

**THE COMPANIES ACT, 1948**

**PUBLIC COMPANY LIMITED BY SHARES**

**MEMORANDUM AND ARTICLES OF ASSOCIATION OF**

**FEEDBACK PLC**

Incorporated the 11 February 1958

Cripps Harries Hall LLP  
Solicitors  
Wallside House  
12 Mount Ephraim Road  
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Kent TN1 1EG

**THE COMPANIES ACT 1948**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION OF**  
**FEEDBACK PLC**

- 1 The name of the Company is "FEEDBACK PLC".
- 2 The Company is to be a Public Company.
- 3 The registered office of the Company will be situate in England.
- 4 The objects for which the Company is established are:-
  - (a) to carry on all or any of the following businesses, namely, electrical engineers, mechanical engineers, manufacturers, constructors, testers and repairers of and dealers in electronic, nucleonic, testing and measuring equipment, analysers, counters, oscillators, instruments, and amplifiers of every description, servomechanisms, control gear and devices, motors, tachometers, stroboscopes, regulators, stabilisers, test bridges, transducers of every description, valves, cathode ray tubes, crystals, rectifiers, transistors, thermostats and other semi-conducting devices, resistances, condensers, insulators, switch panels, transformers, lamps, plugs, sockets, rheostats, potentiometers, gears, bearings, couplings, brackets, baseplates, and generally all electrical and mechanical machinery, fittings, accessories of every
  - (b) description, machinists, instrument and assembly fitters, metal workers, solderers, welders, enamellers, painters, platers, joiners, agents and factors, producers and suppliers of all or any instructions, drawings, diagrams and photographs necessary for the efficient and correct operation of all or any of the above equipment for experimental or industrial purposes.

- (c) To carry on any other trade or business whatsoever which can, in the opinion of the Board of Directors, be advantageously carried on by the Company in connection with or as ancillary to any of the above businesses or the general business of the Company.
- (d) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof.
- (e) To erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the Company's business, and to contribute to or subsidise the erection, construction and maintenance of any of the above.
- (f) To borrow or raise or *secure* the payment of money for the purpose of or in connection with the Company's business, and for the purposes of or in connection with the borrowing or raising of money by the Company to become a member of any building society.
- (g) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or

repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurance.

- (h) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or undertakings the Company is interested, whether directly or indirectly.
- (i) To receive money on deposit or loan upon such terms as the Company may approve, and to guarantee the obligations and contracts of customers and others.
- (j) To make advances to customers and others with or without security, and upon such terms as the Company may approve, and generally to act as bankers for customers and others.
- (k) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers employees or ex-employees of the Company or its predecessors in business of the dependents or connections of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds, or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons as aforesaid, their dependents or connections, and to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or its officers or employees.

- (l) To draw, make, accept, endorse, negotiate, discount, and execute promissory notes, bills of exchange and other negotiable instruments.
- (m) To invest and deal with the moneys of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.
- (n) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (o) To accept payment for any property or rights sold *or* otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgage debentures *or* debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (p) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital

of any shares, stock or securities of and to subsidise or otherwise assist any such company.

- (q) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company.
- (r) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on.
- (s) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (t) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.

- (u) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (v) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
- (w) To do all such other things as are incidental or conducive to the above objects or any of them.
- (y) To set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any employees of the Company or of any company which is a subsidiary of Company or the holding company or a fellow subsidiary of the Company.

5 The liability of the members is limited.

6 <sup>1</sup>The share capital of the Company is £5,500,000.00 divided into 2,500,000 10 per cent. (net) convertible redeemable cumulative preference shares of £1.00 each and 1,200,000,000 ordinary shares of £0.0025 each.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of share in the capital of the Company set opposite our respective names.

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<sup>1</sup> Amended in accordance with the Special Resolutions at the Company passed on 2 July 2007.

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Names, addresses and descriptions of Subscribers	Number of shares taken by each Subscriber
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1	JOHN HUGH WESTCOTT Merryweather Piper's Close Cobham Surrey	One Ordinary Share
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Chartered Electrical Engineer

	JOHN MERRETT The Croft Kingsway Gerrards Cross Bucks	One Ordinary Share
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Electrical Engineer

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Dated this 27<sup>th</sup> day of January, 1958

Witness to the above Signatures:-

TA MATTHEWS  
65 Amery Road  
Harrow

Catering Manager.

**The Companies Act 1985-1989**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**NEW ARTICLES OF ASSOCIATION**

**of**

**FEEDBACK PLC ("the Company")**

**(Adopted by Special Resolution passed on 6th August 1996)  
(Amended by Special Resolutions passed on 28 January 1997,  
14 April 1997 and 2 July 2007)**

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- 1 In these Articles, if not inconsistent with the subject or context, the following words and expressions shall have the meanings stated:
- |     |                         |  |
|-----|-------------------------|--|
| (1) | THE ACT                 | The Companies Act 1985 as amended and except only where the context does not so admit words and expressions in the Articles shall have the same meaning as in the Act. |
| (2) | THESE ARTICLES          | These Articles of Association of the Company as from time to time altered.   |
| (3) | AUDITORS                | The auditor of the Company.  |
| (4) | BOARD or DIRECTORS      | The board of directors of the Company or the directors present at a meeting of the directors at which a quorum is present.   |
| (5) | CASH MEMORANDUM ACCOUNT | An account so designated by the Operator of the relevant system concerned.   |

- |      |                           |   |
|------|---------------------------|---|
| (6)  | IN WRITING                | Typing, printing, lithography, photography and other modes of representing or reproducing words in a visible form.  |
| (7)  | MEMORANDUM OF ASSOCIATION | The Memorandum of Association of the Company as from time to time altered.  |
| (8)  | MONTH                     | Calendar month.   |
| (9)  | OFFICE                    | The registered office for the time being of the Company.  |
| (10) | REGISTER                  | The register of members of the Company.   |
| (11) | REGULATIONS               | The Uncertificated Securities Regulations 1995 (S1 1995 No.95/3272) including any modification thereof or any regulations in substitution therefore made under Section 207 of the Companies Act 1989 and for the time being in force. |
| (12) | PAID UP                   | Credited as paid up.  |
| (13) | SEAL                      | The common seal of the Company and, as appropriate, any official seal kept by the Company by virtue of section 40 of the Act.   |
| (14) | STATUTES                  | The Act and every other Act or statutory instrument concerning limited companies and affecting the Company.   |
| (15) | SECRETARY                 | Include an assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary.   |
| (16) | UNITED KINGDOM            | Great Britain and Northern Ireland.   |

Except for the above definitions, words or expressions defined in the Act shall, if not inconsistent with the subject or the context, bear the same meanings in these Articles.

References herein to a share (or a holding of shares) being in uncertificated form or in a certificated form are references, respectively, to that share being an uncertificated unit of a security or a certificated unit of security.

For the purpose of Articles, a dematerialized instruction is properly authenticated if it complies with the specifications referred to in paragraph 5(b) of Schedule 1 to the Regulations.

Words and expressions used in the Regulations shall have the same meaning when used in the Articles.

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- 2.1 The Articles are subject to the Act except that Table A in the Companies (Tables A-F) Regulations 1985 shall not apply to the Company.
- 2.2 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 to certificated form in accordance with the 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:
  - (a) the holding of shares of uncertificated form;
  - (b) the transfer of title to the shares by means of a relevant system; or
  - (c) any provision of the Regulations.
- 2.3 Without prejudice to the generality and effectiveness of the foregoing:
  - (a) Articles 9,10,11,31 and 32 shall not apply to the uncertificated shares;
  - (b) the last sentence of Article 34 shall not apply to uncertificated shares, provided that, if the Board refuses to register a transfer of an uncertificated share it shall send notice of the refusal to the transferee within 2 months of the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the facilities and requirements of the relevant system;
  - (c) without prejudice to Articles 33 and 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 Regulations and the relevant system;
  - (d) 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 case of

uncertificated shares, be treated as references to a relevant requirement to comply with any relevant system and any relevant arrangements or regulations which the Board may make from time to time pursuant to Article 2.3(j) below;

- (e) for the purposes referred to in Articles 39 and 40, a person entitled by transmission to a share in uncertificated form who elects to have some other person registered shall either:
  - (i). Procure that instructions are given by means of the relevant system to effect transfer of such uncertificated share to that person; or
  - (ii). Change the uncertificated share to certificated form and execute an instrument of transfer of that certificated share to that person;
- (f) 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 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;
- (g) a class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which applies only in respect of certificated shares or uncertificated shares;
- (h) references in Article 37 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;
- (i) subject to the Act the Board may issues shares as certificated share or as uncertificated shares in its absolute discretion and Articles 4, 141, 142 and 143 shall be construed accordingly;
- (j) the Board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion think fit in relation to the evidencing and transfer of uncertificated shares and otherwise for the purpose of implementing and/or supplementing the provisions of these Articles 2.2 and 2.3 and the Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in these Articles 2.2 and 2.3;
- (k) 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 Act or these Articles or otherwise in effecting any actions; and

- (l) 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.

