

Co No. 05840377

THE COMPANIES ACTS 1985 TO 2006 PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION (Amended by Special Resolutions passed on 19 September 2012, 21 November 2014, 28 July 2015, 30 November 2015, 12 December 2016, 9 July 2020 and ● 2023) of

OCTOPUS APOLLO VCT PLC

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Company No 5840377

THE COMPANIES ACTS 1985 TO 2006 PUBLIC COMPANY LIMITED BY SHARES ARTICLES OF  
ASSOCIATION OF

OCTOPUS APOLLO VCT PLC

PRELIMINARY

1. MODEL ARTICLES NOT TO APPLY

1.1 No regulations for management of a company set out in any schedule to, or 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. INTERPRETATION

2.1 In these Articles, unless the context otherwise requires, the following expressions have the following meanings:

<b>the Acts</b>	the Companies Acts as defined in s.2 of the CA 2006
<b>address</b>	includes any number or address used for the purpose of sending or receiving notices, documents or information by electronic means including website
<b>Annual General Meeting</b>	a meeting of shareholders as defined under section 336 of the CA 2006
<b>these Articles</b>	these Articles of Association as altered or varied from time to time (and "Article" means one of these Articles)
<b>Auditors</b>	the auditors for the time being of the Company or, in the case of joint auditors, any one of them
<b>Board</b>	the board of Directors for the time being of the Company or the Directors present or deemed to be present at a duly convened meeting of Directors at which a quorum is present
<b>Business Day</b>	a day (excluding Saturday and Sunday and public holidays in England and Wales) when the banks are generally open for business in London
<b>CA 2006</b>	the Companies Act 2006
<b>Chair</b>	the chair (if any) of the Board or, where the context requires, the chair of a general meeting of the Company
<b>Clear days</b>	(in relation to the period of a notice) that period, excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect
<b>Company</b>	Octopus Apollo VCT pic



<b>Communication</b>	has the same meaning as in the Electronic Communications Act 2000
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No 2001/3755) including any modification thereof and rules made thereunder or any regulations in substitution therefore relating to the holding, evidencing of title to, or transfer of uncertificated shares
<b>Depository</b>	a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board whereby such custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder thereof to or to receive such shares, rights or interests, provided and to the extent that such arrangements have been approved by the Board for the purpose of these Articles, and shall include, where approved by the Board, the trustees (acting in their capacity as such) of any employees' share scheme established by the Company or any other scheme or arrangement principally for the benefit of employees or those in the service of the Company and/or its subsidiaries or their respective businesses and the managers (acting in their capacity as such) of any investment or savings plan, which in each case the Board has approved
<b>Director</b>	a director for the time being of the Company
<b>Electronic communication</b>	has the same meaning as under the Electronic Communications Act 2000 and includes website communication in accordance with Article 155.2
<b>Electronic facility</b>	includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a meeting as determined by the Board pursuant to Article 55
<b>Electronic form</b>	has the same meaning as defined in s.1168 of the CA 2006
<b>Electronic means</b>	has the same meaning as defined in s.1168 of the CA 2006
<b>holder</b>	means (in relation to any share) the member whose name is entered in the Register as the holder or, where the context permits, the members whose names are entered in the Register as the joint holders, of that share
<b>ICSA Guidelines</b>	the statements of Recommended Best Practice in the memorandum headed "Electronic Communications with Shareholders" published by the Institute of Chartered

**Commented [CS1]:** To consider including to help facilitate hybrid meetings

	Secretaries and Administrators in December 2000 and any modification, extension or replacement for the time being in force,
<b>London Stock Exchange</b>	London Stock Exchange pic or other principal stock exchange in the United Kingdom for the time being
<b>member</b>	a member of the Company or, where the context requires, a member of the Board or of any committee
<b>Office</b>	the registered office for the time being of the Company
<b>Operator</b>	CREST Co Limited or other such persons as may from time to time being be approved by HM Treasury as Operator under the CREST Regulations
<b>Operator-instruction</b>	a properly authenticated dematerialised instruction attributable to the Operator
<b>Ordinary Shares or Shares</b>	ordinary shares of 0.1p in the capital of the Company
<b>Ordinary Shareholders</b>	means holders of ordinary shares
<b>Paid up</b>	paid up or credited as paid up
<b>Participating security</b>	a security title to units of which is permitted by the Operator to be transferred by means of a relevant system
<b>Recognised person</b>	a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange which is designated as mentioned in Section 778(2) CA 2006
<b>Register</b>	the register of members of the Company to be kept pursuant to Section 113 CA 2006 or, as the case may be, any overseas branch register kept pursuant to Article 114
<b>Relevant system</b>	a computer based system, and procedures, which enable title to be evidenced and transferred without a written instrument pursuant to the CREST Regulations
<b>Seal</b>	the common seal of the Company or any official or securities seal that the Company may be permitted to have under the Acts
<b>Secretary</b>	the secretary for the time being of the Company or any other person appointed to perform any of the duties of the secretary of the Company including (subject to the provisions of the Acts) a joint, temporary, assistant or deputy secretary
<b>Statutes</b>	the Acts, the CREST Regulations and every other statute, statutory instrument, rule, order or regulation for the time being in force concerning companies and affecting the Company

<b>United Kingdom</b>	Great Britain and Northern Ireland
<b>Website Communication</b>	means any notice, document or information given by means of a website
<b>writing or written</b>	and includes printing, typewriting, lithography, photography and any other mode or modes of representing or reproducing words in a legible and non-transitory form

- 2.2 Unless the context otherwise requires:
- 2.2.1 words in the singular include the plural, and vice versa;
  - 2.2.2 words importing the masculine gender include the feminine gender; and
  - 2.2.3 a reference to a person includes a body corporate and an unincorporated body of persons.
- 2.3 A reference to any statute or provision of a statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force.
- 2.4 References to writing including references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form and documents and information sent or supplied in electronic form or made available on a website are "in writing" for the purposes of these Articles.
- 2.5 Save as aforesaid, and unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Acts.
- 2.6 The headings are inserted for convenience only and shall not affect the construction of these Articles.
- 2.7 Where pursuant to any provision of these Articles any notice, appointment of proxy or other document contained in an electronic communication is required to be signed or executed by or on behalf of any person, that signature or execution shall include the affixation by or on behalf of that person of an electronic signature (as defined in the Electronic Communications Act 2000), or personal identification details in such form as the Directors may approve.
- 2.8 **A reference to a meeting:**
- 2.8.1 shall mean a meeting convened and held in any manner permitted by these Articles, including a general meeting or Annual General Meeting at which some (but not all) those entitled to be present attend and participate by means of electronic facility or facilities, and such persons shall be deemed to be present at that meeting for all purposes of the Acts and these Articles, and "attend", "participate", "attending", "participating", "attendance" and "participation" shall be construed accordingly; and
  - 2.8.2 shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.
- 2.9 References to a person's "participation" in the business of a meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly

appointed representative) to speak, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Acts or these Articles to be made available at the meeting, and “participate” and “participating” in the business of a general meeting shall be construed accordingly.

2.10 Nothing in these Articles precludes the holding and conducting of a meeting in such a way that persons who are not present together at the same place or places may by electronic means attend and participate in it.

**Commented [CS2]:** To consider including these provisions, which help facilitate hybrid (but not fully electronic) meetings

### 3. FORM OF RESOLUTION

3.1 Subject to the Acts, where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective.

3.2 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting properly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more of the members.

### 4. UNCERTIFICATED SHARES

4.1 Notwithstanding anything in these Articles to the contrary, any shares in the Company may be issued, held, registered, converted to, transferred or otherwise dealt with in uncertificated form and converted from uncertificated form to certificated form in accordance with the CREST Regulations and practices instituted by the Operator of the relevant system. Any provisions of these Articles shall not apply to any uncertificated shares to the extent that such provisions are inconsistent with:

- 4.1.1 the holding of shares in uncertificated form;
- 4.1.2 the transfer of title to shares by means of a relevant system; or
- 4.1.3 any provision of the CREST Regulations.

4.2 Without prejudice to the generality and effectiveness of the foregoing:

- 4.2.1 Articles 11 and 12 shall not apply to uncertificated shares;
- 4.2.2 without prejudice to Article 34 in relation to uncertificated shares, the Board may also refuse to register a transfer of uncertificated shares in such other circumstances as may be permitted or required by the CREST Regulations and the relevant system;
- 4.2.3 references in these Articles to a requirement on any person to execute or deliver an instrument of transfer or certificate or other document which shall not be appropriate in the case of uncertificated shares shall, in the case of uncertificated shares be treated as references to a requirement to comply with any relevant requirements of the relevant system and any relevant arrangements or regulations which the Board may make from time to time pursuant to Article 4.2.11 below;

- 4.2.4 for the purposes referred to in Article 41, a person entitled by transmission to a share in uncertificated form who elects to have some other person registered shall either:
- 4.2.4.1 procure that instructions are given by means of the relevant system to effect transfer of such uncertificated share to that person; or
  - 4.2.4.2 change the uncertificated share to certificated form and execute an instrument of transfer of that certificated share to that person;
- 4.2.5 the Company shall enter on the Register the number of shares which are held by each member in uncertificated form and in certificated form and shall maintain the Register in each case as is required by the CREST Regulations and the relevant system and, unless the Board otherwise determines, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings;
- 4.2.6 a class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these or the CREST Regulations which applies only in respect of certificated shares or uncertificated shares;
- 4.2.7 references in Article 42 to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system relating to the transfer of such shares;
- 4.2.8 for the purposes referred to in Article 45, the Board may in respect of uncertificated shares authorise some person to transfer and/or require the holder to transfer the relevant shares in accordance with the facilities and requirements of the relevant system;

- 4.2.9 for the purposes of Article 143.1, any payment in the case of un-certificated shares may be made by means of the relevant system (subject always to the facilities and requirements of the relevant system) and without prejudice to the generality of the foregoing such payment may be made by the sending by the Company or any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders of such shares or, if permitted by the Company, of such person as the holder or joint holders may in writing direct and for the purposes of Article 143.2 the making of a payment in accordance with the facilities and requirements of the relevant system concerned shall be a good discharge to the Company;
- 4.2.10 subject to the Acts the Board may issue shares as certificated shares or as un-certificated shares in its absolute discretion and Articles 6, 145 and 146 shall be construed accordingly;
- 4.2.11 the Board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion think fit in relation to the evidencing and transfer of un-certificated shares and otherwise for the purpose of implementing and/or supplementing the provisions of this Article 4 and the CREST Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article 4;
- 4.2.12 the Board may utilise the relevant system to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Acts or these Articles or otherwise in effecting any actions; and
- 4.2.13 the Board may resolve that a class of shares is to become a participating security and may at any time determine that a class of shares shall cease to be a participating security.
- 4.3 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 un-certificated form, such entitlement (to the extent permitted by the CREST Regulations and the rules made and practices instituted by the Operator of the relevant system) shall include the right to:
- 4.3.1 request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in un-certificated form; and/or
- 4.3.2 require any holder of any un-certificated shares which are the subject of any exercise by the Company of any such entitlement by notice in writing to the holder concerned, to change his holding of such un-certificated 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 or otherwise, as may be necessary to sell or transfer such shares; and/or
- 4.3.3 appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such shares as

may be required to effect a 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

- 4.3.4 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
- 4.3.5 otherwise rectify or change the Register in respect of that share in such manner as may be appropriate; and
- 4.3.6 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.

