website and the Company has not received a response within a period of 28 days beginning on the date on which such request was sent;
- 159.2.2 that member is sent in accordance with these Articles notification of the presence of the notice, document or information on a specified website; and
- 159.2.3 the notice, documents or information are available on that website throughout the period required by the Acts, or if no period is required by the Acts, then for a period of 28 days from the date of such notification (excluding for this purpose times where availability is limited or restricted for reasons outside the control of the Company).
- 159.3 Where a document or information is sent or supplied to the Company by a person on behalf of another, the Company may require reasonable evidence of the authority of the former to act on behalf of the latter;
- 159.4 Any amendment or revocation of a notification given to the Company under this Article shall only take effect if in writing, authenticated by the member and on actual receipt by the Company thereof;
- 159.5 An electronic communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements;
- 159.6 Any notification that may be given by the Company pursuant to sections 146 to 150 (inclusive) of the Companies Act 2006 shall be in a form prescribed or approved by the Board;

SERVICE OF NOTICE ON MEMBERS

160.

- 160.1 The Company may give any notice or document (including a share certificate) or information to a member, either personally or by sending it by post or other delivery service in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by any other means authorised in writing by the member concerned or, subject to and in accordance with the Acts, by sending it in electronic form to an address for the time being notified to the Company by the member or by making it available on a website. In the case of a member registered on an overseas branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained;
- 160.2 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the Register in respect of the joint holding. Notice so given shall be sufficient notice to all the joint holders. Anything agreed or specified by the first-named joint holder in respect of a joint holding shall be binding on all joint holders;
- 160.3 Where a member (or, in the case of joint holders, the person first named in the Register) has a registered address outside the United Kingdom but has notified the Company of an address within the United Kingdom at which notices or other documents may be given to him or, if the Board in its absolute discretion permits, subject to and in accordance with the provisions of the Companies Acts, of an address to which notices or documents may be sent in electronic form, he shall be entitled to have notices or documents given or sent to him at that address; but otherwise no such member shall be entitled to receive any notice or document from the Company;
- 160.4 If on at least three consecutive occasions the Company has attempted to send notices or documents in electronic form to an address for the time being notified to the Company by a member for that purpose but the Company is aware that there has been a failure of delivery of such notice or document, then the Company shall thereafter send notices or documents through the post to such member at his registered address or his address for the service of notices by post;
- 160.5 If on three consecutive occasions notices or other documents (other than any documents to which Article 151 applies) have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices or, subject to and in accordance with the provisions of the Acts, an address to which notices may be sent in electronic form.

NOTICE IN CASE OF DEATH OR BANKRUPTCY, ETC.

161. The Company may send or supply any notice or document on the person entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of a notice or document to a member, addressed to that person by name, or by the title of the representative of the deceased or of the trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom to which notices may be sent by electronic means supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, any notice, document or other communication sent or supplied to any member

pursuant to these Articles in any manner in which it might have been sent or supplied if the death, bankruptcy or other event had not occurred shall, notwithstanding that the member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the Company has notice of the death, bankruptcy or other event, be deemed to have been properly served or delivered in respect of any share registered in the name of that member as sole or joint holder.

EVIDENCE OF SERVICE

162.

162.1 Any member present, in person or by proxy, at any meeting of the Company or of the holders of any class of shares of the Company shall be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was called;

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

162.3 Any notice or other document addressed to a member shall, if sent using electronic means, be deemed to have been served or delivered at the expiration of 24 hours after the time it was first sent or, if the day it is sent is not a working day, on the next working day. In proving such service or delivery it shall be conclusive to prove that the address used for the electronic communication was correct and that the electronic communication was properly dispatched by the Company, unless the Company is aware that there has been a failure of delivery of such notice or document following at least 2 attempts in which case such notice or document shall be sent to the member at his registered address or address for service in the United Kingdom provided that the date of deemed service or delivery shall be 24 hours from the dispatch of the original electronic communication in accordance with this Article;

162.4 Any notice or other document sent or supplied by means of a website shall be deemed received by the intended recipient when the material was first made available on the website or, if later, when the recipient received, or is deemed to have received, notice of the fact that the material was available on the website;

162.5 In calculating a period of hours for the purposes of this Article, no account shall be taken of any part of a day that is not a working day.

NOTICE BINDING ON TRANSFEREES

163. Every person who, by operation of law, transfers or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice given by the Company pursuant to Article 43) which, before his name is entered in the Register, has been duly given to a person from whom he derives his title.