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

- (a) request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in uncertificated form; and/ or
- (b) require any holder of any uncertificated 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 uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps, by instructions given by means of a relevant system or otherwise, as may be necessary to sell or transfer such shares; and/or
- (c) appoint any such 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
- (d) 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 transferred share; and/or
- (e) otherwise rectify or change the Register in respect of that share in such manner as may be appropriate; and
- (f) 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"

2.5 Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the share held by him as joint holder,"

## SHARES

- 3 The capital of the Company is £1,282,845.5025 divided into 513,138,201 New Ordinary Shares of 0.25 pence each.
- 4 Subject to the provisions of the Statutes and any restrictions contained in these Articles and to any direction to the contrary given by the Company in general meeting, the Directors may allot, grant options over, or otherwise dispose of shares or rights to subscribe for, or to convert any security into, shares to such persons (including a director) and on such terms and they think fit, but no share shall be issued at a discount.
- 5
- 5.1 Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights and restrictions as the Company may by ordinary resolution determine.
- 5.2 The Company may in accordance with and subject to part V of the Act and all other provisions in force for the time being:
- 5.2.1 give financial assistance for the purpose of any acquisition of shares in the Company as permitted by Section 153 and 154 of the Act;
- 5.2.2 issue shares which are to be redeemed or liable to be redeemed at the option of the Company or of the holder except that no redeemable shares will be issued at any time when there are no issued shares of the Company which are not redeemable provided always that any purchase by the Company not made through the Stock Exchange or by tender shall be limited to a maximum price determined by the Company in a general meeting and that purchase by tender shall be available to all New Ordinary Shareholders;
- 5.2.3 purchase its own shares including its own redeemable shares; and
- 5.2.4 make a payment in respect of the redemption or purchase of any of its own paid up shares out of the distributable profits of the Company or the proceeds of a fresh issue of shares and as to redemption on such date or dates (to be fixed prior to the issue of such shares) and on terms and in such manner as may be determined at any time or times by the

Directors PROVIDED THAT the amount to be paid on redemption shall be fixed on, and by the terms of, issue of the shares.

- 5.3 Any shares purchased or redeemed by the Company shall be treated as cancelled.
- 6 No share (other than a share allotted in pursuance of an employees' share scheme) shall be allotted except as paid up at least as to one-quarter of its nominal value and the whole of any premium on it.
- 7 The Company, in connection with the issue of any share, may exercise the powers of paying commissions conferred or permitted by the Statutes provided that the percentage rate or the amount of the commission paid or agreed to be paid is disclosed as required by law and does not exceed the rate of ten per cent of the issue price of the shares in respect of which it is paid. Where permitted by the Statutes, the commission may be satisfied wholly or partly by the allotment of fully or partly paid shares. The Company may also on an issue pay such brokerage as is lawful.
- 8 Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and (except only as provided by these Articles or as required by law) the Company shall not be bound by or recognize any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to entirety of it in the registered holder. The Company shall not be bound to register more than four persons as the joint holders of a share (except in the case of personal representatives or trustees of a deceased member).

## **CERTIFICATES**

- 9 Every person, except a recognized clearing house or a nominee of a recognized investment exchange in respect of whom the Company is not by law required to complete and have ready for delivery a certificate, whose name is entered as a member in the Register shall be entitled without payment to receive within one month after allotment or lodgment of transfer (or within such other period as the conditions of issue provide) one certificate for all the shares of each class of shares held by him or, upon payment of such sum not exceeding £1 for every certificate after the first as the

Directors determine, several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate. Where a member who is entitled to a certificate has transferred part of the shares comprised in his holding he shall be entitled to a certificate for the balance of his holding free of charge. Every certificate for shares shall be issued under the Seal or in such other manner as the Directors, having regard to the terms of issue, the Statutes and any applicable regulations of the London Stock Exchange, may authorize and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on them. The certificate shall specify the shares or securities to which it relates and the amount paid up and (subject as provided below) shall bear the autographic signatures of at least one director and the Secretary provided that the Directors may by resolution determine that such signatures, or either of them, shall be dispensed with or shall be affixed by such other persons as may be authorized by the Directors or some method or system of mechanical signature. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

- 10 If at any time all the issued shares of the Company, or all the issued shares of a particular class, are fully paid up and rank *pari passu* for all purposes, none of those shares shall from then (subject to any resolution of the Board to the contrary) have a distinguishing number so long as it remains fully paid up and ranks *pari passu* for all purposes with all shares of the same class for the time being issued and fully paid up.
- 11 If a share certificate is defaced, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and any exceptional out-of-pocket expenses of the Company in investigating the evidence and preparing the indemnity as the Board thinks fit and, in case of defacement, on delivery of the old certificate to the Company.

## VARIATION OF RIGHTS

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- 12.1 Subject to the provisions of the Act, the rights attached to any class of shares for the time being forming part of the capital of the Company may be varied or abrogated, either while the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class, or with the sanction of an extraordinary resolution passed at a separate meeting of holders of the shares of the class. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or the proceedings at them shall mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting) shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class, and at an adjourned meeting shall be one person holding shares of the class or his proxy and that every holder of shares of the class present in person or by proxy shall, on a poll, have one vote in respect of every share of the class held by him and shall be entitled to demand a poll.
- 12.2 The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them or subsequent to them 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 Act and these Articles.

## CALLS ON SHARES

- 13 The Board may from time to time make such calls as the Board may think fit upon the members in respect of the amounts unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment made payable at fixed times. Each member shall (subject to receiving at least fourteen clear days notice specifying the time or times of payment) pay to the Company

at the time or times so specified the amount called on his shares. 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. Joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of them.

14 Any call may be made payable either in one sum or by instalments, and each member upon whom a call is made shall be liable to pay the amount of the call to the person and at the time or times and place appointed by the Board. A call may be revoked or the time fixed for its payment may be postponed by the Board.

15 A call shall be deemed to have been made at the time when the resolutions of the Directors authorising the call was passed.

16 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 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.

17 The Directors may make arrangements on the issue of shares for a difference between the allottees or holders of such shares in amount of calls to be paid and the time of payment of such calls.

18 Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date (whether on account of the nominal value of the share or by way or premium) shall for all purposes of these Articles be deemed to be a call duly made and payable on such fixed date, and in case of non-payment all the provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such sum were a call duly made and notified.

19 If any sum in respect of a call is not paid before or on the day appointed for payment of it, the person from whom the sum is due shall pay interest on it from the day appointed for its payment to the time of actual payment, at such rate as the Board may determine, or failing such determination, at the rate of 15 per cent per annum. He shall also pay all

costs, charges and expenses which the Company has incurred or become liable for in order to procure payment of or in consequence of the non-payment of the call or instalment. The Directors may waive payment of such interest costs, charges and expenses in whole or in part.

- 20 The Directors may receive from any member all or any part of the money unpaid upon the shares held by him beyond the sums actually called up as a payment in advance of calls. The payment in advance of calls shall extinguish so far as the same extends, the liability upon the shares in respect of which it is advanced. Upon the money received, or so much of it as exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the member and the Directors agree. The member shall not be entitled to participate in respect of the advance in a dividend subsequently declared. The Directors may repay the amount advanced upon giving to the member one month's notice in writing.