4.4 For the purposes of this Article 4:

- 4.4.1 words and expressions shall have the same respective meanings as in the Regulations;
- 4.4.2 references herein to an uncertificated share or to a share (or to a holding of shares) being in uncertificated form are references to that share being an uncertificated unit of a security, and references to a certificated share or to a share being in certificated form are references to that share being a unit of a security which is not an uncertificated unit; and
- 4.4.3 "cash memorandum account" means an account so designated by the Operator of the relevant system.

**Commented [CS3]:** Generally, need to check cross references to Articles at the end

## SHARE CAPITAL

### 5. ORDINARY SHARES

The rights attaching to the Ordinary Shares are set out in Articles 165 and 166.

### 6. ALLOTMENT

- 6.1 Subject to the provisions of the Statutes and without prejudice to the rights attaching to any existing Shares or class of Shares, any Share issued with such preferred, deferred, or other special rights or such restrictions as the Company may from time to time by Ordinary Resolution determine or, if the Company has not so determined, as the Directors may determine (but so that no Shares shall be issued by the Company carrying any present or future rights to dividend or to the Company's assets on a winding-up or to be redeemed or any other rights which would or might make any Ordinary Shares then in issue, or which might in the future be issued, ineligible for subscribers therefore to obtain tax reliefs pursuant to Schedule 15B of the Income and Corporation Taxes Act 1988 and/or Section 151 A, 151B and Schedule 5C of the Taxes and Chargeable Gains Act 1992 (as amended or varied from time to time)).

7. **REDEEMABLE SHARES**

Subject to the provisions of the Acts and to any special rights for the time being attached to any existing shares, any share may be issued which is, or at the option of the Company or of the holder of such share is liable, to be redeemed on such terms and in such manner as these Articles may provide.

8. **POWER TO ATTACH RIGHTS**

Subject to the provisions of the Acts and to any special rights for the time being attached to any existing shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine.

**Commented [CS4]:** Suggest deleting provisions relating to share warrants to bearer

9. **COMMISSION AND BROKERAGE**

The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Acts. Subject to the provisions of the Acts and the rules of the London Stock Exchange (if any), any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares, the grant of an option to call for an allotment of shares or any combination of such methods. The Company may give financial assistance for the acquisition of shares in the Company to the extent that it is not restricted or otherwise permitted by the Statutes.

10. **TRUSTS NOT TO BE RECOGNISED**

Except as otherwise expressly provided by these Articles, as required by law or as ordered by a court of competent jurisdiction, the Company shall not recognise any person as holding any share on any trust and (except as aforesaid) the Company shall not be bound by or recognise (even if having notice of it) any equitable, contingent, future, partial or other claim or interest in any share except an absolute right of the holder to the whole of the share.

**SHARE CERTIFICATES**

11. **RIGHT TO CERTIFICATES**

11.1 On becoming the holder of any share, every person (except a recognised person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled, without charge, to have issued within two months after allotment or lodgment of a transfer (unless the terms of issue of the shares provide otherwise) one certificate for all the shares of each class registered in his name. Such certificate shall specify the number, class, and distinguishing numbers (if any) of the shares in respect of which it is issued and the amount or respective amounts paid up thereon and shall be issued as provided in Article 134.

11.2 The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named on the register shall be sufficient delivery to all joint holders.



11.3 Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

**Commented [CS5]:** Consider adding – this is relatively standard

11.4 Where a member (other than a recognised person) has transferred part only of the share comprised in a certificate, he shall be entitled without charge to a certificate for the balance of such shares.

11.5 No certificate shall be issued representing shares of more than one class or in respect of shares held by a recognised person.

## 12. REPLACEMENT CERTIFICATES

12.1 Any two or more certificates representing shares of anyone class held by any ember may at his request be cancelled and a single new certificate for such shares issued in lieu without charge on surrender of the original certificates for cancellation.

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

12.3 Share certificates may be renewed or replaced on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out of pocket expenses, including those incurred by the Company in investigating such evidence and preparing such indemnity and security, as the Board may decide, and on surrender of the original certificate (where it is defaced, damaged or worn out), but without any further charge.

12.4 In the case of shares held jointly by several persons, any such request as is mentioned in this Article 12 may be made by any one of the joint holders.

## LIEN ON SHARES

### 13. LIEN ON SHARES NOT FULLY PAID

The Company shall have a first and paramount lien on each of its shares which is not fully paid, for all amounts payable to the Company (whether presently or not) in respect of that share and to the extent and in the circumstances permitted by the Acts. The Board may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partly from the provisions of this Article.

### 14. ENFORCEMENT OF LIEN BY SALE

The Board may sell all or any of the shares subject to any lien at such time or times and in such manner as it may determine. However, no sale shall be made until such time as the monies in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payments or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on the holder or the persons (if any) entitled by transmission to the shares, and default in payment.

Fulfillment or discharge shall have been made by him or them for 14 clear days after service of such notice. For giving effect to any such sale, the Board may authorise some person to execute an instrument of transfer of the shares sold in the name and on behalf of the holder or the persons entitled by transmission in favour of the purchaser or as the purchaser may direct. The purchaser shall not be bound to see to the application of the purchase money, and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

15. **APPLICATION OF PROCEEDS OF SALE**

The net proceeds of any sale of shares subject to any lien, after payment of the costs, shall be applied in or towards satisfaction of so much of the amount due to the Company or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged. The balance (if any) shall (on surrender to the Company for cancellation of the certificate for the shares sold, and subject to a like lien for any monies not presently payable or any liability or engagement not liable to be presently fulfilled or discharged as existed on the shares before the sale) be paid to the holder or the person (if any) entitled by transmission to the shares so sold (without interest).

**CALLS ON SHARES**

16. **CALLS**

Subject to the terms of allotment of shares, the Board may from time to time make calls on the members in respect of any monies unpaid on the shares, of any class, held by them respectively (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the terms of issue. Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made and whether or not by instalments) be liable to pay the amount of every call so made on him as required by the notice. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed or (as the case may require) any person to whom power has been delegated pursuant to these Articles serves notice of exercise of such power. A call may be required to be paid by instalments and may, before receipt by the Company of any sum due thereunder, be either revoked or postponed in whole or part as regards all or any such members as the Board may determine. A person on whom a call is made shall remain liable notwithstanding the subsequent transfer of the shares in respect of which the call was made.

17. **LIABILITY OF JOINT HOLDERS**

The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect thereof.

18. **INTEREST ON CALLS**

If the whole of the sum payable in respect of any call is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment, together with interest on the unpaid amount from the day appointed for payment thereof to the time of actual payment at the rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is so fixed, at such rate, not exceeding 15 per cent per

annum (compounded on a 6 monthly basis), as the Board shall determine. The Board may waive payment of such costs, charges, expenses or interest in whole or in part.

19. **RIGHTS OF MEMBER WHEN CALL UNPAID**

Unless the Board otherwise determines, no member shall be entitled to receive any dividend or to be present and vote at a general meeting or at any separate general meeting of the holders of any class of shares either in person or (save as a proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other right or privilege as a member in respect of a share held by him unless and until he shall have paid all calls for the time being due and payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) to the Company.

20. **SUMS DUE ON ALLOTMENT TREATED AS CALLS**

Any sum payable in respect of a share on allotment or at any fixed date, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall for all purposes of these Articles be deemed to be a call duly made. If it is not paid, the provisions of these Articles shall apply as if such amount had become due and payable by virtue of a call.

21. **POWER TO DIFFERENTIATE**

The Board may make arrangements on the allotment or issue of shares for a difference as between the allottees or holders of such shares in the amount and time of payment of calls.

22. **PAYMENT IN ADVANCE OF CALLS**

The Board may, if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish pro tanto the liability on the shares on which it is made. The Company may pay interest on the money paid in advance, or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, at such rate as the Board may decide. The Board may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

23. **DELEGATION OF POWER TO MAKE CALLS**

If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may delegate on such terms as it thinks fit to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, to sue in the name of the Company or otherwise for the recovery of monies becoming due in respect of calls so made and to give valid receipts for such monies. The power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be.

## **FORFEITURE OF SHARES**

### **24. NOTICE IF CALL NOT PAID**

if any member fails to pay the whole of any call or any instalment of any call on or before the day appointed for payment, the Board may at any time serve a notice in writing on such member or on any person entitled to the shares by transmission, requiring payment, on a date not less than 14 clear days from the date of the notice, of the amount unpaid and any interest which may have accrued thereon and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

### **25. FORFEITURE FOR NON-COMPLIANCE**

If the notice referred to in Article 24 is not complied with, any share in respect of which it was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or other monies payable in respect of the forfeited shares and not paid before the forfeiture.

### **26. NOTICE AFTER FORFEITURE**

When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the Register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry as aforesaid.

### **27. FORFEITURE MAY BE ANNULLED**

The Board may, at any time before any share so forfeited has been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture, on the terms that payment shall be made of all calls and interest due thereon and all expenses incurred in respect of the share and on such further terms (if any) as the Board shall see fit.

### **28. SURRENDER**

The Board may accept a surrender of any share liable to be forfeited in such case references in these Articles to forfeiture shall include surrender.

### **29. DISPOSAL OF FORFEITED SHARES**

Every share which shall be forfeited shall thereupon become the property of the Company. Subject to the provisions of the Acts, any such share may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board shall determine. The Board may, for the purposes of the disposal, authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the Register notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder

of or the person entitled by transmission to, the share. The Company may receive the consideration (if any) given for the share on its disposal.

**30. EFFECT OF FORFEITURE**

A shareholder whose shares have been forfeited shall cease to be a member in respect of the shares forfeited and shall surrender to the Company for cancellation the certificate for such shares. He shall nevertheless be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon from the date of the forfeiture to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) claims, demands and liabilities which the Company might have enforced in respect of the shares at the time of forfeiture, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

**31. EXTINCTION OF CLAIMS**

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

**32. EVIDENCE OF FORFEITURE**

A statutory declaration by a Director or the Secretary that a share has been forfeited in pursuance of these Articles, and stating the date on which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated. The declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof and a certificate for the share under the Seal delivered to the person to whom the same is sold or disposed of, shall (subject if necessary to the execution of an instrument of transfer) constitute a good title to the share. Subject to the execution of any necessary transfer, such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share. Such person shall not (except by express agreement with the Company) become entitled to any dividend which might have accrued on the share before the completion of the sale or disposition thereof.

**TRANSFER OF SHARES**

**33. FORM OF TRANSFER**

**33.1** All transfers of shares which are in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the

Register in respect thereof. All instruments of transfer which are registered may be retained by the Company.

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

33.3 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.

**34. RIGHT TO REFUSE REGISTRATION**

34.1 The Directors may decline to recognise any instrument of transfer relating to shares in certificated form unless it is in respect of only one class of share and is lodged (duly stamped if required) at the Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer of shares in uncertificated form by a recognised clearing house or a nominee of a clearing house or of an investment exchange recognised by the Financial Services Authority under Part XVIII of the Financial Services and Markets Act 2000 the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

34.2 The Directors may, in the case of shares in certificated form, in their absolute discretion and 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 of the London Stock Exchange or to any other investment exchange recognised by the Financial Services Authority under Part XVIII of the Financial Services and Markets Act 2000, 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.

