

THE COMPANIES ACTS 1985 TO 2006

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COMPANY LIMITED BY SHARES  
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## ARTICLES OF ASSOCIATION

OF

**ASSOCIATED BRITISH FOODS plc**

(adopted by special resolution passed on the 7<sup>th</sup> day of December 2007)  
(as amended by special resolution passed on the 5th day of December 2008)

### **PRELIMINARY**

In these articles the following words bear the following meanings:-

- “the 1985 Act” means the Companies Act 1985 to the extent in force from time to time;
- “the 2006 Act” means the Companies Act 2006 to the extent in force from time to time;
- “the Acts” means the 1985 Act and the 2006 Act;
- “electronic address” means any number or address used for the purposes of sending or receiving notices, documents or information by electronic means;
- “these articles” the articles of the Company;
- “clear days” in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
- “electronic form” has the same meaning as in the 2006 Act;
- “electronic means” has the same meaning as in the 2006 Act;

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| “executed”                  | any mode of execution;   |
| “the Group”                 | the Company and any subsidiary or subsidiaries of the Company;   |
| “holder”                    | in relation to shares, the member whose name is entered in the register of members as the holder of the shares;  |
| “the London Stock Exchange” | means the London Stock Exchange PLC;   |
| “Office”                    | the registered office of the Company;  |
| “recognised person”         | a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange who is designated as mentioned in section 185 (4) of the 1985 Act;      |
| “relevant system”           | means the same as in the Uncertificated Securities Regulations 2001;   |
| "the seal"                  | means the common seal (if any) of the Company and an official seal (if any) kept by the Company by virtue of section 40 of the 1985 Act, or either of them as the case may require;    |
| “secretary”                 | any person appointed by the directors to perform the duties of the secretary of the Company, including (subject to the provisions of the Acts) a joint, assistant or deputy secretary; |
| “the Statutes”              | the Acts and every other statute for the time being in force concerning companies and affecting the Company; and   |
| “subsidiary”                | a subsidiary or subsidiary undertaking as defined in the Acts.   |

1.2 Save as aforesaid and unless the context otherwise requires, words or expressions contained in these articles bear the same meaning as in the Acts.

1.3 A reference to any statute or provision of a statute includes a reference to any statutory modification or re-enactment of it for the time being in force.

1.4 Unless the context otherwise requires:-

- (A) words in the singular include the plural, and vice versa;
- (B) words importing any gender include all genders; and

- (C) a reference to a person includes a reference to a body corporate and to an unincorporated body of persons.

1.5 In these articles:-

- (a) references to writing include references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form and documents and information sent or supplied in electronic form or made available on a website are "in writing" for the purposes of these articles;
- (b) references to "other" and "otherwise" shall not be construed *eiusdem generis* where a wider construction is possible;
- (c) references to a power are to a power of any kind, whether administrative, discretionary or otherwise; and
- (d) references to a committee of the directors are to a committee established in accordance with these articles, whether or not comprised wholly of directors.

1.6 The headings are inserted for convenience only and do not affect the construction of these articles.

2. The regulations contained in Table A in the Companies (Tables A to F) (Amendment) Regulations 2007 do not apply to the Company.

### **SHARE CAPITAL**

3.1 At the date of the adoption of these articles the authorised share capital of the Company is £62 million divided into:-

(A) 1,054,950,000 Ordinary Shares of 5<sup>15/22</sup> pence each; and

(B) 2 million Deferred Shares of £1 each.

The respective rights and restrictions attaching to the respective classes of shares in the capital of the Company are as follows:-

(A) AS REGARDS INCOME:-

The profits which the Company may determine to distribute in respect of any financial year or other period for which its accounts are made up shall be applied:-

The Deferred shares shall in no circumstances carry any rights to any dividend or other distribution of an income nature whatsoever.

The entirety of the said profits shall be distributed among the holders of the Ordinary Shares according to the amounts paid or credited as paid up on the Ordinary Shares held by them respectively.

(B) AS REGARDS CAPITAL:-

On a distribution of assets on liquidation or otherwise surplus assets of the Company remaining after payment of its liabilities shall be applied:-

FIRST in repaying to the holders of the Ordinary Shares the amounts paid or credited as paid upon such shares

SECOND in repaying to the holders of the Deferred Shares the amounts paid or credited as paid up on such shares

THIRD the balance of such assets shall belong to and be distributed among the holders of the Ordinary Shares in proportion to the amounts paid or credited as paid up on the Ordinary Shares held by them respectively.