## FORFEITURE

- 21 If a member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment, the Directors may, whilst any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.
- 22 The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. The Directors may accept the surrender of any share liable to be forfeited. The Directors may accept the surrender of any share liable to be forfeited and, in such case, references in these Articles to forfeiture shall include surrender.
- 23 If the requirements of the notice are not complied with, any share in respect of which it has been given may before payment of all calls and interest and expenses due in respect of it has been made, be forfeited by a resolution of the Directors. Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.
- 24 A forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder or entitled to it, or to any other person, upon such terms and in such manner as the Directors think fit. At any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit, subject always to the provisions of section 146 of the Act.
- 25 A shareholder whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the Company all sums which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with interest from the date of forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Directors determine. The Directors shall be at liberty to waive payment of interest wholly or in part and may enforce payment without any

allowance for the value of the shares at the time of forfeiture.

- 26** When a share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any failure to give notice.
- 27** A statutory declaration in writing that the declarant is a director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal, together with the relevant share certificate delivered to a purchaser or allottee shall (subject to the execution of a transfer if required) constitute a good title to the share. The person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share. Every director is authorised to execute on behalf of the shareholder whose share is forfeited a proper instrument of transfer of the share.

## **LIEN**

- 28** Subject to the provisions of section 150 of the Act, the Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of the share whether the period for the payment has actually arrived or not, and notwithstanding that it is the joint debt or liability of the member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable on or in respect of it, together with any interest or expenses which may have accrued. The Directors may resolve that any share is wholly or in part exempt from the provisions of this Article.
- 29** The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a

notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, has been given to the holder of the share or the person entitled to it by reason of his death or bankruptcy.

- 30 To give effect to the sale, the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money and his title to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale. The net proceeds of sale, after payment of the costs of sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as it is presently payable. Any residue shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the time of the sale subject to delivery to the Company of the certificate in respect of such shares.

## TRANSFER OF SHARES

- 31** All transfers of shares may be affected by transfer In Writing in any usual or common form, or in any other form approved by the Directors. Notwithstanding any other provision of these Articles, title to any securities of the Company may be evidenced and transferred without a written instrument in accordance with statutory regulations from time to time made under the Act and the Board shall have power to implement any arrangements it may think fit for such evidencing and transfer which accord with those regulations.
- 32** The instrument of transfer of a share shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it. Subject to the provisions of these Articles, transfers of shares and other documents relating to or affecting the title to any shares shall be registered without payment of any fee. All instruments of transfer shall be retained by the Company.
- 33** The Directors shall register the transfer of any fully paid up shares presented in accordance with Article 34. The Board may, in their absolute discretion and without assigning any reason, decline to register a transfer of any share not fully paid up or upon which the Company has a lien.
- 34** The Board shall not register an instrument of transfer unless:
- 34.1 it is duly stamped;
  - 34.2 it is lodged at the Office or such other place as the Board may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to made the transfer;
  - 34.3 it is in respect of only one class of shares; and
  - 34.4 it is in favour of a single transferee or not more than four joint transferees PROVIDED THAT the Board shall not refuse to register any transfer or renunciation of partly paid shares which are listed on the London Stock Exchange on the grounds that they are partly paid shares in circumstances

where such refusal would prevent dealings in such shares from taking place on an open and proper basis. The Company shall not return to the transferor any instrument of transfer which is registered but only instruments of transfer which the Board refuse to register shall be returned (except in the case of fraud) to the person depositing it within 2 months after the date on which the transfer was lodged with the Company.

- 35 The register of transfers may be closed at such times and for such periods (not exceeding thirty days in any year) as the Directors determine.
- 36 Subject to section 80 of the Act, nothing in these Articles shall preclude the Directors from allowing the allotment of any share to be renounced by the allottee in favour of some other person. For all purposes of these Articles relating to the registration of transfers of shares, this renunciation shall be deemed to be a transfer and the Directors shall have the same power of refusing to give effect to it as if the renunciation were a transfer.
- 37 The Company shall be entitled to destroy (a) all instruments of transfer of shares and all other documents on the faith of which entries are made in the register of members at any time after the expiration of six years from the date of registration, (b) all dividend mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording, and (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation. If the Company destroys a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant, it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document mentioned above so destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company. Nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any document at an earlier date than that provided above or if the condition as to good faith and absence of notice is not met. References in this Article to the destruction of any document include references to

its disposal in any manner.

## TRANSMISSION OF SHARES

- 38 In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares. Nothing in the Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
- 39 Subject to any other provisions of these Articles, any person becoming entitled to a share in consequence by operation of the law may, upon such evidence as to his title being produced as may be required by the Directors and subject as provided below, either be registered himself as holder of the share or elect to have some person nominated by him registered as transferee.
- 40 Subject to any other provisions of these Articles, if the person becoming entitled as above elects to be registered himself, he shall give to the Company notice In Writing to that effect. If he elects to have his nominee registered, he must execute in favour of his nominee a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to the notice or transfer as if the event giving rise to the transmission had not occurred and the notice or transfer were a transfer executed by the member.
- 41 Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, at the discretion of the Directors, receive and give a discharge for any dividends or other moneys becoming payable in respect of the share but shall not otherwise be entitled to receive notices of or to attend or vote at meetings of the Company or to any of the rights or privileges of a member until he has become a member in respect of the share. If he fails either to transfer the share or to elect to be registered as a member in respect of it within sixty days of being required by the Directors to do so, he shall, in the case of shares which are fully paid up, be deemed to have elected to be registered as a member in respect of them and may be registered accordingly.

## **INCREASE OF CAPITAL**

- 42 The Company in general meeting may by ordinary resolution increase its capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
- 43 All new shares shall be subject to the provisions of these Articles with reference to allotment, the payment of calls, forfeiture, lien, transfer, transmission and otherwise.
- 44 Unless the Company by ordinary resolution at the general meeting at which the capital is increased otherwise directs, any new shares proposed to be issued shall be offered in the first instance in accordance with section 89 of the Act to all the New Ordinary Shareholders for the time being, on the same or on more favourable terms than those offered or to be offered to persons other than New Ordinary Shareholders, in proportion to the number of shares of the same class held by them.
- 45 Without prejudice to any rights or privileges for the time being conferred on the holders of any existing shares or class of shares, any shares in the present capital of the Company and any new shares may be issued with such preferred, deferred or other rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolutions determine. Any preference share may be issued on terms that it is, or at the option of the Company is to be liable, to be redeemed on such terms and in such manner as the Company may, in accordance with the provisions of the Act, prescribe.

## **ALTERATION OF CAPITAL**

- 46 The Company may by ordinary resolution:
- 46.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 46.2 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the nominal amount of the shares cancelled, subject to the provisions of section 146-149 of the Act; and
- 46.3 sub-divide all or any of its shares into shares of smaller amount than is fixed by the Memorandum of Association and the resolution may determine that, as

between the holders of the shares resulting from the sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

- 47 Subject to direction by the Company in General Meeting, whenever as a result of a consolidation or sub-division of any shares any members would become entitled to a fraction of a share, the Directors may make such arrangements as may be thought fit for the sale of shares representing the fractions to any person (including, subject to the provisions of the Statutes, the Company) and for the distribution among the persons entitled thereto in the due proportions of the net proceeds of such sale (save that where the share of such proceeds payable to a member is less than **£3**, such amount may be retained for the Company's benefit). For the purpose of giving effect to any such sale, the Directors may, in the case of shares in certificated form, appoint some person to execute an instrument of transfer of the shares representing the fractions to, or in accordance with the directions of, the purchaser and, in the case of shares in un-certificated form, the Directors may, to enable the Company to deal with the shares representing the fractions in accordance with the provisions of this Article, require the operator of a relevant system to convert such shares into certificated form and after such conversion may appoint some person to execute an instrument of transfer of the shares representing the fractions to or in accordance with the directions of the purchaser and/or take such steps (including the giving of directions to or on behalf of the holders, who shall be bound by them) as they think fit to effect the transfer. Any transferee of any shares sold pursuant to this Article shall not be bound to see to the application of the purchase money nor shall such transferee(s)' title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 48 The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner subject to any conditions and consents required by law.