34.3 The Directors 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. NOTICE OF REFUSAL**

35.1 If the Directors refuse to register an allotment or transfer of shares they shall within two months of the date on which:

35.1.1 the letter of allotment or instrument of transfer was lodged with the Company (in the case of shares held in certificated form);

35.1.2 the Operator-instruction was received by the Company (in the case of shares held in uncertificated form);

send to the allottee or transferee notice of the refusal.

**36. CLOSING OF REGISTER AND BRANCH REGISTER**

The registration of transfers of shares or of any class of shares may be suspended (to the extent the same is consistent with the Acts) at such times and for such periods (not exceeding 30 days in any year) as the Board may from time to time determine. Notice of closure of the Register shall be given in accordance with the requirements of the Acts.

37. **BALANCE CERTIFICATE**

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

38. **FURTHER PROVISIONS ON SHARES IN UNCERTIFICATED FORM**

38.1 Subject to the Statutes and the rules (as defined in the CREST Regulations), the Directors may determine that any class of shares may be held in uncertificated form and that title to such shares may be transferred by means of a relevant system or that shares of any class should cease to be held and transferred as aforesaid.

38.2 The provisions of these Articles shall not apply to shares of any class which are in uncertificated form to the extent that such Articles are inconsistent with:

- 38.2.1 the holding of shares of that class in uncertificated form;
- 38.2.2 the transfer of title to shares of that class by means of a relevant system, or
- 38.2.3 any provision of the CREST Regulations.

39. **FEES ON REGISTRATION**

No fee shall be charged for registration of a transfer or on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, notice or other instrument relating to or affecting the title to any shares.

40. **OTHER POWERS IN RELATION TO TRANSFERS**

40.1 Nothing in these Articles shall preclude the Board:

- 40.1.1 from recognising a renunciation of the allotment of any share by the allottee in favour of some other person; or
- 40.1.2 if empowered by these Articles to authorise any person to execute an instrument of transfer of a share, from authorising any person to transfer that share in accordance with any procedures implemented pursuant to Article 14.

**TRANSMISSION OF SHARES**

41. **ON DEATH**

If a member dies, the survivors or survivor, where he was a joint holder, and his executors or administrators, where he was a sole or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his shares. Nothing in these Articles shall release the estate of a deceased member from any liability in respect of any share which has been solely or jointly held by him.

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

Any person becoming entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, on such evidence as to his title being produced as the Board may require, elect either to become registered as a member or to have some person nominated by him registered as a member. If he elects to become registered himself, he shall give notice to the Company to that effect. If he elects to have some other person registered, he shall execute an instrument of transfer of such share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event as aforesaid had not occurred. Where the entitlement of a person 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 is proved to the satisfaction of the Board, the Board shall within two months after such proof is provided cause the entitlement of that person to be noted in the Register.

43. **RIGHTS ON TRANSMISSION**

Where a person becomes entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, the rights of the holder in relation to such share shall cease. However, the person so entitled may give a good discharge for any dividends and other monies payable in respect of it and shall have the same rights to which he would be entitled if he were the holder of the share, except that he shall not, before he is 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 of 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. If the notice is not complied with within 60 days, the Board may thereafter withhold payment of all dividends and other monies payable in respect of such share until the requirements of the notice have been complied with.

**DESTRUCTION OF DOCUMENTS**

44. **DESTRUCTION OF DOCUMENTS**

44.1 Subject to compliance with the rules (as defined in the CREST Regulations) applicable to shares of the Company in uncertificated form, the Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:



- 44.1.1 the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- 44.1.2 nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- 44.1.3 references herein to the destruction of any document include references to the disposal thereof in any manner.

#### **ALTERATION OF SHARE CAPITAL**

#### **45. INCREASE, CONSOLIDATION, CANCELLATION AND SUB-DIVISION**

45.1 The Company in general meeting may from time to time by ordinary resolution:

- 45.1.1 increase its share capital by such sum to be divided into shares of such amount as the resolution prescribes;
- 45.1.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 45.1.3 cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
- 45.1.4 subject to the provisions of the Statutes, sub-divide its shares or any of them into shares of smaller amount, and may by such resolution determine that, as between the shares resulting from such subdivision, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares.

#### **46. FRACTIONS**

Whenever as a result of a consolidation or subdivision of shares any members would become entitled to fractions of a share, the Directors may deal with the fractions as they think fit and, in particular, the Directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Acts, the Company) and distribute the net proceeds of sale in due proportion among those members, and the Directors may authorise some person to transfer the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale. So far as the Statutes allow, the Directors may treat shares of a member in certificated form and in uncertificated form as separate holdings in giving effect to subdivisions 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. **REDUCTION OF CAPITAL**

Subject to the provisions of the Acts and to any rights for the time being attached to any shares, the Company may by special resolution reduce its share capital or any capital redemption reserve or share premium account or other un-distributable reserve in any way.

48. **PURCHASE OF OWN SHARES**

Subject to the provisions of the Acts and to any rights for the time being attached to any Shares, the Company may purchase any of its own Shares of any class (including any redeemable Shares).

**VARIATION OF CLASS RIGHTS**

49. **SANCTION TO VARIATION**

If at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may be varied or abrogated in such manner (if any) as maybe provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as hereinafter provided (but not otherwise).

50. **CLASS MEETINGS**

All the provisions in these Articles as to general meetings shall mutatis mutandis apply to every meeting of the holders of any class of shares. The Board may convene a meeting of the holders of any class of shares whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights. The quorum at every such meeting shall be not less than two persons holding or representing by proxy at least one-third of the nominal amount paid up on the issued shares of the class. Every holder of shares of the class, present in person or by proxy, may demand a poll. Each such holder shall on a poll be entitled to one vote for every share of the class held by him. If at any adjourned meeting of such holders such quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

51. **DEEMED VARIATION**

51.1 Subject to the terms of issue of or rights attached to any shares, the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *par passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of the capital paid up on such shares or by the purchase or redemption by the Company of its own shares in accordance with the provisions of the Acts and these Articles.

51.2 The provisions of Articles 49 to 51 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if such group of shares of the class differently treated formed a separate class.

## **GENERAL MEETINGS**

### **52. ANNUAL GENERAL MEETINGS**

The Company shall within 6 months of its financial year end hold a general meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. The Annual General Meeting shall be held at such time and place as the Directors may appoint.

### **53. GENERAL MEETING**

All general meetings, other than annual general meetings, shall be called General Meetings.

### **54. CONVENING OF GENERAL MEETING**

The Board may convene a General Meeting whenever it thinks fit. A General Meeting shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Sections 303 to 306 CA 2006. At any meeting convened on such requisition or by such requisitionists no business shall be transacted except that stated by the requisition or proposed by the Board. If there are not within the United Kingdom sufficient members of the Board to convene a general meeting, any Director may call a general meeting.

### **55. NOTICE OF ANNUAL GENERAL MEETINGS AND GENERAL MEETINGS**

55.1 An Annual General Meeting shall be convened by not less than 21 clear days' notice in writing or otherwise in accordance with Articles 154-160 and all other General Meetings shall be convened by not less than 14 clear days' notice in writing or otherwise in accordance with Articles 154-160. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such members as are not under the provisions of these Articles entitled to receive such notice from the Company Provided That the Company may determine that only those persons entered on the Register at the close of business on a day determined by the Company, such day being no more than 21 days before the day that notice of the meeting is sent, shall be entitled to receive such a notice.

55.2 Subject to the provisions of the Acts, and notwithstanding that it is convened by shorter notice than that specified in this Article 55, a general meeting shall be deemed to have been duly convened if it is so agreed:

55.2.1 in the case of an Annual General Meeting, by all the members entitled to attend and vote at the meeting; and

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

55.3 The notice shall specify:

55.3.1 whether the meeting is an Annual General Meeting or an extraordinary general meeting;

55.3.2 the place, the day and the time of the meeting;

- 55.3.3 in the case of special business, the general nature of that business;
  - 55.3.4 if the meeting is convened to consider a Special or Ordinary Resolution, the intention to propose the resolution as such; and
  - 55.3.5 with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.
- 55.4 The notice shall be given to the members (other than any who, under the provisions of these Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors and to the Auditors in accordance with Articles 154-160.
- 55.5 The Board may, if it considers it necessary, when specifying the place of a general meeting:
- 55.5.1 direct that the general meeting shall be held at a place specified in the notice ("**Main Meeting Place**") at which the chair of the meeting shall preside; and
  - 55.5.2 make arrangements for simultaneous attendance and participation at another place or other places (including by electronic facility or facilities) by members and proxies otherwise entitled to attend the general meeting but excluded from it under the provisions of this Article 55.5 or who wish to attend at the other place or any of such other places.
- 55.6 Such arrangements for simultaneous attendance may include arrangements for regulating the level of attendance in the manner aforesaid at the other place or any of such other places.
- 55.7 The members present in person or by proxy at the other place or places (including by electronic facility or facilities) pursuant to the provisions of Article 55.5.2 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 chair of the 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:
- 55.7.1 participate in the business for which the general meeting has been convened;
  - 55.7.2 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
  - 55.7.3 be heard and seen by all other persons present in the same way.
- 55.8 If it appears to the chair 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 55.7, then the chair 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, save that the chair may specify that only the business conducted at the meeting up to a point in time which is earlier than the time of the adjournment is valid if, in their opinion, to do so would be more appropriate. The provisions of Article 62 shall apply to that adjournment.

**Commented [CS6]:** Amendments suggested to facilitate attendance remotely if the board considers it appropriate

55.9 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.

55.10 All persons seeking to attend and participate in a general meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the power for the chair to adjourn a general meeting in accordance with the provisions of Article 55.8, any inability of a person or persons to attend or participate in a general meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting.

55.11 If, after the sending of the notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is impracticable or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting (including a satellite meeting to which Article 55.5.2 applies) and/or by means of the electronic facility or facilities specified in the notice, it may postpone the general meeting to another date, time and/or place (or in the case of a general meeting to be held at a Main Meeting Place and one or more satellite meeting places, to such other places) and/or change the electronic facility or facilities. If such a decision is made, the Board may then change the place (or any of the places in the case of a general meeting to which Article 55.5.2 applies) and/or the electronic facility or facilities and/or postpone the date and/or time again if it considers that it is reasonable to do so. No new notice of the general meeting need be sent but the Board shall take reasonable steps to ensure that notice of the change of date, time, place (or places, in the case of a general meeting to which Article 55.5.2 applies) of and/or electronic facility or facilities for the postponed meeting appear at the original time and at the original place (or places, in the case of a general meeting to which Article 55.5.2 applies) and/or on the original electronic facility or facilities. When a general meeting is so postponed, notice of the date, time and place (or places in the case of a meeting to which Article 55.5.2 applies), including any electronic facility if applicable, of the postponed meeting shall be given in such manner as the Board may, in its absolute discretion, determine. No business shall be transacted at any postponed meeting other than business which might properly have been transacted at the meeting had it not been postponed. Notice of the business to be transacted at such postponed meeting shall not be required. If a general meeting is postponed in accordance with this Article, the appointment of a proxy will be valid if it is delivered and received as required by these Articles not less than 48 hours before the time appointed for holding the postponed meeting. When calculating the 48 hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day.]