NOTICE BY ADVERTISEMENT

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

SUSPENSION OF POSTAL SERVICES

165. Subject to the Acts and to any other provision of these Articles, if at any time by reason of the suspension, interruption or curtailment of postal services or threat thereof within the United Kingdom the Company is or would be unable effectively to convene a general meeting by notices sent through the post; a meeting may be convened by a notice advertised in accordance with Article 164. Such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day on which the first of such advertisements appears. In any such case the Company shall send confirmatory copies of the notice by post if, at least seven days prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

AUTHENTICATION OF DOCUMENTS

166. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any document affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee of the Board, and any books, records, documents and accounts relating to the business of the Company and may certify copies thereof or extracts therefrom as true copies or extracts. Except in the case of manifest error a document which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in good faith that the document is true and complete and in the case of a copy of a resolution or an extract from the minutes of the Board or any committee of the Board that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DESTRUCTION OF DOCUMENTS

- 167.1 It shall be presumed conclusively in favour of the Company that every entry on the Register purporting to have been made on the basis of an instrument of transfer or other document destroyed by the Company was duly and properly made and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, and that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every other document mentioned in paragraph 167 1.1 below so destroyed was a valid and effective document in accordance with the recorded particulars of it in the books and records of the Company and that every paid dividend warrant and cheque so destroyed was duly paid; provided always that:

- 167.1.1 six years shall have elapsed since the date of registration of the relevant instrument of transfer of shares and two years shall have elapsed since the date of recording of the relevant dividend mandate or notification of change of name or address and one year shall have elapsed since the recorded date of payment of the relevant dividend cheque or cancellation of the relevant cancelled share certificate; and

- 167.1.2 the Company is not shown to have destroyed a document in bad faith or with actual notice of any claim (regardless of the parties) to which the document might be relevant.

provided that the Company may destroy any such type of document at a date earlier than that authorised by this Article if a copy of such document is made and retained (whether made electronically, by microfilm, by digital imaging or by any other means) until the expiration of the period applicable to the destruction of the original of such document.

- 167.2 The Company shall be entitled to destroy any such document after the relevant period referred to in paragraph 167 1.1 of this Article but nothing in these Articles shall be construed as imposing upon the Company any duty to retain any document for such period;
- 167.3 References in this Article to the destruction of any document include references to its disposal in any manner.

WINDING UP

168. If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Acts, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.
169. On a return of capital on a winding up pursuant to Article 168, the assets of the Company available for distribution to members shall be distributed rateably amongst the holders of the Ordinary Shares according to the nominal value of their respective holdings of such shares.

DURATION OF THE COMPANY

170. At the annual general meeting of the Company in 2016 (or such other date as the company may by ordinary resolution determine) and, if the Company has not then been wound up or unitised or re-organised at each fifth annual general meeting of the Company thereafter, the Directors shall procure that an ordinary resolution will be proposed to the effect that the Company shall continue in being as a venture capital trust. If at any such meeting such resolution is not passed the Board shall within 4 months of such meeting convene a general meeting of the Company at which either or both of the following resolutions shall be proposed:

- 170.1 A special resolution for the re-organisation or reconstruction of the Company; or
- 170.2 A special resolution requiring the Company to be wound up voluntarily.

If neither of the special resolutions referred to in paragraphs 170.1 and 170 2 of this Article is passed, the Company shall continue as a venture capital trust.

171. If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the members (excluding any member holding shares as treasury shares) in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division

shall be earned out as between the members or different classes of members Any such division may be otherwise than in accordance with the existing rights of the members, but if any division is resolved otherwise than in accordance with such rights, the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to section 110 Insolvency Act 1986 The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees on such trusts for the benefit of the members as he with the like sanction, shall determine, but no member shall be compelled to accept any assets on which there is a liability.

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

RIGHT TO INDEMNITY

173.

- 173.1 Subject to the provisions of the Acts, but without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was at any time a Director or an officer of the Company or a director or officer of an associated company (except the Auditors) shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, damages and liabilities incurred by him for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company or of an associated company, or in connection with the activities of the Company, or of an associated company, as a trustee of an occupational pension scheme;
- 173.2 Subject to the provisions of the Acts, the Company may at the discretion of the Board provide any person who is or was a Director or officer of the Company or a director or officer of an associated company (except the Auditors or the auditors of an associated company) with funds to meet expenditure incurred or to be incurred by him (or to enable such Director or officer to avoid incurring such expenditure) in defending any criminal or civil proceedings or defending himself in any investigation by, or against action proposed to be taken by, a regulatory authority or in connection with any application under the provisions referred to in section 205(5) Companies Act 2006.

POWER TO INSURE

174. Subject to the provisions of the Acts, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a Director or officer (excluding the Auditors) or employee of the Company or of an associated company or of any company in which the Company has an interest whether direct or indirect or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such other company or subsidiary undertaking is or has been interested indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or omitted to have been done, or alleged to have been done or omitted to have been done, as a Director, officer, employee or trustee.