## **GENERAL MEETINGS**

- 49 A general meeting shall be held in each year at such time (within a period of not more than fifteen months after the holding of the last preceding general meeting) and place as may be determined by the Directors. The general meetings referred to in these Articles shall be called annual general meetings. All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 50 The Directors may convene an extraordinary general meeting whenever they think fit. On the requisition of members in accordance with the Statutes, the Directors shall convene an extraordinary general meeting. Whenever the Directors convene an extraordinary general meeting on the requisition of members, they shall convene it for a date not more than six weeks after the date when the requisition is deposited at the Office (unless the requisitionists consent In Writing to a later date being fixed). If there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any director or any two members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.
- 51 In the case of the annual general meeting or of a meeting convened to pass a special resolution at least twenty one days notice and in other cases at least fourteen days notice must be given (exclusive in each case of the day on which the notice is served or deemed to be served and of the day for which the notice is given). The notice shall specify the place, the day and the hour of meeting (and in the case of an annual general meeting shall specify the meeting as such) and state with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy, who need not also be a member, to attend and vote instead of him. In the case of special business, the notice must specify the general nature of the business (and, in the case of a meeting convened for passing a special or extraordinary resolution, the intention to propose the resolution as a special or extraordinary resolution, as the case may be). The notice shall be given to the Auditors and the Directors and to such members as are, under these Articles, entitled to receive notices from the Company. With the consent In Writing of all, or such less number as is required by the Statutes, of the members entitled to attend and vote, a meeting may be convened by a shorter notice and in such manner as those members think fit. The Company shall comply with the provisions of

the Statutes as to giving notice of resolutions and circulating statements on the requisition of members.

- 52 The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, or the non-receipt of a notice or form of proxy, shall not invalidate the proceedings at any general meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

- 53 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of declaring dividends, the reading and consideration and adoption of the accounts and balance sheet and the ordinary reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the re-election of directors retiring, the election of directors in the place of those retiring, the voting on remuneration or extra remuneration to the Directors, the appointment of and the fixing of the remuneration of the Auditors and the grant, renewal, limitation, extension or variation of any authority of or to the Board, under section 80 of the Act, to allot securities.
- 54 When by any provision contained in the Act special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such shorter period as the Act may allow) before the meeting at which it is moved, and the Company shall give to the members notice of such resolutions as required by and in accordance with the provisions of the Act.
- 55 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, any error in such ruling shall not invalidate the proceedings on the substantive resolution.
- 56 In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment thereto (other than an amendment to correct a patent error) may in any event be considered or voted on and in the case of a resolution duly proposed as an ordinary resolution no amendment thereto (other than an amendment to correct a

patent error) may be considered or voted on unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed notice in writing of the terms of the amendment and intention to move the same has been lodged at the Office or the Chairman of the meeting in his absolute discretion decides that it may be considered or voted on.

57 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Except as otherwise provided in these Articles, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A company which is a member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 76.

58 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors determine.

59 The chairman (if any) of the Board or, in his absence, a deputy chairman (if any) shall preside as chairman at every general meeting. If there is no chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within five minutes after the time appointed for holding it, or if neither of them is willing to act as chairman, the directors present shall choose one of their number to act, or if one director is present, or if each of the directors present declines to take the chair, the persons present and entitled to vote on a poll may elect one of their number to be chairman.

60 The chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. It shall not otherwise be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

61 Every question submitted to a general meeting shall be determined in the first instance

by a show of hands of the members present in person, but a poll may be demanded (before or upon the declaration of the result of the show of hands) by the chairman or by:-

- 61.1 not less than two members having the right to vote at the meeting; or
- 61.2 a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- 61.3 a member or members holding shares conferring a right to vote at the meeting, being 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.

Unless a poll is duly demanded in accordance with the foregoing provisions a declaration by the chairman that a resolution has been carried or lost or has not been carried by any particular majority, and an entry to that effect in the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number, proportion or validity of the votes recorded in favour of or against such resolution.

62 If:-

- 62.1 any objection is raised to the qualifications of any voter,
- 62.2 any votes are counted which ought not to have been counted or which might have been rejected, or
- 62.3 any votes are not counted which ought to have been counted, the error shall not vitiate the resolution unless it is pointed out at the same meeting, or at an adjournment, and it is, in the opinion of the chairman of the meeting, of sufficient magnitude to vitiate the resolution.

63 If a poll is duly demanded it shall be taken in such manner as the chairman may direct (including the use of ballot or voting papers or tickets) and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman may appoint scrutineers for the purposes of a poll, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

64 A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once. A poll demanded on any other question shall be taken either at once or

at such time and place as the chairman directs, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded.

- 65 The demand for a poll may be withdrawn, and no notice need be given of a poll not taken immediately.
- 66 In case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or in respect of which the poll is demanded, as the case may be, shall have a second or casting vote.
- 67 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- 68 Any resolution signed by or on behalf of every member who would have been entitled to vote upon the resolution if it had been proposed at a general meeting shall be deemed to be passed and it may consist of several instruments in the same form each signed by one or more of the members.

## VOTES OF MEMBERS

- 69 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or (being a company) is present by a duly authorised representative or proxy not being himself a member shall have one vote, and on a poll every member present in person or by proxy shall have one vote for every share held by him.
- 70 Where there are joint holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled to it. Provided that if more than one of such joint holders is present at any meeting, either personally or by proxy, then one of the said persons so present in person or by proxy whose name stands first in the Register in respect of such share shall alone be entitled to vote in respect of it.
- 71 A member, in respect of whom an order has been made by a competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs, may vote, whether on a show of hands or on a poll, by any person authorised to do so on his behalf and that person may on a poll, vote by proxy, provided that such evidence as the Directors require of his authority has been deposited at the Office not less than 3 days before the time for holding the meeting.
- 72 A member holding unclassified shares shall be entitled to vote at any general meeting in respect of those shares, provided that no ordinary share is in issue.
- 73 No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered. Every vote not disallowed at the meeting shall be valid for all purposes. Every objection shall be determined by the chairman whose decision shall be conclusive and final.
- 74 On a poll votes may be given either personally or by proxy, and 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.
- 75 A member may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company.

- 76 The instrument appointing a proxy must be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a company either under its common seal or under the hand of an officer or attorney so authorised. The Directors may, but shall not be bound to, require evidence of the authority of the officer or attorney.
- 77 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of the power of authority, must be deposited, not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, at the Office or at such other place as is nominated by the Board. In default, the instrument of proxy shall not be treated as valid. Deposit of an instrument 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.
- 78 No instrument appointing a proxy shall be valid after the expiration of twelve months from 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 twelve months from such date.
- 79 The instrument of proxy, which need not be witnessed, shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- 80 An instrument appointing a proxy shall be in the following form, or as near to this form as is possible:

## APPOINTMENT OF PROXY

I/We  
of  
being a member/members of  
("the Company") whose registered office is at

### HEREBY APPOINT

of  
or, failing that person,  
of as my/our proxy to vote for me/us on my/our behalf at the  
extraordinary/annual/final/general/class-holders' meeting of the Company

pursuant to the notice of such meeting to be held on [200?]  
and at any adjournment of it.

Signed .....

The appointer/s

Name

Dated: ..... [200?] [200?]