56. **OMISSION TO SEND NOTICE**

The accidental omission to send a notice of meeting or, in cases where it is intended that it be sent out with the notice, an appointment of proxy to, or the non-receipt of either by, any person entitled to receive the same shall not invalidate the proceedings at that meeting.

57. **SPECIAL BUSINESS**

57.1 All business that is transacted at a general meeting shall be deemed special, except the following transactions at an Annual General Meeting:

57.1.1 the declaration of dividends;

**Commented [CS7]:** To consider including in order to allow a general meeting to be postponed. This may be useful given the potential issues with electronic facilities that might require postponement or alteration of meeting arrangements

- 57.1.2 the receipt and consideration of the annual accounts and the reports of the Directors and the Auditors and any other document required to be annexed to the annual accounts;
- 57.1.3 the election or re-election of Directors;
- 57.1.4 the re-appointment of the Auditors retiring (unless they were last appointed otherwise than by the Company in general meeting) and the fixing of the remuneration of the Auditors or the determination of the manner in which such remuneration is to be fixed.

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

##### **58. QUORUM**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Subject to Article 59 two persons entitled to attend and to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum provided that if the Company has only one member, the quorum shall be one such person entitled to attend and to vote on the business to be transacted. Members attending a general meeting who are not in the same location as each other may form part of the quorum.

##### **59. IF QUORUM NOT PRESENT**

If within fifteen minutes (or such longer interval as the Chair in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to later on the same day or to such other day and at such time and place as the Chair (or, in default, the Board) may determine

##### **60. CHAIR**

The Chair of the Board shall preside as chair at every general meeting of the Company. If there be no such Chair or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the meeting, or shall be unwilling to act as Chair, the Deputy Chair (if any) of the Board shall if present and willing to act preside at such meeting. If no Chair or Deputy Chair shall be so present and willing to act, the Directors present shall choose one of their number to act or, if there be only one Director present, he shall be Chair if willing to act. If there be no Director present and willing to act, the members present and entitled to vote shall choose one of their number to be Chair of the meeting.

##### **61. DIRECTORS AND OTHER PERSONS MAY ATTEND AND SPEAK**

A Director (and any other person invited by the Chair to do so) shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company.

62. **POWER TO ADJOURN**

The Chair may, with the consent of a meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place as the meeting shall determine. However, without prejudice to any other power which he may have under these Articles at common law, the Chair may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting or to give all persons entitled to do a reasonable opportunity of attending, speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.

63. **NOTICE OF ADJOURNED MEETING**

Where a meeting is adjourned indefinitely, the Board shall fix the time and place for the adjourned meeting. Whenever a meeting is adjourned for 14 days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting.

64. **BUSINESS OF ADJOURNED MEETING**

No business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

**VOTING**

65. **METHOD OF VOTING**

65.1 A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates.

**Commented [CS8]:** Consider adding this, in order to provide for hybrid electronic meetings.

65.2 Subject to Article 65.1, at any general meeting a resolution put to a 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) a poll is duly demanded. Subject to the provisions of the Acts, a poll may be demanded by:

- 65.2.1 the Chair of the meeting; or
- 65.2.2 by at least three members present in person or by proxy and entitled to vote at the meeting; or
- 65.2.3 a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

65.2.4 a member or members present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

65.3 At general meetings, resolutions shall be put to the vote by the Chair and there shall be no requirement for the resolution to be proposed or seconded by any person.

**66. CHAIR'S DECLARATION CONCLUSIVE ON SHOW OF HANDS**

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the Chair of the meeting that a resolution has on a show of hands been earned, or earned unanimously or by a particular majority, or lost, or not earned by a particular majority, and an entry to that effect in the book containing the minutes of proceedings of the Company, shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

**67. OBJECTION TO ERROR IN VOTING**

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 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 Chair of the meeting whose decision shall be final and conclusive.

**68. AMENDMENT TO RESOLUTIONS**

68.1 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chair of the meeting, any error in such ruling shall not invalidate the proceedings on the substantive resolution.

68.2 In the case of a resolution duly proposed as a Special Resolution, no amendments thereto (other than an amendment to correct a patent error) may in any event be considered or voted on.

**69. PROCEDURE ON A POLL**

69.1 Any poll duly demanded on the election of a Chair of a meeting or on any question of adjournment shall be taken forthwith. A poll duly demanded on any other matter shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chair shall direct (subject to Article 65.1). The Chair may appoint scrutineers who need not be members. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

69.2 The demand for a poll (other than on the election of a Chair or any question of adjournment) shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded. If a poll is demanded before the declaration of the result on a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.



69.3 The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the Chair. A demand so withdrawn shall validate the result of a show of hands declared before the demand was made.

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

**70. VOTES OF MEMBERS**

70.1 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 or by proxy or (being a corporation) represented by a duly authorised representative, not being himself a member shall on a show of hands have one vote and every member shall on a poll have one vote for each share of which he is the holder.

70.2 If two or more persons are joint holders of a share, then in voting on any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names of the holders stand in the Register.

70.3 Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Board may in its absolute discretion, on or subject to production of such evidence of the appointment as the Board may require, permit such receiver or other person to vote in person or, on a poll, by proxy on behalf of such member at any general meeting. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Office, or at such other place as is specified in accordance with these Articles for the deposit of appointments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.

**71. CASTING VOTE**

In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting at which the show of hands takes place or at which the poll was demanded shall be entitled to a second or casting vote in addition to any other vote that he may have.

**72. RESTRICTION ON VOTING RIGHTS FOR UNPAID CALLS ETC**

No member shall, unless the Board otherwise determines, be entitled to vote at a general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a member in respect of a share held by him unless and until all calls together with interest and expenses (if any) or other sums presently due and payable by him in respect of that share whether alone or jointly with any other person have been paid to the Company.

**73. VOTING BY PROXY**

Any person (whether a member of the Company or not) may be appointed to act as a proxy. Deposit or receipt of an appointment of proxy shall not preclude a member from attending

and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.

**74. FORM OF PROXY**

74.1 An appointment of a proxy shall:

- 74.1.1 be executed in any common form or in such other form as the Board may approve, 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;
- 74.1.2 be deemed (subject to any contrary direction contained in the same) to confer authority to attend and to speak and vote on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit and demand or join in demanding a poll;
- 74.1.3 unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
- 74.1.4 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.

**75. DEPOSIT OF PROXY**

75.1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notionally or in some other way approved by the Board, shall:

- 75.1.1 in the case of an instrument in writing, 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 instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- 75.1.2 in the case of an appointment contained in an electronic / website communication, where an address has been specified for the purpose of receiving communications:
  - 75.1.2.1 in the notice convening the meeting; or
  - 75.1.2.2 in any instrument of proxy sent out by the company in relation to the meeting; or
  - 75.1.2.3 in any invitation contained in an electronic / website communication 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 for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

75.1.3 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 the taking of the poll; or

75.1.4 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chair of the meeting or to any Director;

and an appointment of proxy not deposited, delivered or received in a manner so permitted shall be invalid. The time periods referred to in this Article 75.1 shall be construed in accordance with s327(3) CA 2006. No appointment of a proxy shall be valid after the expiry of 12 months from the date named in it as the date of its execution, 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.

**76. MORE THAN ONE PROXY MAY BE APPOINTED**

A member may appoint more than one proxy to attend and speak and vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. When two or more valid but differing appointments of proxy are delivered 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 delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered, none of them shall be treated as valid in respect of that share.

**77. BOARD MAY SUPPLY PROXY CARDS**

The Board may at the expense of the Company send, by post, electronic / website communication or otherwise, in accordance with Articles 154-160 appointments of proxy (reply-paid or otherwise) to members for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the expense of the Company, such invitations shall, subject to Article 56, be issued to all (and not some only) of the members entitled to be sent a notice of the meeting and to vote thereat by proxy.

**78. REVOCATION OF PROXY**

A vote given or poll demanded in accordance with the terms of an appointment of proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the instrument 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 as has been appointed for the deposit of appointments of proxy or, where the appointment or the proxy was contained in an electronic / website communication, at the address at which such appointment was duly received, at least 48 hours before the commencement of the meeting or adjourned meeting or the taking of the poll at which the appointment of proxy is used.

79. **CORPORATE REPRESENTATIVE**

A corporation (whether or not a company within the meaning of the Acts) which is a member may, by resolution of its directors or other governing body, or by authority to be given under the hand of any officer duly authorised as it authorise such person (or if, but only if, such corporation is a Depository voting in its capacity as such, persons) as it thinks fit to act as its representative (or, as the case may be, representatives) at any meeting of the Company or at any separate meeting of the holders of any class of shares. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation's holdings (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. The corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it, and all references to attendance and voting in person shall be construed accordingly. A Director, the Secretary or some person authorised for the purpose by the Secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to them before permitting him to exercise his powers.

80. **FAILURE TO DISCLOSE INTERESTS IN SHARES**

80.1 If a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice pursuant to Section 793 CA 2006 and has failed in relation to any shares ("the default shares", which expression includes any shares issued after the date of such notice in right of those shares) to give the Company the information thereby required within the prescribed period from the service of the notice, the following sanctions shall apply unless the Board otherwise determines and subject to the approval of the Court wherever so required:

80.1.1 the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and

80.1.2 where the default shares represent at least 0.25 per cent in nominal value of the issued shares of their class:

80.1.2.1 any dividend or other money payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to Article 146, to receive shares instead of that dividend; and

80.1.2.2 no transfer, other than an excepted transfer, of any shares held by the member shall be registered unless:

- (a) the member is not himself in default as regards supplying the information required; and
- (b) the member proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, provided that, in the case of shares in

certificated form, the Directors may only exercise their discretion not to register a transfer if permitted to do so by the CREST Regulations.

- 80.2 Where the sanctions under Article 80.1 apply in relation to any shares, they shall cease to have effect (and any dividends withheld under Article 80.1.2 shall become payable):
- 80.2.1 if the shares are transferred by means of an excepted transfer but only in respect of the shares transferred; or
  - 80.2.2 at the end of the period of seven days (or such shorter period as the Board may determine) following receipt by the Company of the information required by the notice mentioned in the paragraph and the Board being fully satisfied that such information is full and complete.
- 80.3 Where, on the basis of information obtained from a member in respect of any share held by him, the Company issues a notice pursuant to Section 793 CA 2006 to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of Article 80.1.
- 80.4 Where default shares in which a person appears to be interested are held by a Depositary, the provisions of this Article 80 shall be treated as applying only to those shares held by the Depositary in which such person appears to be interested and not (insofar as such person's apparent interest is concerned) to any other shares held by the Depositary.
- 80.5 Where the member on which a notice under Section 793 CA 2006 is served is a Depositary acting in its capacity as such, the obligations of the Depositary as a member of the Company shall be limited to disclosing to the Company such information relating to any person appearing to be interested in the shares held by it as has been recorded by it pursuant to the arrangements entered into by the Company or approved by the Board pursuant to which it was appointed as a Depositary.
- 80.6 For the purposes of this Article 80:
- 80.6.1 a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a notice under Section 793 CA 2006, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
  - 80.6.2 "interested" shall be construed as it is for the purpose of Section 793 CA 2006;
  - 80.6.3 reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes reference:
    - 80.6.3.1 to his having failed or refused to give all or any part of it; and
    - 80.6.3.2 to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;

- 80.6.4 "prescribed period" means 14 days;
- 80.6.5 "excepted transfer" means, in relation to any shares held by a member:
- 80.6.5.1 a transfer by way of or pursuant to acceptance of a takeover offer for the Company (within the meaning of Section 974 CA 2006); or
  - 80.6.5.2 a transfer in consequence of a sale made through an investment exchange recognised by the Financial Services Authority under Part XVIII of the Financial Services and Markets Act 2000 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
  - 80.6.5.3 a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.
- 80.7 Nothing contained in this Article 80 shall be taken to limit the powers of the Company under Section 794 CA 2006.