Please indicate the amount of shares in the capital of the Company registered in your name:  
the class thereof: and the registered number/s (if any);

1. Put only the address of the first of joint members, but any joint member may appoint a proxy.
2. Any member of the Company entitled to attend, speak and vote at the above-mentioned meeting may appoint a proxy to attend, speak and, on a poll, vote instead of that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company, but must attend the meeting in person to represent you.
3. If this form is returned without any indication as to how the proxy shall vote, the proxy will be free to vote on any particular matter as he or she thinks fit, or to abstain from

voting. Please initial all alterations made to this form, and you may wish to fill in the space above, for example, as follows:

For/against for resolution/s numbered \_\_\_\_\_ /, and land for/against the  
resolution/s number \_\_\_\_\_ /, and

4. This form will not be valid unless deposited not less than 24 hours before the meeting or as the case may be 24 hours before taking a poll. This form should be returned to the registered office of the Company, except only as otherwise instructed in the notice convening the meeting.
  5. An individual member or attorney therefore must sign this form. If the appointer is a company, then this form should be executed as a Deed, or signed by a person duly authorised in that behalf, Evidence of that authority must be produced. If the appointer is a firm, please arrange for a partner to sign in the firm's trading name and add his own name and the words "partner in the said firm".
- 81 The Directors shall at the expense of the Company send with all notices convening general meetings or meetings of any class of members of the Company to all members entitled to vote at the meeting instruments of proxy (with or without prepaid postage) with provision for two-way voting on all resolutions intended to be proposed, other than resolutions which are merely procedural.
- 82 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation In Writing of the death, incapacity revocation or transfer has been made at the Office at least forty eight hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

## DISCLOSURE OF INTERESTS

83

- 83.1 If a member, or a person appearing to be interested in shares held by a member, has been duly served with a notice under section 212 of the Act and is in default for the prescribed period (being not less than 14 days after service of the notice) in supplying to the Company the required information, the Directors may at any time, by notice (a 'direction notice') to the member, direct that in respect of the shares in relation to which the default occurred (the 'default shares') the member is not entitled to vote, either personally or by proxy, at a general meeting or a meeting of the holders of any class of shares of the Company or to exercise any right conferred by membership in relation to general meetings of the holders of any class of shares of the Company.
- 83.2 Where the default shares represent at least 0.25 per cent of the issued shares of a class, the direction notice may additionally direct:
- 83.2.1 that any dividend or other money which would otherwise be payable in respect of each of the default shares shall (in whole or part) be retained by the Company without any liability to pay interest when the dividend or money is paid to the member; that no transfer of the default shares which is not an approved transfer shall be registered unless:
- (i) the member is not himself in default as regards supplying the information required; and
  - (ii) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares the subject of the transfer is a default share.
- 83.3 The Company shall send a copy of the direction notice to each other person appearing to be interested in the default shares the subject of the notice but the failure or omission by the Company to do so shall not invalidate the notice.
- 83.4 A direction notice shall have effect in accordance with its terms for so long as

the default in respect of which it was issued continues and (unless the direction notice otherwise determines) for a further period of one week but shall cease to have effect in relation to any default shares which are transferred by the member by means of an approved transfer.

83.5 For the purpose of this Article 83:

83.5.1 a person shall be treated as appearing to be interested in shares if the member holding the shares has given to the Company a notification under section 212 which either (a) names that person as being interested; or (b) fails to establish the identities of those interested in the shares and (after taking into account the notification and any other relevant section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

83.5.2 the prescribed period is 14 days from the date of service of the notice under section 212;

83.5.3 and a transfer of shares is an approved transfer if:

- (i) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take-over offer for a company (as defined in section 14 of the Companies Securities (Insider Dealing) Act 1985); or
- (ii) the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the member and with other persons appearing to be interested in the shares; or
- (iii) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services Act 1986 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded.

83.6 Nothing contained in this Article shall limit the power of the Directors under section 216 of the Act.

## DIRECTORS

84 Unless and until otherwise determined by the Company by ordinary resolution the number of directors (disregarding alternate directors) shall not be less than two nor more than twelve.

85 No shareholding qualification for directors is required.

86 Each director may attend and speak at any general meeting of the Company.

87

87.1 A director may appoint any person who is approved by the Board to be an alternate director, and may remove from office an alternate director appointed by him.

87.2 An alternate director shall be entitled (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) to receive notice of all meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a director at any of the meetings at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in the absence of the appointor. When acting also as a director or as an alternate director for more than one director, an alternate director shall have one vote for every director he represents, in addition to his own if he is himself a director, and, where the quorum exceeds two, he shall be considered as two directors for the purpose of making a quorum.

87.3 An alternate director shall cease to be an alternate director if his appointor ceases for any reason to be a director. If a director retires by rotation but is re-elected by the meeting at which the retirement takes effect, an appointment made by him under this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not retired.

87.4 All appointments and removals of alternate directors shall be effected by notice In Writing by the director making or revoking the appointment given to the Company at the Office or at a duly convened and held meeting of the Board.

87.5 An alternate director may be repaid by the Company such expenses as might

properly be repaid to him as if he were a director. He shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointer as his appointer by notice In Writing to the Company directs. He shall not otherwise in respect of the appointment be entitled to receive any remuneration from the Company. An alternate director may be indemnified by the Company to the same extent as a director.

87.6 An alternate director should be an officer of the Company. He shall alone be responsible to the Company for his own acts or defaults and shall not be deemed to be the agent of or for the director appointing him.

88 The Directors (other than alternate Directors) shall be paid such fees for their services in their offices as Directors as are determined by the Directors. The aggregate of fees (excluding amounts payable under any other provisions of these Articles) shall not exceed £100,000 per annum (which figure shall be adjusted upwards in line with any percentage increase in the retail prices index (as defined by Section 833(2) of the Income and Corporation Taxes Act 1988) after the date of the adoption of these Articles) or such higher amount as the Company by ordinary resolution determines. The fees shall be divided among them in such proportions and manner as the Directors determine and, in default of a determination within a reasonable period, equally, except that any director holding office for less than a year or other period for which remuneration is paid shall rank in the division in proportion to the fraction of the year or other period during which he has held office. The remuneration shall be deemed to accrue from day to day.

89 Any director who at the request of the Board performs special services or goes or resides abroad for any purpose by the Company may (unless otherwise expressly resolved by the Company in general meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board determines.

90 Subject to the provisions in these Articles for retirement by rotation, the office of a director shall be vacated in any of the events following, namely:

90.1 if (not being an executive director holding office for a fixed term) he resigns his office by notice In Writing delivered to the Office;

90.2 if he becomes of unsound mind or a patient for the purposes of any statute

relating to mental health and the Board resolve that his office is vacated;

90.3 if, without leave, he is absent from meetings of the Board (whether or not any alternative director appointed by him attends) for six consecutive months, and the Board resolve that his office is vacated;

90.4 if he becomes bankrupt or has a receiving order made against him or compounds with his creditors;

90.5 if he is prohibited by law from time being a director;

90.6 if he ceases to be a director or is removed from office pursuant to these Articles.

91 Any director may become or continue to be a director, managing director, manager or other officer or member of any other company in which the Company may be interested, and no such director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of any such other company, and the Board may exercise the voting power conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company, in such manner and in all respects as they think fit.

92

92.1 A director who is in any way, whether directly or indirectly, and whether for himself or through a person connected with him, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company shall declare the nature of his interest at a meeting of the Board in accordance with the Act.

92.2 A director shall not, as a director, vote in respect of any contract, transaction, arrangement or proposal in which to his knowledge he has a material interest (otherwise than by virtue of an interest in shares or debentures of the Company) and if he shall do so his vote shall not be counted, nor in relation thereto shall he be counted in the quorum present at the meeting, but none of these prohibitions shall apply to:

92.2.1 the giving to any director of any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company or any of its subsidiaries;

- 92.2.2 or the giving by the Company or any of its subsidiaries of any security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security;
  - 92.2.3 or any contract by a director to underwrite shares or debentures or other obligations of the Company or any other company which the Company may promote or be interested in;
  - 92.2.4 or any contract or arrangement with any other company or firm where the sole interest of a director is that he is a director, member, partner, employee, or creditor of, or is otherwise interested in, such company or firm but is not the holder of and beneficially interested in one per cent or more of any class of the equity share capital of such company;
  - 92.2.5 or any matter connected with any scheme or arrangement to provide retirement or death benefits both for directors (including ex-directors) and for employees (including ex-employees) which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;
  - 92.2.6 or any matter connected with an employees' share scheme or any share incentive or share option scheme, other than the allocation to him of any share or the grant to him of any option over any share or any other matter concerning his individual participation in any such scheme;
  - 92.2.7 insurance which the Company proposes to maintain or purchase for the benefit of directors or the benefit of persons including directors.
- 92.3 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to offices or employment with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each director separately, and in such case each of the Directors concerned (if not debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own

appointment.

92.4 If any question arises at any meeting of the Board as to the materiality of the not to be counted in the quorum, it shall be referred to the chairman of the meeting. His ruling shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned as known to the director has not been fairly disclosed to the Board. If the question relates to the chairman of the meeting, it shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but may not vote). The resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman as known to him has not been fairly disclosed to the Board.

92.5 For the purposes of this Article:

92.5.1 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

92.5.2 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.

## **POWERS OF DIRECTORS**

93 The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, but subject to any regulations of these Articles, to the provisions of the Statutes and to such regulations which are not inconsistent with those regulations or provisions, as may be prescribed by extraordinary resolution of the Company in general meeting. No regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been

valid if the regulation had not been made. The general powers given by this Article are not limited or restricted by any special authority or power given to the Directors by any other Article.

94 The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or any subsidiary or to his widow or dependants and may make contributions to any fund to pay his premiums for the purchase or provision of any such gratuity, pension or allowance and may make payments for or towards the insurance of any such director

95 The Board may from time to time, and at any time, by power of attorney or otherwise appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (including power to sub-delegate and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board may think fit) be made in favour of any of the Directors or of the members or any one or more of the members of any committee of directors or in favour of any company, or of the members, directors, nominees, or managers of any company or firm, or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with any attorney as the Board think fit.

96 The Company, or the Board on behalf of the Company, may exercise the powers conferred by the Act with regard to having an official seal for use abroad and with regard to the keeping of a branch register in any place.

97 All cheques, promissory notes, drafts, bill of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Directors determine.

## **BORROWING**

98

98.1 The Directors may exercise all the powers of the Company to borrow money,

and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital and, subject to the Statutes, to issue debentures and other securities, whether outright or as any third party.

- 98.2 The Board must restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (but as regards subsidiaries only in so far as, by the exercise of the rights or powers of control, the Board can secure) that the aggregate principal amount outstanding of all borrowings by the Group (exclusive of borrowings owing by one member of the Group to another member) does not, without the previous sanction of an ordinary resolution, exceed an amount equal to two times the Adjusted Capital and Reserves.
- 98.3 A certificate or report by the Auditor as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive for the purposes of this Article.
- 99 The Board should cause a proper register to be kept in accordance with the provisions of the Act of all charges specifically affecting property of the Company and of all floating charges on the undertaking or any property of the Company and shall duly comply with the requirements of the Act in regard to the registration of charges.

## **RETIREMENT AND APPOINTMENT OF DIRECTORS**

- 100 Any provisions of the Act which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a director or liable to vacate office as director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any director over a specified age, shall not apply to the Company. Provided that in the case of the appointment of a director who has attained the age of seventy, his age shall be stated in the notice convening the general meeting (or in any document accompanying the same) at which he is proposed to be elected or re-elected.

101 Subject to the provisions of these Articles, at the annual general meeting in each year one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. A retiring director shall retain office until the conclusion of the meeting or adjourned meeting at which he is due to retire.

102 The directors to retire on each occasion shall be those who have been longest in office since their last election but, as between persons who became or were re-elected directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting. No director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of the notice but before the close of the meeting.

103

103.1 If the Company, at the meeting at which a director retires by rotation, does not fill the vacancy, the retiring director shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the director is put to the meeting and lost.

103.2 No person other than a director retiring by rotation shall be appointed or re-appointed a director at any general meeting unless:

103.2.1 he is recommended by the Board; or

103.2.2 not less than fourteen nor more than thirty five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company 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 or re-appointed.

103.3 Not less than seven nor more than twenty eight clear days before the date

appointed for holding a general meeting, notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the Board for appointment or re-appointment as a director at the meeting, or in respect of whom notice has been duly given under Article 103.2.2. The notice shall give the particulars of that person who would, if he were so appointed or re-appointment, be required to be included in the Company's register of directors.

- 104 Subject to the provisions of Section 303 of the Act, the Company may, by ordinary resolution of which special notice has been given in accordance with section 379 of the Act, remove any director (including a managing director or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office and may by ordinary resolution appoint another person in his place. The person who is appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

### **EXECUTIVE DIRECTORS**

- 105 The appointment of any director as chairman or deputy chairman or managing or joint managing or deputy or assistant managing director shall automatically determine if he ceases to be a director but without prejudice to any claim for damages for breach of any contract between him and the Company. A director appointed as an executive chairman or as managing or joint managing director shall not, while holding such office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of directors.
- 106 A director holding office pursuant to Article 105 shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors determine. The remuneration shall, unless otherwise agreed, be additional to such remuneration (if any) as is payable to him as a director. The director shall be a director for the purposes of and subject to the provisions of section 319 of the Act.

107 The Board may entrust to and confer upon any executive director any of the powers, authorities and discretions exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their powers, and may from time to time revoke or vary all or any of such powers.

### **PROCEEDINGS OF THE BOARD**

108 The Board may meet together for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit and determine the quorum necessary for the transaction of business. Until otherwise determined two directors shall be a quorum. Questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

109 The continuing directors or a sole continuing director may act notwithstanding any vacancies on the Board. If and so long as the number of directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing directors or director may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company, but not for any other purpose. If there are no directors or no director able or willing to act, any two members may summon a general meeting of members for the purpose of appointing directors.

110 Notice of a board meeting may be given to a director 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 this purpose. A director absent or intending to be absent from the United Kingdom may request the Board that notices of board meetings during his absence are sent to him In Writing at his last known address or any other address given by him to the Company for this purpose. In the absence of a request, it shall not be necessary to give notice of a Board meeting to a director who is absent from the United Kingdom. A director may waive notice of a meeting either prospectively or retrospectively.

- 111 The Directors may from time to time elect a chairman and vice-chairman of the Board and determine the period for which they are respectively to hold office. The chairman so elected, or in his absence the vice-chairman, shall preside at all meetings of the Board, but if the Directors have not appointed a chairman or vice-chairman, or if at any meeting neither the chairman nor the vice-chairman is present within five minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairman at the meeting.
- 112 A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under these Articles vested in or exercisable by the Directors generally.
- 113 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 any other form of communication 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 Chairman of the meeting or by exchange of facsimile transmissions addressed to the Chairman of the meeting. A person so participating by being present or being in telephone communication with or by exchanging facsimile transmissions with those in the meeting or with the Chairman 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 Chairman of the meeting then is. A resolution passed at any meeting held in the above manner, and signed by the Chairman of the meeting, shall be 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.
- 114 The Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit and may revoke a delegation and discharge a committee in whole or in part. A committee shall in the exercise of the powers delegated to it conform to any regulations that are imposed by the Directors.
- 115 The meetings and proceedings of a committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and

- proceedings of the Directors, so far as they are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
- 116 All acts done by any meeting of the Board or of a committee of the Board or by any person acting as a director, shall, as regards all persons dealing with the Company in good faith, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such director or person acting as aforesaid, or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified or had continued to be a director and had been entitled to vote.
- 117 The Directors may appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of directors does not exceed the maximum number fixed by or in accordance with these Articles. The director shall hold office only until the next following annual general meeting and shall then be eligible for re-election. A director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.
- 118 A resolution In Writing, signed by all or a majority of the Directors entitled to notice of a meeting of the Directors or by all of the members of a committee, shall be as valid as if it had been passed at a board meeting or a meeting of the committee duly called and constituted. The resolution may consist of several documents in the like form each signed by one or more of the Directors or members of the committee. For the purpose of this Article, the signature of an alternate director entitled to notice of a meeting of Directors shall suffice in lieu of the signatures of the director appointing him.
- 119 Any director or 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 of the Board and any books, records, documents and account relating to the business of the Company and to certify copies thereof or extracts there from 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 the custody thereof shall be deemed to be the person appointed by the Board as aforesaid.
- 120 A document purporting to be a copy of a resolution or an extract from the minutes of a

meeting of the Directors or a committee of the Directors which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Board or of the committee.

- 121 The Directors may appoint any person to an office or employment having a title including the word 'director' or attach such a title to any existing employment with the Company and may terminate the appointment or the use of the title. The inclusion of the word 'director' in the title of any office or employment (other than the office of managing or joint managing or deputy or assistant managing director) does not imply that the employee is a director and the employee shall not as a result be empowered in any respect to act as a director or be deemed to be a director for any of the purposes of these Articles.