#### **UNTRACED MEMBERS**

#### **81. POWER OF SALE**

- 81.1 The Company shall be entitled to sell at the best price reasonably obtainable any share of a member, or any share to which a person is entitled by transmission on death or bankruptcy or otherwise by operation of law, if and provided that:
- 81.1.1 during the period of 12 years prior to the date of the publication of the advertisements referred to in sub-paragraph (b) below (or, if published on different dates, the earlier or earliest thereof) no cheque, order or warrant in respect of such share sent by the Company through the post in a prepaid envelope addressed to the member or to the person entitled by transmission to the share, at his address on the Register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of such share from such member or person, provided that during such period of 12 years the Company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the person entitled to it;
  - 81.1.2 on or after expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisements in two newspapers of which one shall be a national newspaper published in the United Kingdom and the other shall be a newspaper circulating in the area of the address on the Register or other last known address of the member or the person entitled by transmission to the share or the address for the service of notices notified under Article 155.3;

- 81.1.3 the said advertisements, if not published on the same day, shall have been published within 30 days of each other;
- 81.1.4 during the further period of three months following the date of publication of the said advertisements (or, if published on different dates, the later or latest thereof) and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission; and
- 81.1.5 the Company has given notice to the London Stock Exchange of its intention to make such sale, if shares of the class concerned are listed or dealt in on that exchange.
- 81.2 To give effect to any sale of shares pursuant to this Article the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the Register notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase monies, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 81.3 If during the period of 12 years referred to in Article 81.1, or during any period ending on the date when all the requirements of paragraphs (a) to (d) of Article 81.1 have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements of paragraphs (b) to (d) of Article 81.1 have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.
- 81.4 The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all money in respect thereof to a separate account. The Company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect of such monies. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such monies and the Company shall not be required to account for any money earned on them.
- 81.5 In the case of shares in uncertificated form, the foregoing provisions of this Article are subject to any restrictions applicable under the CREST Regulations.

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

##### **82. NUMBER OF DIRECTORS**

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall be not more than six or less than two.

##### **83. POWER OF COMPANY TO APPOINT DIRECTORS**

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 addition to the

existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles.

**84. POWER OF BOARD TO APPOINT DIRECTORS**

Without prejudice to the power of the Company to appoint any person to be a Director pursuant to these Articles, the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles. Any Director so appointed shall retire at the Annual General Meeting of the Company next following such appointment and shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

**85. APPOINTMENT OF EXECUTIVE DIRECTORS**

Subject to the provisions of the Acts, the Board may from time to time appoint one or more of its body to hold any employment or executive office (including that of Chief Executive or Managing Director) for such term (subject to the provisions of the Statutes) and subject to such other conditions as the Board thinks fit in accordance with Article 108. The Board may revoke or terminate any such appointment without prejudice to any claim for damages for breach of contract between the Director and the Company.

**86. ELIGIBILITY OF NEW DIRECTORS**

**86.1** No person, other than a Director retiring (by rotation or otherwise), shall be appointed or re-appointed a Director at any general meeting unless:

86.1.1 he is recommended by the Board; or

86.1.2 not less than seven nor more than 42 clear days before the date appointed for the meeting, notice duly executed by a member (other than the person to be proposed) qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment, stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors, together with notice executed by that person of his willingness to be appointed, is lodged at the Office.

**87. SHARE QUALIFICATION**

A Director shall not be required to hold any shares of the Company by way of qualification.

**88. RESOLUTION FOR APPOINTMENT**

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 given against it.

**89. RETIREMENT BY ROTATION**

At each Annual General Meeting of the Company one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office. If there are fewer than three Directors who are subject to retirement by rotation, one Director shall retire from office.



90. **DIRECTORS SUBJECT TO RETIREMENT BY ROTATION**

The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

91. **POSITION OF RETIRING DIRECTOR**

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.

92. **DEEMED RE-APPOINTMENT**

At any general meeting at which a Director retires by rotation the Company may fill the vacancy and, if it does not do so, the retiring Director shall, if willing, be deemed to have been re-appointed unless it is expressly resolved not to fill the vacancy or a resolution for the re-appointment of the Director is put to the meeting and lost.

93. **NO RETIREMENT ON ACCOUNT OF AGE**

No person shall be or become incapable of being appointed a Director by reason of his having attained the age of 70 or any other age, nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person. No Director shall vacate his office at any time by reason of the fact that he has attained the age of 70 or any other age. Where any general meeting of the Company is convened at which, to the knowledge of the Board, a Director will be proposed for appointment or re-appointment who will at the date of the meeting be 70 or more, the Board shall give notice of his age in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings or any appointment or re-appointment of that Director at that meeting.

94. **RESIGNATION AND REMOVAL BY ORDINARY RESOLUTION**

94.1 A Director may resign his office by notice in writing submitted to the Board.

94.2 The Company may in accordance with and subject to the provisions of the Statutes by ordinary resolution of which special notice has been given remove any director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such Director but without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company, and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a Director in his place. Any person so appointed shall be treated, for the purposes 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. **VACATION OF OFFICE BY DIRECTOR**

95.1 Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these Articles, the office of a Director shall be vacated if:

- 95.1.1 he resigns by notice in writing delivered to the Secretary at the Office or tendered at a Board meeting;
- 95.1.2 he ceases to be a Director by virtue of any provision of the Acts, is removed from office pursuant to these Articles or the Acts or becomes prohibited by law from being a Director;
- 95.1.3 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;
- 95.1.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 95.1.5 both he and his alternate Director appointed pursuant to the provisions of these Articles (if any) are absent, without the permission of the Board, from Board meetings for six consecutive months and the Board resolves that his office be vacated; or
- 95.1.6 he is requested to resign by notice in writing addressed to him at his address as shown in the register of Directors and signed by all the other Directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company) and, for this purpose, a set of like notices each signed by one or more of the Directors shall be as effective as a single notice signed by the requisite number of Directors.

**Commented [CS9]:** Updated in line with the Model Articles for public companies to avoid breach of the Mental Health (Discrimination) Act 2013

**ALTERNATE DIRECTORS**

96. **APPOINTMENTS**

- 96.1 Each Director (other than an alternate Director) may, by notice in writing delivered to the Secretary at the Office, or in any other manner approved by the Board, appoint any other Director or any person approved for that purpose by the Board and willing to act to be his alternate.
- 96.2 No appointment of an alternate Director who is not already a Director shall be effective until his consent to act as a Director in the form prescribed by the Acts has been received at the Office.

97. **PARTICIPATION IN BOARD MEETINGS**

Every alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notice of all meetings of the Board and all committees of the Board of which his appointor is a member

and, in the absence from such meetings of the appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor. A Director acting as alternate Director shall have a separate vote at Board meetings for each Director for whom he acts as alternate Director, but he shall count as only one for the purpose of determining whether a quorum is present.

98. **ALTERNATE DIRECTOR RESPONSIBLE FOR OWN ACTS**

Every person acting as an alternate Director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the Director appointing him.

99. **INTERESTS OF ALTERNATE DIRECTOR**

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent mutandis as if he were a Director. However, he shall not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice in writing to the Company direct. Subject to this Article, the Company shall pay to an alternate Director such expenses as might properly have been paid to him if he had been a Director.

100. **REVOCATION OF APPOINTMENT**

100.1 An alternate Director shall cease to be an alternate Director:

100.1.1 if his appointor revokes his appointment; or

100.1.2 if his appointor ceases for any reason to be a Director, provided that if any Director retires 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

100.1.3 if any event happens in relation to him which, if he were a Director otherwise appointed, would cause him to vacate office.

**DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS**

101. **DIRECTORS' FEES**

Subject to Article 105, the ordinary remuneration of the Directors shall from time to time be determined by the Directors except that such remuneration shall not exceed £250,000 per annum in aggregate or such higher amount as may from time to time be determined by Ordinary Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

**Commented [CS10]:** To consider whether this is still a sufficient sum

102. **EXPENSES**

Each Director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as Director, including any

expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company.

**103. ADDITIONAL REMUNERATION**

If by arrangement with the Board any Director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may from time to time determine).

**104. REMUNERATION OF EXECUTIVE DIRECTORS**

Subject to Article 105 the salary or remuneration of any Director appointed to hold any employment or executive office in accordance with the provisions of these Articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or in lieu of any fee payable to him for his services as Director pursuant to these Articles.

**105. PENSIONS AND OTHER BENEFITS**

The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for, or to institute and maintain any institution, association, society, club, trust, other establishment or profit-sharing, share incentive, share purchase, employees' share scheme or Enterprise Management Incentive options calculated to advance the interests of the Company or to benefit, any person who is or has at any time been a Director or employee of the Company or any company which is a holding company or a subsidiary undertaking of or allied to or associated with the Company or any such holding company or subsidiary undertaking or any predecessor in business of the Company or of any such holding company or subsidiary undertaking, and for any member of his family (including a spouse or former spouse) and any person who is or was dependent on him. For such purpose the Board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the provisions of the Acts, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with any of the aforesaid matters. The Board may procure any of such matters to be done by the Company either alone or in conjunction with any other person. Any Director or former Director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this Article and shall not be obliged to account for it to the Company.

**POWERS AND DUTIES OF THE BOARD**

**106. POWERS OF THE BOARD**

**106.1** Subject to the provisions of the Acts, the Memorandum of Association of the Company and these Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company, whether relating to the management of the business or not. No alteration of these Articles and no such direction given by the Company shall invalidate any prior act of the Board

which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in these Articles as to any specific power of the Board shall not be deemed to limit the general powers given by this Article.

106.2 In the performance of their functions, the Directors shall comply with their duties (fiduciary or otherwise) including those as stated in the Acts.

106.3 The Company may change its name by resolution of the Board.

**107. POWERS OF DIRECTORS BEING LESS THAN MINIMUM NUMBER**

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 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 Annual General Meeting of the Company next following such appointment unless he is re-elected during such meeting.

**108. POWERS OF EXECUTIVE DIRECTORS**

108.1 The Board may from time to time:

108.1.1 delegate or entrust to and confer on any Director holding executive office (including a Chief Executive or Managing Director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit; and

108.1.2 revoke, withdraw, alter or vary all or any of such powers.

**109. DELEGATION TO COMMITTEES**

109.1 The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons, provided that:

109.1.1 a majority of the members of a committee shall be Directors; and

109.1.2 no resolution of a committee shall be effective unless a majority of those present when it is passed are Directors or alternate Directors.

109.2 The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

109.3

- 109.3.1 The Board shall establish a committee of the Board consisting of all the Directors, except those who have been appointed as executive Directors under Article 85, and this Committee shall be called "the Remuneration Committee". The Directors shall delegate the powers contained in this Article 109.3 to the Remuneration Committee not withstanding any other provisions of these Articles.
- 109.3.2 The Remuneration Committee shall have the power:
- 109.3.2.1 to determine the remuneration to be paid to any executive Director of the Company;
- 109.3.2.2 to determine and implement any best practice provisions in the London Stock Exchange's listing rules in relation to Directors' remuneration; and
- have all powers, authorities and discretions incidental to the above powers or necessary for the purpose of performing them. The term "remuneration" in this Article is deemed to include all other benefits including (without limitation) share options, Enterprise Management Incentive options, pensions, allowances, gratuities, life assurances, bonuses and compensation payments.
- 109.3.3 The Chair of the Remuneration Committee shall be elected by the members of the Remuneration Committee.
- 109.3.4 The provisions of these Articles as to meetings and proceedings of Directors shall apply equally to meetings and proceedings of the Remuneration Committee except that the quorum necessary for the transaction of business is the nearest whole number to but not exceeding two-thirds of the members of the Remuneration Committee at the relevant time.
- 109.3.5 Every person appointed a non-executive Director of the Company shall automatically become a member of the Remuneration Committee and cease to be a member of the Remuneration Committee on his retirement or removal from office as a Director, or when he becomes an executive Director or a Director holding an executive office with a subsidiary or subsidiary undertaking of the Company.
- 109.3.6 The Board shall not amend or vary the powers of the Remuneration Committee as set out in this Article. Any amendment shall be made by a special resolution of the Company in general meeting.

## 110. LOCAL MANAGEMENT

The Board may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any specified locality, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local or divisional board, or any managers or agents, and may fix their remuneration. The Board may delegate to any local or divisional board, manager or agent so appointed any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members for the time being of any such local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies, and any such appointment or delegation may be made for such time, on such terms and subject to such conditions as the Board may think fit. The Board may

confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers. Subject to any terms and conditions expressly imposed by the Board, the proceedings of any local or divisional board or agency with two or more members shall be governed by such of these Articles as regulate the proceedings of the Board, so far as they are capable of applying.

**111. POWER OF ATTORNEY**

The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles or the Acts), in each case for such purposes and for such time, on such terms (including as to remuneration) and subject to such conditions as it thinks fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers.

**112. EXERCISE OF VOTING POWER**

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

**113. PROVISION FOR EMPLOYEES**

The Board may exercise any power conferred on the Company by the Acts to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertaking (or any member of his family or any person who is dependent on him) in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary undertaking.

**114. OVERSEAS REGISTERS**

Subject to the provisions of the Acts, the Board may exercise the powers conferred on the Company with regard to the keeping of an overseas branch, local or other register and may make and vary such regulations as it thinks for respecting the keeping of any such register.

**115. BORROWING POWERS**

115.1 Subject as provided in this Article 115, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the provisions of the Acts, to create and issue debenture and other loan stock and debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

115.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in respect of its subsidiary undertakings so as to procure (as regards its subsidiary undertakings in so far as it can procure

by such exercise) that the aggregate principal amount at any one time outstanding in respect of monies borrowed by the Group (exclusive of monies borrowed by one Group company from another and after deducting cash deposited) shall not at any time, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to 50% of the Adjusted Capital and Reserves.

115.3 For the purposes only of this Article 115:

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

115.3.1.1 the amount paid up (or credited as paid up) on the allotted or issued share capital of the Company; and

115.3.1.2 the amount standing to the credit of the reserves, whether or not distributable (including, without limitation, share premium account or capital redemption reserve), after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account;

all as shown in the relevant balance sheet, but after:

115.3.1.3 making such adjustments as may be appropriate to reflect:

- (a) any variation in the amount of the paid up share capital and the amount standing to the credit of any of such reserves since the date of the relevant balance sheet and so that for the purpose of making such adjustments, if any proposed allotment of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been allotted and the amount (including the premium) of the subscription monies payable in respect thereof (not being monies payable later than six months after the date of allotment) shall be deemed to have been paid up to the extent so underwritten on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, the date on which it become unconditional);
- (b) any variation since the date of the relevant balance sheet of the companies comprising the Group;

115.3.1.4 excluding (so far as not already excluded):

- (a) amounts attributable to the proportion of the issued equity share capital of any subsidiary undertaking which is not attributable, directly or indirectly, to the Company;
- (b) any sum set aside for taxation (other than deferred taxation);

115.3.1.5 deducting:



- (a) sums equivalent to the book values of goodwill and other intangible assets shown in the relevant balance sheet; and
  - (b) the amount of any distribution declared, recommended or made by any Group company to a person other than a Group company out of profits accrued up to and including the date of (and not provided for in) the relevant balance sheet;
- 115.3.2 "cash deposited" means an amount equal to the aggregate of the amounts beneficially owned by Group companies which are deposited for the time being with any bank or other person (not being a Group company) and which are repayable to any Group company on demand or within three months of such demand, subject, in the case of amounts deposited by a partly-owned subsidiary undertaking, to the exclusion of a proportion thereof equal to the proportion of its issued equity share capital which is not attributable, directly or indirectly, to the Company;
- 115.3.3 "Group" means the Company and its subsidiary undertakings from time to time;
- 115.3.4 "Group company" means any company in the Group;
- 115.3.5 "monies borrowed" include not only monies borrowed but also the following except in so far as otherwise taken into account:
  - 115.3.5.1 the nominal amount of any issued share capital and the principal amount of any debenture or borrowings of any person, the beneficial interest in which or right to repayment to which is not for the time being owned by a Group company but the payment or repayment of which is the subject of a guarantee or indemnity by a Group company or is secured on the assets of a Group company;
  - 115.3.5.2 the principal amount raised by any Group company by acceptances or under any acceptance credit opened on its behalf by any bank or acceptance house (not being a Group company) other than acceptances and acceptance credits relating to the purchase of goods or services in the ordinary course of trading and outstanding for six months or less;
  - 115.3.5.3 the principal amount of any debenture (whether secured or unsecured) of any Group company owned otherwise than by a Group company;
  - 115.3.5.4 the principal amount of any preference share capital of any subsidiary undertaking owned otherwise than by a Group company;
  - 115.3.5.5 any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing (but any premium payable

on final repayment of an amount not to be taken into account as monies borrowed shall not be taken into account); and

- 115.3.5.6 any fixed amount in respect of a hire-purchase agreement or of a finance lease payable in either case by a Group company which would be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant balance sheet (and for the purpose of this sub-paragraph "**finance lease**" means a contract between a lessor and a Group company as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the asset leased or sub-leased are to be borne by that company and "**hire-purchase agreement**" means a contract of hire-purchase between a hire-purchase lender and a Group company as hirer);

but do not include:

- 115.3.5.7 monies borrowed by any Group company for the purpose of repaying, within six months of being first borrowed, the whole or any part of any monies borrowed and then outstanding (including any premium payable on final repayment) of that or any other Group company pending their application for such purpose within that period;
- 115.3.5.8 monies borrowed by any Group company for the purpose of financing any contract in respect of which any part of the price receivable under the contract by that or any other Group company is guaranteed or insured up to an amount equal to that part of the price receivable under the contract which is so guaranteed or insured;
- 115.3.5.9 an amount equal to the monies borrowed of any company outstanding immediately after it becomes a Group company, provided that it became a Group company during the six months preceding the calculation;
- 115.3.5.10 an amount equal to the amount secured on an asset immediately after it was acquired by a Group company, provided that it was acquired during the six months preceding the calculation;
- 115.3.5.11 notwithstanding sub-paragraph 1 to 6 above, the proportion of monies borrowed by a Group company (and not owing to another Group company) which is equal to the proportion of its issued equity share capital not attributable, directly or indirectly, to the Company;
- 115.3.5.12 the amount of any monies borrowed which are for the time being deposited with any governmental authority in any part of the world in connection with import deposits or any similar governmental scheme to the extent that the Group company making such deposit retains its interest in such deposit; and

115.3.5.13 any sum advanced or paid to any Group company (or its agents or nominees) by customers of any Group company as unexpended customer receipts or progress payments pursuant to any contract between such customer and a Group company;

and in sub-paragraphs 7 to 13 above references to amounts of monies borrowed include references to amounts which, but for the exclusion under those sub-paragraphs, would fall to be included;

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

115.3.7 "**subsidiary undertaking**" means a subsidiary undertaking (within the meaning of the Acts) of the Company (except a subsidiary undertaking which is excluded from consolidation by virtue of the provisions of Section 405 CA 2006), and "Group" and "Group company" and references to any company which becomes a Group company or to companies comprising the Group shall, in such a case, be construed so as to include subsidiary undertakings (except a subsidiary undertaking which is excluded from consolidation as aforesaid) and "equity share capital" shall be construed in relation to a subsidiary undertaking without a share capital in the same manner as "shares" are defined in relation to an undertaking without a share capital under Section 1161(2)(a) CA 2006.

115.4 When the aggregate amount of monies borrowed required to be taken into account for the purposes of this Article 115 on any particular day is being ascertained, any of such monies denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:

115.4.1 at the rate of exchange used for the conversion of that currency in the relevant balance sheet; or

115.4.2 if no rate was so used, at the middle market rate of exchange prevailing at the close of business in London on the date of that balance sheet; or

115.4.3 where the repayment of such monies is expressly covered by a forward purchase contract, currency option, back-to-back loan, swap or other arrangements taken out and entered into to reduce the risk associated with fluctuations in exchange rates, at the rate of exchange specified in that document;

but if the amount in sterling resulting from conversion at that rate would be greater than that resulting from conversion at the middle market rate prevailing in London at the close of business on the business day immediately preceding the day on which the calculation falls to be made, the latter rate shall apply instead.

115.5 A report or certificate of the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of monies borrowed falling to be taken into account for the purposes of this Article 115 or to the effect that the limit imposed by this Article 115 has not been or will not

be exceeded at any particular time or times or as a result of any particular transaction or transactions shall be conclusive evidence of the amount or of that fact.

- 115.6 No debt incurred or security given in respect of monies borrowed in excess of the limit imposed by this Article 115 shall be invalid or ineffectual, except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would thereby be exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

#### **PROCEEDINGS OF DIRECTORS AND COMMITTEES**

116. **BOARD MEETINGS**

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

117. **NOTICE OF BOARD MEETINGS**

One Director may, and the Secretary at the request of a Director shall, summon a Board meeting at any time on reasonable notice. Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for that purpose or otherwise in accordance with Articles 154-160. A Director may waive the requirement that notice be given to him of any Board meeting, either prospectively or retrospectively.

118. **QUORUM**

The quorum necessary for the transaction of business may be determined by the Board and until otherwise determined shall be two persons, each being a Director or an alternate Director. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions for the time being vested in or exercisable by the Board.

119. **CHAIR OF BOARD**

The Board may appoint one or more of its body Chair and one or more of its body Deputy Chair of its meetings and may determine the period for which he is or they are to hold office and may at any time remove him or them from office. If no such Chair or Deputy Chair is elected, or if at any meeting neither a Chair nor a Deputy Chair is present within five minutes of the time appointed for holding the same, the Directors present shall choose one of their number to be Chair of such meeting. Any Chair or Deputy Chair may also hold executive office under the Company.