## **MINUTES AND RECORDS**

- 122 The Directors shall cause minutes to be entered in books kept for the purpose of:-
- 122.1 all appointments of officers made by the Directors;
  - 122.2 the names of the Directors present at each Board meeting and of any committee of the Board; and
- 123 all resolutions and proceedings at all meetings of the Company, and of the Board, and of committees of the Board. Any such minute if purporting to be signed by the chairman of the meeting at which the proceedings took place or by the chairman of the next succeeding meeting shall be evidence of the proceedings. The Company shall keep and made available for inspection as required by the Act:-
- 123.1 copies and memoranda of directors' service contracts with the Company and any of its subsidiaries; and
  - 123.2 a register of directors' interests in shares or debentures of the Company or its associated companies (which register shall be produced and remain open at each annual general meeting).

## **THE SECRETARY**

- 124 Subject to the provisions of the Act, the Secretary shall be appointed by the Board at such remuneration and upon such terms and for such period as they think fit. Any Secretary so appointed may at any time be removed from office by the Directors but without prejudice to any claim for damages for breach of any contract between him and the Company. The Directors may appoint an assistant secretary or assistant secretaries and temporary substitutes for the Secretary. An assistant secretary or temporary substitute shall for the purpose of these Articles be deemed to be and may fulfil the duty of the Secretary subject to any limitation prescribed by the Directors.

## **THE SEAL**

- 125 The Seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board. Every instrument to which the Seal shall be affixed shall (subject to the provisions of these Articles as to certificates for shares) be signed by a director and shall be countersigned by a second director or the Secretary or other person approved by the Board.
- 126 A document signed by a director and by the Secretary or another director and expressed, in whatever form of words, to be executed by the Company shall have the same effect as if it were under seal. A document executed in this way which makes it clear on its face that it is intended to be a deed, in whatever form of words, has effect, upon delivery, as a deed.

## **RESERVES**

- 127 The Board may, before recommending any dividend, whether preferential or otherwise, carry to reserve out of the profits of the Company (including any premiums received upon the issue of securities of the Company) such sums as they think proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly 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 (other than shares of the Company) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

## **DIVIDENDS**

- 128 The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly. No dividend or interim dividend may be paid otherwise than in accordance with Part V111 of the Act.
- 129 No dividend shall be payable except out of the profits of the Company (including profits set aside to any reserve fund under Article 127) or in excess of the amount recommended by the Directors.
- 130 Dividends must be declared and paid according to the amounts paid on the shares in respect of which the dividends are paid. For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portions of the period in respect of which the dividend is paid but, if any share is issued on terms providing that it ranks for dividend as from a particular date, the share shall rank for dividend accordingly.
- 131 The Directors must transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company are issued.
- 132 The Directors may pay such interim dividends as appear to them to be justified by the profits of the Company. If the capital of the Company is divided into different classes of shares the Directors may pay interim dividends in respect of those shares which confer on the holders deferred or non-preferred rights as well as in respect of those shares which confer on the holders preferential or special rights with regard to dividends. Provided that the Directors act bona fide, they shall not incur any responsibility to the holders of any shares for any damage that they suffer by reason of the payment of an

interim dividend on any shares. The Directors may also pay half yearly or at other suitable intervals to be settled by them, any dividend which is payable at a fixed rate if they are of the opinion that the profits justify the payment.

- 133 The Board may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) immediately payable by him to the Company on account of calls in relation to the shares of the Company held by him.
- 134 All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the-benefit of the Company until claimed. If any dividend shall have remained unclaimed for at least 12 years after the same became payable the Board may forfeit the same, and after such forfeiture no member or other person shall have any right to or claim in respect of such dividend. No dividend shall bear interest against the Company.
- 135 Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
- 136 A resolution of the Company or of the Directors declaring a dividend may specify any date as the record date for the dividend, whether or not prior to the date on which the resolution is passed.
- 137 The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 138 The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is, under the provisions of these Articles relating to the transmission of shares, entitled to become a member, or which any person under those provisions is entitled to transfer, until he becomes a member in respect of the shares or duly transfers them.

## **METHOD OF PAYMENT**

- 139
- 139.1 All dividends and interest shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the date

at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Directors may determine notwithstanding any subsequent transfer or transmission of shares.

- 139.2 The Company may pay any dividend, interest or other moneys payable in cash in respect of shares, by direct debit, bank transfer, cheque, dividend warrant or money order. In respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other moneys by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system).
- 139.3 Every such cheque, warrant or order may be remitted by post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the joint holder whose name stands first in the Register, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque, warrant or order shall be made payable to or to the order of the person to whom it is sent, or to such other person as the holder or joint holders may in writing direct.
- 139.4 Every such payment made by direct debit or bank transfer shall be made to the holder or joint holders or to or through such other person as the holder or joint holders may in writing direct. In respect of shares in uncertificated form, every such payment made by such method as is referred to in paragraph (b) of this Article shall be made in such manner as may be consistent with the facilities and the requirements of the relevant system concerned. Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the case memorandum account of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may in writing direct.
- 139.5 The Company shall not be responsible for any loss of any such cheque, warrant or order and any payment made by direct debit, bank transfer or such method shall be at the sole risk of the holder or joint holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or order has or shall alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled thereto, issue a replacement cheque, warrant or order 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 Directors may think fit.

139.6 Payment of such cheque, warrant or, the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank transfer or, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system concerned, shall be a good discharge to the Company.

140 A general meeting declaring a dividend or bonus may upon the recommendation of the Board direct payment of the dividend or bonus wholly or partly by the distribution of specific assets and, in particular, of paid up shares or debentures of another company or in any one or more of these ways. The Directors shall give effect to the resolution and, where a difficulty arises in regard to the distribution, the Directors may settle it as they think expedient. In particular they may issue certificates in respect of fractions and fix the value for distribution of specific assets, may determine that cash payments are made to any members upon the footing of that value in order to adjust the rights of all parties and may vest the assets in trustees as may seem expedient to the Directors.

### **SCRIP DIVIDENDS**

141

141.1 The Directors may, if authorised by an ordinary resolution, offer any holders of New Ordinary Shares one or more of the following options:

141.1.1 instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any New Ordinary Shares held by them, either to invest the cash in subscribing for unissued New Ordinary Shares, payable in full or by instalments, or in paying up in full or by instalments any partly paid New Ordinary Shares held by them;

141.1.2 or instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any New Ordinary Shares held by them, to elect to receive New Ordinary Shares credited as fully paid;

141.1.3 or to forego their entitlement to all or any part (to be determined by the Directors) of any dividend declared or payable in any New Ordinary

Shares held by them and to take instead fully paid bonus New Ordinary Shares;

141.1.4 or any other option in respect of all or any part (to be determined by the Directors) of any dividend on any New Ordinary Shares held by them as the Directors determine.

141.2 In relation to the above options, the following provisions apply:

141.2.1 the ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period;

141.2.2 the entitlement of each holder of New Ordinary Shares to new 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 the holder elects to forego. In calculating the entitlement, the Directors may, at their discretion, adjust the figure obtained by dividing the relevant value by the amount payable on the New Ordinary Shares up or down so as to procure that the entitlement of each shareholder to new New Ordinary Shares is represented by a simple numerical ratio. For this purpose, 'relevant value' shall be calculated by reference to the average of the middle market quotations for the Company's New Ordinary Shares on the London Stock Exchange as derived from the daily Official List, on such five consecutive dealing days as the Directors determine, provided that the first day is on or after the day on which the New Ordinary Shares are first quoted 'ex' the relevant dividend, by or in accordance with the ordinary resolution;

141.2.3 on, or as soon as practicable after, announcing that they are to declare or recommend any dividend, the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention and shall, after determining the basis of allotment if they decide to proceed with the offer, notify the holders of New Ordinary Shares in Writing of the right of election offered to them and specify the procedure to be followed and the place at which and the latest time by which elections must be lodged in order for elections to be effective;

141.2.4 the Directors shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;