120. **VOTING**

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

121. **PARTICIPATION BY TELEPHONE AND ELECTRONIC COMMUNICATION**

- 121.1.1 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or electronic communications equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting, or by a series of telephone calls from the Chair of the meeting or by exchange of facsimile transmissions addressed to the Chair of the meeting.
- 121.1.2 A person so participating by being present or being in telephone or electronic communication with those in the meeting or with the Chair of the meeting 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 largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chair of the meeting then is.
- 121.1.3 A resolution passed at any meeting held in the above manner, and signed by the Chair of the meeting, 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.

122. **RESOLUTION IN WRITING**

- 122.1 A resolution in writing (or otherwise contained in an electronic communication including on a website) executed by all the Directors for the time being entitled to receive notice of a Board meeting and not being less than a quorum, or by all the members of a committee of the Board for the time entitled to receive notice of such committee meeting and not being less than a quorum of that committee, shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board (or committee, as the case may be). Such a resolution:
  - 122.1.1 may consist of several documents (whether or not in the form of an electronic communication or on a website) each executed by one or more of the Directors or members of the relevant committee, including executions evidenced by means of facsimile transmission;
  - 122.1.2 need not be signed by an alternate Director if it is signed by the Director who appointed him;
  - 122.1.3 if signed by an alternate Director, need not also be signed by his appointor;
  - 122.1.4 to be effective, need not be signed by a Director who is prohibited by these Articles from voting thereon, or by his alternate.

123. **PROCEEDINGS OF COMMITTEES**

All committees of the Board shall, in the exercise of the powers delegated to them and in the transaction of business, conform with any mode of proceeding and regulations which the Board may prescribe and subject thereto shall be governed by such of these Articles as regulate the proceedings of the Board as are capable of applying.

**124. MINUTES OF PROCEEDINGS**

- 124.1 The Board shall cause minutes to be made in books kept for the purpose of recording:
- 124.1.1 all appointments of officers and committees made by the Board and of any such officer's salary or remuneration; and
  - 124.1.2 the names of Directors present at every meeting of the Board, of a committee of the Board, of the Company or of the holders of any class of shares or debentures of the Company, and all orders, resolutions and proceedings of such meetings.
- 124.2 Any such minutes, if purporting to be signed by the Chair of the meeting at which the proceedings were held or by the Chair of the next succeeding meeting or the Secretary, shall be prima facie evidence of the matters stated in such minutes without any further proof.

**125. VALIDITY OF PROCEEDINGS**

All acts done by a meeting of the Board, or of a committee of the Board, or by any person acting as a Director, alternate Director or member of a committee shall as regards all persons dealing in good faith with the Company, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any person or persons acting as aforesaid, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office, 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 entitled to vote.

**DIRECTORS' INTERESTS**

**126. DIRECTOR MAY HAVE INTERESTS**

- 126.1 Subject to the provisions of the Statutes and provided that this Article 126 is complied with, a Director, notwithstanding his office:
- 126.1.1 may enter into or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
  - 126.1.2 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 approve, either in addition to or in lieu of any remuneration provided for by any other Article;
  - 126.1.3 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 company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and

126.1.4 shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal, and no such contract arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

**127. DISCLOSURE OF INTERESTS TO BOARD**

127.1 Without prejudice to the provisions of the Acts a Director who, to his knowledge, is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested.

127.2 For the purposes of this Article:

127.2.1 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 contract, transaction, arrangement or proposal in which a specified person or class of persons is interested shall be deemed to be a sufficient disclosure under this Article in relation to such contract, transaction, arrangement or proposal; and

127.2.2 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.

**128. INTERESTED DIRECTOR NOT TO VOTE OR COUNT FOR QUORUM**

128.1 Save as provided in this Article, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any other proposal whatsoever to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him within the meaning of Section 252 CA 2006) is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company, unless the resolution concerns any of the following matters:

128.1.1 the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;

128.1.2 the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

128.1.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

- 128.1.4 any proposal concerning any other body corporate in which he (together with persons connected with him within the meaning of Section 252 and 254 CA 2006) does not to his knowledge have an interest in one per cent or more of the issued equity share capital of any class of such body corporate or of the voting rights available to member of such body corporate;
- 128.1.5 any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- 128.1.6 any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors.

**129. DIRECTOR'S INTEREST IN OWN APPOINTMENT**

A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

**130. CHAIR'S RULING CONCLUSIVE ON DIRECTOR'S INTEREST**

If any question arises at any meeting as to the materiality of a Director's interest (other than the Chair's interest) or as to the entitlement of any Director (other than the Chair) 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 Chair of the meeting. The Chair'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 such Director has not been fairly disclosed.

**131. DIRECTORS' RESOLUTION CONCLUSIVE ON CHAIR'S INTEREST**

If any question arises at any meeting as to the materiality of the Chair's interest or as to the entitlement of the Chair 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 Chair), whose majority vote shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fairly disclosed.

**131A DIRECTORS' DUTY TO AVOID CONFLICTS OF INTEREST**

- 131A.1 Subject to the provisions of the Acts and for the purposes of section 175 CA 2006, the Directors may authorise in such manner and on such terms as they think fit any matter



proposed to it in which a Director and/or any connected persons of a Director has or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company. Where such authorisation has been given, the duty of the Director in question to avoid a conflict of interest shall not be infringed in relation to that matter.

- 131A.2 Any such authorisation as described in Article 131A.1 will be effective only if:
- 131A.2.1 any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
  - 131A.2.2 the matter was authorised without their voting or would have been authorised if their votes had not been counted.
- 131A.3 The Board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted.
- 131A.4 The Board may vary or terminate any such authorisation at any time.
- 131A.5 For the purposes of this Article 131A, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- 131A.6 Where a Director has or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company and that conflict or possible conflict of interest has been authorised by the Company or by the Directors in accordance with Article 131A, subject to the terms on which any authorisation has been given:
- 131A.6.1 the Director in question may absent himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed, or from the discussion of any such matter at a meeting or otherwise:
  - 131A.6.2 the Director in question may make arrangements not to receive or read documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company; and/or
  - 131A.6.3 the Director in question may act in any way authorised by any guidance for dealing with conflicts of interest issued by the Directors from time to time for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists and by so doing, the Director in question shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 CA 2006.

#### **AUTHENTICATION OF DOCUMENTS**

##### **132. POWER TO AUTHENTICATE DOCUMENTS**

- 132.1 Any Director, the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records,

documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having their custody shall be deemed to be a person appointed by the Board for this purpose. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

## **SEALS**

### **133. SAFE CUSTODY**

The Board shall provide for the safe custody of the Seal and of any other seal of the Company.

### **134. APPLICATION OF SEALS**

134.1 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.

134.1.1 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

134.1.2 every other instrument to which the Seal is affixed shall be signed by one Director and by the Secretary or by two Directors.

134.2 Every certificate or share warrant shall be issued either under the Seal (which may be affixed to it or printed on it by mechanical or other means) or in such other manner as the Board, having regard to the terms of issue, the Acts and the regulations of the London Stock Exchange, may authorise, all references in these Articles to the Seal shall be construed accordingly.

### **135. OFFICIAL SEAL FOR USE ABROAD**

135.1 Subject to the provisions of the Acts, the Company may have an official seal for use in any place abroad.

## **THE SECRETARY**

### **136. THE SECRETARY**

136.1 Subject to the provisions of the Acts, the Board shall appoint a Secretary or Joint Secretaries and shall have power to appoint one or more persons to be an Assistant or Deputy Secretary

at such remuneration and on such terms and conditions as it thinks fit and any such person so appointed may be removed by the Board.

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

#### **DIVIDENDS AND OTHER PAYMENTS**

137. **DECLARATION OF DIVIDENDS**

Subject to the provisions of the Acts and of these Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

138. **INTERIM DIVIDENDS**

Subject to the provisions of the Acts, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights unless at the time of payment any preferential dividend is in arrear. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any less than they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

139. **ENTITLEMENT TO DIVIDENDS**

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, 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, it shall rank for dividend accordingly.

140. **CALLS OR DEBTS MAY BE DEDUCTED FROM DIVIDENDS**

The Board may deduct from any dividend or other money payable to any person on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to the shares of the Company.

141. **DISTRIBUTION IN SPECIE**

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

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

**142. DIVIDENDS NOT TO BEAR INTEREST**

Unless otherwise provided by the rights attached to the share, no dividend or other monies payable by the Company or in respect of a share shall bear interest as against the Company.

**143. METHOD OF PAYMENT**

- 143.1 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 media) as the Board may consider appropriate and may send the same 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.
- 143.2 Every cheque, warrant, order or other form of payment is sent at the risk of the person entitled to the money represented by it, shall (where relevant) be crossed in accordance with the Cheques Act 1992 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 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.
- 143.3 Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other monies payable in respect of such share.
- 143.4 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 rate or rates and the payment thereof shall be on such terms and conditions as the Board may in its absolute discretion determine.

144. **UNCASHED DIVIDENDS**

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled thereto are returned to the Company or left uncashed on two consecutive occasions or, following one occasion, reasonable enquiries have failed to establish any new address to be used for the purpose, the Company shall not be obliged to send any dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

145. **UNCLAIMED DIVIDENDS**

All dividends, interest or other sum payable and unclaimed for 12 months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of 12 years after having been declared or become due for payment shall (if the Board so resolves) be forfeited and shall cease to remain owing by the Company.

146. **PAYMENT OF SCRIP DIVIDENDS**

146.1 The Board may, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to any holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution. The following provisions shall apply:

146.1.1 the said resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period or periods;

146.1.2 the entitlement of each holder of Ordinary Shares to new Ordinary Shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder would have received by way of dividend. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the Ordinary Shares on the London Stock Exchange, as derived from the Daily Official List or on any other recognised exchange, for the day on which the Ordinary Shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as the Board may determine on such basis as it considers to be fair and reasonable. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;

146.1.3 no fractions of a share shall be allotted. The Board may make such provisions as it thinks fit for any fractional entitlements including provisions whereby, in whole 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 in respect of their fractional entitlements;

- 146.1.4 the Board shall, after determining the basis of allotment, notify the holders of Ordinary Shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective;
- 146.1.5 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 any territory or that for any other reason the offer should not be made to them or in respect of such shares;
- 146.1.6 the Board may establish or vary from time to time a procedure for election mandates in respect of future rights of election and may determine that every duly effected election in respect of any Ordinary Shares shall be binding on every successor in title to the holder thereof;
- 146.1.7 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary Shares in respect of which an election has been duly made (the "elected Ordinary Shares") and instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Board may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or of 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 Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that 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 148 and in relation to any such capitalisation the Board may exercise all the powers conferred on them by Article 148 without need of such ordinary resolution;
- 146.1.8 the additional Ordinary Shares so allotted shall rank *pari passu* in all respects with each other and with the fully paid Ordinary Shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date; and
- 146.1.9 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.

147. **RESERVES**

147.1 The Board may, before recommending any dividend (whether preferential or otherwise), carry to reserve out of the profits of the Company such sums as it thinks fit. All sums standing to reserve may be applied from time to time, at the discretion of the Board, for any purpose to which the profits of the Company may properly be applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Board thinks fit. The Board may divide the reserve into such special funds as it thinks 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 as it thinks fit. The Board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to distribute.

147.2 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 (within the meaning of section 833(2) of the CA 2006) shall be prohibited except to the extent that the requirements for Investment Company Status under the Acts do not require a company to prohibit the distribution of capital profits in its Memorandum or Articles of Association and when the provisions of this Article 147.2 will not apply. The Directors shall establish a reserve to be called capital reserve. During the 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 Directors to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the Acts, the Directors 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 the 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 Directors consider to relate to a capital item (including any proportion of the expenses of management or administration of its assets and/or of the finance costs of the Company) or which the Directors otherwise consider appropriate to be debited to the capital reserve, shall be earned to the debit of the capital reserve. During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that, notwithstanding any other provision of these Articles, during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined in section 829 of the CA 2006) or be applied in paying dividends on any shares in the Company. In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined in section 829 of the CA 2006) or be applied in paying dividends on any shares in the Company.

148. **CAPITALISATION OF RESERVES**

148.1 The Board may, with the authority of an ordinary resolution of the Company:

148.1.1 subject as provided in this Article, resolve to capitalise any sum standing to the credit of any reserve or fund of the Company which is available for distribution

or standing to the credit of share premium account or capital redemption reserve or other undistributable reserve;

- 148.1.2 appropriate the sum resolved to be capitalised to the holders of Ordinary Shares in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares 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 holders of Ordinary Shares or as they may direct, in those proportions, or partly in one way and partly in the other, provided that:
- 148.1.2.1 the share premium account the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to holders of Ordinary Shares credited as fully paid; and
- 148.1.2.2 in a case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up full debentures of the Company, the amount of the net assets of the Company at that time is not less than the aggregate of the called up share capital of the Company and its undistributable reserves shown in the latest audited accounts of the Company or such other accounts as may be relevant and would not be reduced below that aggregate of the payment thereof;
- 148.1.3 resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- 148.1.4 make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit thereof to the Company rather than to the holders of Ordinary Shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- 148.1.5 authorise any person to enter on behalf of all the holders of Ordinary Shares concerned into an agreement with the Company providing for either:
- 148.1.5.1 the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or
- 148.1.5.2 the payment up by the Company on behalf of such holders by the application thereto of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing



shares (any agreement made under such authority being effective and binding on all such holders); and

148.1.6 generally do all acts and things required to give effect to such resolution.

149. **RECORD DATES**

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 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**

150. **ACCOUNTING RECORDS**

The Board shall cause accounting records to be kept in accordance with the Acts.

151. **INSPECTION OF RECORDS**

No other member (other than a Director) shall have any right to inspect any accounting record or other document of the Company unless he is authorised to do so by the Statutes, by order of the court, by the Board or by ordinary resolution of the Company.

152. **ACCOUNTS TO BE SENT TO MEMBERS**

Except as provided in this Article 152, a printed copy of the Directors' and Auditors' reports accompanied by printed copies of the annual accounts shall, not less than 21 clear days before the Annual General Meeting before which they are to be laid, be delivered or sent by post to every member and holder of debentures of the Company and to the Auditors and to every other person who is entitled to receive notice of general meetings. However, this Article shall not require a copy of those documents to be sent to any person who under the provisions of the Articles is not entitled to receive notices from the Company or of whose address the Company is unaware or to any holder of debentures of whose address the Company is unaware or to more than one of the joint holders of any shares or debentures. If all or any of the shares in or debentures of the Company are listed or dealt in on any stock exchange, there shall at the same time be forwarded to the secretary of that stock exchange such number of copies of each of those documents as the regulations of that stock exchange may require.

153. **SUMMARY FINANCIAL STATEMENTS**

The Company may, in accordance with Section 426 CA 2006 and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in Article 152. Where it does so, the statement shall be delivered or

sent by post to the member not less than 21 clear days before the Annual General Meeting before which those documents are to be laid.

## NOTICES

### 154. FORM OF NOTICES

Any notice document or information to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Directors) shall be in writing, or shall be given using electronic / website communications to an address for the time being notified for that purpose to the person giving the notice. In this Article 154 and in Article 155 "address" in relation to electronic communication includes any number or address used for the purposes of such communication.

### 155. SERVICE OF NOTICE, DOCUMENT OR INFORMATION ON MEMBERS

155.1 Any notice, document or information (including a share certificate) may be given or delivered by the Company to any member entitled to receive the same by the Company either:

155.1.1 Personally;

155.1.2 by sending it through the post in a prepaid envelope addressed to that member at his registered address or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, documents or information or by delivering it to such address addressed to that member;

155.1.3 subject to the member consenting to the giving or delivery of that notice, document or information, using electronic communications, by giving it using electronic communications to an address for the time being notified to the Company by that member for general or specific purposes; or

155.1.4 Subject to the provisions of the Acts, by making it available on a website provided that the requirements in Article 155.2 are satisfied.

155.2 The requirements referred to in Article 155.1.4 are:

155.2.1 The member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);

155.2.2 The member is sent notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed ('notification of availability');

- 155.2.3 In the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, time and date of the meeting, and states whether it will be an Annual General Meeting;
- 155.2.4 The notice, document or information continues to be published on that website, in the case of a notice of the meeting, throughout the period beginning with a date of the notification of availability and ending with the conclusion of the meeting and in all the cases throughout the period specified by any applicable conclusion of the Acts, or, if no such period is specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.
- 155.3 In respect of joint holdings all notices, documents and information shall be given to the joint holder whose name stands first in the Register in respect of such joint holding, and notice so given shall be sufficient notice to all the joint holders. For that purpose, a joint holder having no registered address in the United Kingdom for the service of notices shall be disregarded except to the extent that the Company intends to give a notice, document or information using electronic communications or by being made available on a website and the joint holder has consented (binding upon all joint holders) to the giving or delivery of that notice, document or information by electronic communications or by being made on a website and he has notified the Company of an address for that purpose.
- 155.4 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, documents or other information may be given to him, he shall be entitled to have notices given to him at that address or an address to which notices may be sent using electronic communications, but otherwise no such member shall be entitled to receive any notice, document or information from the Company.
- 155.5 If on three consecutive occasions notices, documents or other information 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, documents or other information 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.
156. **NOTICE IN CASE OF DEATH, BANKRUPTCY OR MENTAL DISORDER**
- The Company may give notice to the person entitled to share in consequence of the death or bankruptcy of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustees of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom, supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

157. **EVIDENCE OF SERVICE**

- 157.1 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.
- 157.2 In relation to deemed service of a notice, document or information:
- 157.2.1 Where a notice, document or information is given or sent by post it shall be deemed to have been given or delivered on the day following the day on which it was posted unless it was sent by second class post in which case it shall be deemed to have been given on the second day after it was posted. In proving such service it shall be sufficient to prove that the letter containing the notice, document or information was properly addressed, prepaid and posted;
  - 157.2.2 A notice, document or information given by advertisement shall be deemed to have been given or served on the day on which the advertisement appears;
  - 157.2.3 Where a notice or other document is given or sent using electronic communications it shall be deemed to have been given or delivered:
    - 157.2.3.1 at the expiration of 24 hours after it was sent In proving such service it shall be sufficient to prove that the notice, document or information was sent in accordance with the ICSA Guidelines;
    - 157.2.3.2 where that notice, document or information is in electronic format (such as CD-ROM or audiotape) and sent by post, on the day following the day on which it was posted unless it was sent by second class post in which case it shall be deemed to have been given on the second day after it was posted. In proving such service it shall be sufficient to prove that the letter containing the notice, document or information was property addressed, prepaid and posted; or
    - 157.2.3.3 by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with these Articles, or if later, the date on which it is first made available on the website; and
  - 157.2.4 Where a notice, document or information to be given or sent using electronic communications has failed to be transmitted after two attempts made in accordance with the ICSA Guidelines then, that notice, document or information shall nevertheless be deemed to have been sent for the purposes of Article 157.2.3, that failure shall not invalidate any meeting or other proceeding to which the notice or document relates. As soon as practicable and in any event within 48 hours of the original attempt a duplicate of the relevant notice, document or information shall be sent through the post to the member to his last known address for the service of notices.
- 157.3 Any member present, either personally or by proxy, at any general meeting of the Company or of the holders of any class of share in the Company shall for all purposes be deemed to

have received due notice of that meeting, and of the purposes for which the meeting was called.

157.4 The accidental failure to send any notice, document or information to or the non-receipt of any notice or other document by any person entitled to any notice of, or other document or information relating to, any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

158. **NOTICE BINDING ON TRANSFEREES**

Every person who, by operation of law, transfers or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice given by the Company under Section 793 CA 2006) which, before his name is entered in the Register, has been duly given to a person from whom he derives his title.

159. **NOTICE BY ADVERTISEMENT**

Any notice to be given by the Company to the members or any of them, and not otherwise provided for by these Articles, shall be sufficiently given if 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.

160. **SUSPENSION OF POSTAL SERVICES**

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 notice sent through the post a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national paper published in the United Kingdom and, where there Company keeps an overseas branch register, in at least one daily newspaper published in the territory in which such register is maintained. 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.

**WINDING UP**

161. **DIVISION OF ASSETS**

If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members, but if any division is resolved otherwise than in accordance with such rights, the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to Section 110 of the Insolvency Act 1986. The liquidator may, with the like sanction, vest the

whole or any part of the 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.

**162. TRANSFER OR SALE UNDER SECTION 110 INSOLVENCY ACT**

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

**INDEMNITY**

**163. RIGHT TO INDEMNITY**

Subject to the provisions of the Acts, but without prejudice to any indemnity to which he may be otherwise entitled, every Director, alternate Director, Secretary or other officer of the Company shall be entitled to be indemnified and, if the Board so determines, an Auditor may be indemnified, out of the assets of the Company against all costs, charges, losses, damages and liabilities incurred by him in the actual or purported execution or discharge of his duties or exercise his powers or otherwise in relation thereto, including (without prejudice to the generality of the foregoing) any liability incurred in defending any proceedings (whether civil or criminal) which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company, or as Auditor, and in which judgement is given in his favour or in which he is acquitted or in connection with any application under the Acts in which relief is granted or in which he is acquitted or in connection with any application under the Acts in which relief is granted to him by any court of competent jurisdiction.

**164. POWER TO INSURE**

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 other officer or employee of the Company or of any other company which is a subsidiary or subsidiary undertaking of the Company or 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 alleged to have been done or omitted to be done as a Director, officer, employee or trustee.

## **ORDINARY SHARES**

### **165. DIVIDENDS**

The Ordinary Shares shall entitle the holders to receive such dividends as the Directors may resolve to pay out of the net assets attributable to the Ordinary Shares and from income received and accrued which is attributable to the Ordinary Shares.

### **166. CAPITAL DISTRIBUTIONS**

The surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its Shares) be applied as follows: an amount equivalent to the aggregate net asset value of the Ordinary Shares, calculated in accordance with the Company's usual accounting policies and adjusted for any amounts as the Liquidator may consider appropriate so as to be a fair value for the Ordinary Shares, shall be applied amongst the Ordinary Shareholders pro rata according to the nominal capital paid up on their holdings of Ordinary Shares.