- 141.2.5 the Directors may exclude from any offer any holders of New Ordinary Shares where the Directors believe that the making of the offer to them 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;
- 141.2.6 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on New Ordinary Shares in respect of which an election has been made (the 'elected New Ordinary Shares') and instead additional New Ordinary Shares shall be allotted to the holders of the elected ordinary share on the basis of allotment calculated as stated above. For this purpose the Directors may capitalise, out of any amount standing to the credit of any reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or any other un-distributable reserve) whether or not it is available for distribution as the Directors determine, a sum equal to the aggregate nominal amount of the additional New Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued New Ordinary Shares for allotment and distribution to the holders of the elected New Ordinary Shares on that basis;
- 141.2.7 the additional New Ordinary Shares when allotted shall rank *pari passu* in all respects with the fully paid New Ordinary Shares then in issue except that they will not be entitled to participate in the relevant dividend or in that part of the dividend in respect of which the right of election was offered;
- 141.2.8 the Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of New Ordinary Shares may elect to receive New Ordinary Shares credited as fully paid instead of cash in respect of all future rights offered to that holder under this Article until the election mandate is revoked or deemed to be revoked in accordance with the procedure;
- 141.2.9 the Directors may undertake and do such acts and things as they consider necessary or expedient for the purpose of giving effect to these Articles including (without limitation) making such provisions as they think fit in relation to any fraction of an ordinary share which may or would arise from the application of this Article (including provisions whereby, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the Company rather than to the New

Ordinary Shareholders concerned or under which fractional entitlements are accrued or retained and in each case accumulated on behalf of any shareholder and the accruals or retentions are applied to the allotment of fully paid New Ordinary Shares by way of bonus to, or cash subscriptions on behalf of, the shareholder.)

### **CAPITALISATION OF RESERVES**

- 142 Subject to section 80 and Part VIII of the Act, the Company in general meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise an amount standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that it is set free for distribution among the members who would have been entitled to it if distributed by way of dividend and in the same proportions on condition that it is not paid in cash but is applied either in or towards paying up any amounts unpaid on shares held by the members or paying up in full unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and among Those members in those proportions, or partly in the one way and partly in the other. The Directors shall give effect to the resolution.
- 143 Whenever a resolution is passed under the preceding Article, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised. Subject to section 80 of the Act, the Directors shall make all allotments and issues of fully paid shares or securities, if any, and generally shall do all acts and things required to give effect to the resolution. The Directors may make such provision by the issue of certificates in respect of fractions. The Directors may authorise any person to enter into an agreement with the Company, on behalf of the members interested, providing for the allotment to them, credited as fully paid up, of any shares or securities to which they may be entitled upon the capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application of their proportions of the profits resolved to be capitalised, of the amounts of any part of the amounts remaining unpaid on their existing shares. Any agreement made under the authority shall be effective and binding on all the members.

### **DISCOVERY AND SECRECY**

- 144 No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter in the nature of a trade secret or secret

process which relates to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the members of the Company to communicate to the public.

## ACCOUNTS

- 145 The Directors shall cause true accounts to be kept:
- 145.1 of the sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
  - 145.2 of all sales and purchases of goods by the Company; and
  - 145.3 of the assets and liabilities of the Company.
- 146 The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than as director) shall have any right to inspect any account, book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.
- 147 Once at least in every year the Directors shall lay before the Company in general meeting a profit and loss account giving a true and fair view of the profit or loss of the Company for the financial year to which it relates and a balance sheet giving a true and fair view of the state of affairs of the Company as at the date at which it is made out and containing a general summary of the capital, the assets and the liabilities of the Company arranged under suitable headings, both made up to a date not more than seven months before the meeting. If the Company is a holding company as defined by the Statutes, there shall also (except in so far as the statutes otherwise permit) be laid before the Company in general meeting a consolidated balance sheet dealing with the state of affairs at the end of the Company's financial year of the Company and its then subsidiary undertakings and a consolidated profit and loss account dealing with the profit and loss for the Company's financial year of the Company and its then subsidiary undertakings. The Directors shall in preparing every such profit and loss account and balance sheet and consolidated profit and loss account and consolidated balance sheet have regard to the applicable provisions of the
- 148 Every balance sheet, profit and loss account, consolidated balance sheet and consolidated profit and loss account shall be signed in such manner as is required by the Statutes. There shall be attached to the balance sheet a report by the Directors as required by the Statutes.
- 149 The Auditors' report shall be read before the Company in general meeting and shall be open to inspection as required by the Act.

- 150 Except as provided in the next following Article, a copy of the report by the Directors and of the Auditors' report, accompanied by the balance sheet (including every document required by law to be annexed or attached to it), and profit and loss account, consolidated balance sheet and consolidated profit and loss account, shall, at least 21 days before the annual general meeting, be delivered or sent by post to the registered address of every member and every holder of debentures of the Company. If any shares or securities of the Company are listed on the London Stock Exchange, the required number of copies of each of these documents shall at the same time be forwarded to its appropriate department.
- 151 The Company may, in accordance with section 251 of the Act 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 the preceding Article.

### **AUDITORS**

- 152 The Company shall at each annual general meeting appoint auditors to hold office until the next annual general meeting.
- 153 No director or other officer of the Company and no person who is a partner of or in the employment of an officer of the Company, and no company may be appointed as an auditor. The duties of the Auditors shall be regulated in accordance with the Statutes.
- 154 Subject to the provisions of the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that at the time of his appointment he was not qualified for appointment.

### **NOTICES**

- 155 A notice or other document may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the Register.
- 156 All notices required to be given to the members with respect to any share to which persons are jointly entitled shall be given to whichever of such persons is named first in the Register in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.
- 157 Any member described in the Register by an address not within the United Kingdom who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon

him at such address but (save as aforesaid) no member other than a member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.

158 A notice required to be given by the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, it may be convened by notice advertised in at least two leading daily newspapers with appropriate circulation, of which one is a leading London daily newspaper. The notice shall be deemed to have been duly served on all members entitled to it at noon on the day when the advertisement appears. The Company shall send confirmatory copies of the notice by post if at least forty-eight hours prior to the meeting the posting of notices to addresses within the United Kingdom again becomes practicable.

159 Any notice or other document, if served by post, shall be deemed to have been served at the expiration of twenty-four hours after the time when the letter containing it is posted. In proving service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.

160 Any notice or document delivered or sent by post to or left at the registered address of any member shall, notwithstanding that the member is then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in his name as sole or joint holder, unless at the time of the service of the notice or document his name has been removed from the Register as the holder of the share. The service shall for all purposes be deemed a sufficient service of the notice or document on all persons interested in the share (whether jointly with or as claiming through or under him).

161 Every person who by operation of law, transfer or other means becomes entitled to any share shall be bound by every notice in respect of the share which, prior to his name and address being entered in the Register, has been duly given to the person from whom he derives his title other than a notice given under Article 83 or section 212 of the Act.

## **WINDING UP**

162 On a winding up of the Company, the balance of the assets available for distribution,

after deduction of any provision made under section 719 of the Act and subject to any special rights attaching to any class of shares, shall be applied in repaying to the members of the Company the amounts paid up on the shares held by them. Any surplus assets will belong to the holders of any New Ordinary Shares then in issue according to the numbers of shares held by them or, if no New Ordinary Shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them.

163 If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an extraordinary resolution, divide among the members in specie or kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of properties of different kinds. He may for that purpose set such value as he deems fair upon any one or more class or classes or property and may determine how the division is carried out as between the members or different classes of members. He may, with the same authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the same authority thinks fit, but no contributory shall be compelled to accept any shares in respect of which there is a liability.

164 The power of sale of a liquidator includes a power to sell wholly or partially for shares or debentures, or other obligations of another company either then already constituted or about to be constituted, for the purpose of carrying out the sale.

## INDEMNITY

165 Except so far as the provisions of this Article are avoided by any provisions of the Statutes, the Directors, executive directors, Auditors, Secretary and other officers of the Company, and their respective executors or administrators, shall to the extent permitted by the Statutes be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices, unless incurred through their own wilful neglect or default. None of them shall be answerable for the acts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or assets of the Company are lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company are placed out or invested, or for any other loss or damage which happens in the execution of their offices, unless resulting from their own wilful neglect or default. Subject to the provisions of the Act, the Directors may purchase

and maintain insurance at the expense of the Company for the benefit of any director or other officer or auditor of the Company 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 by him as a director, officer or auditor.