(C) AS REGARDS VOTING:-

The Deferred Shares shall carry no rights to receive notice of, attend or vote at any general meeting of the Company in any circumstances at all.

(D) AS REGARDS REDEMPTION:-

(1) The holders of the Deferred Shares shall have the right at any time after 1<sup>st</sup> August 1997 to require that the Company shall, subject to the Statutes, redeem the whole or any part of the Deferred Shares for the time being issued and outstanding. The holders of the Deferred Shares so requiring redemption shall give such notice by completing the form set out on the reverse of the share certificate relating to the Deferred Shares to be redeemed not more than thirty days after such receipt of such notice (the "Redemption Date"). Such notice in writing relating to redemption of Deferred Shares, once given, shall be irrevocable.

(2) Any notice of redemption shall specify the particular Deferred Shares to be redeemed. Upon the Redemption Date the Company shall redeem the particular Deferred Shares concerned, provided that the holder thereof has delivered to the Company at such place

as may be specified on the reverse the certificates for such of the Deferred Shares concerned as are hold by him (or, in default, an indemnity satisfactory to the Company), and shall pay to such holder the amount paid up on the Deferred Shares to be redeemed. If any certificate so delivered to the Company includes any Deferred Shares not to be redeemed on the relevant Redemption Date, a fresh certificate for such Deferred Shares shall be issued free of charge to the holder.

(E) AS REGARDS VARIATION OF RIGHTS:-

None of the matters mentioned in Article 9 hereof nor any other matter whatsoever which is permitted by the Statutes shall amount to a variation or abrogation of the separate rights attached to the Deferred Shares.

4. Subject to the provisions of the Acts:-

(A) the unissued shares in the Company shall be at the disposal of the directors, who may allot, grant options over or otherwise dispose of them to such persons and on such terms as the directors think fit;

(B) shares may be issued on the terms that they are, or are to be liable, to be redeemed at the option of the Company or the holder on such date or between dates and at such price and on such other terms and manner as the Company before the issue of the shares may determine.

5. Without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or, if the Company does not so determine, as the directors may determine).

6. The Company may exercise the powers of paying commissions conferred by the Acts. Subject to the provisions of the Acts, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

7. Except as required by law no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by these articles or by law) the Company shall not be bound by or recognise any interest in nay shares except an absolute right to the entirety of it in the holder.

## **VARIATION OF RIGHTS**

8. Subject to the provisions of the Acts, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied, either while the Company is a going concern or during or in contemplation of a winding up:-

- (A) in such manner (if any) as may be provided by those rights; or
- (B) in the absence of any such provision, with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class, or with the sanction or a special resolution passed at a separate meeting of the holders of the shares of that class,

but not otherwise. To every such separate meeting the provisions of these articles relating to general meetings shall apply, except that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons together holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and at an adjourned meeting shall be one person holding shares of the class in question or his proxy.

9. Unless otherwise expressly provided by the rights attached to any shares, those rights:-

- (A) shall be deemed to be varied by the reduction of the capital paid up on those shares and by the creation or issue of further shares ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the first-mentioned shares:-
- (B) shall otherwise be deemed not to be varied by the creation or issue of further shares ranking *pari passu* with or subsequent to the first-mentioned shares; and
- (C) shall be deemed not to be varied by the purchase by the Company of any of its own shares.

## **SHARE CERTIFICATES**

10.1 Every holder of shares (other than a recognised person in respect of whom the Company is not required by law to complete and have ready a certificate) shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of that

holding) or, upon payment for every certificate after the first of such reasonable sum as the directors may determine, to several certificates each for one or more of his shares except that shares of different classes may not be included in the same certificate. Every certificate shall be under the seal or the securities seal or shall bear such imprint or representation of the seal or such other form of authentication as the directors may determine 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 Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

- 10.2 If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of any exceptional expenses incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.
- 10.3 Subject to and to the extent permitted by the Statutes, the Company may cause to be kept in any territory a branch register of members resident in such territory and the directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

### **BEARER SHARES**

11. Subject to any statutory restrictions for the time being in force the Company may issue certificates (hereinafter called "bearer certificates") in respect of any fully paid up shares stating that the bearer is entitled to the share therein specified and may provide by coupons or otherwise for the payment of future dividends on and obtaining of other rights in respect of the shares comprised therein. The directors may determine and from time to time vary the conditions upon which bearer certificates shall be issued and, in particular, the conditions upon which a new bearer certificate or coupon will be issued in place of the one worn out, defaced, lost or destroyed (provided that no new bearer certificate shall be issued unless the Company is satisfied beyond reasonable doubt that the original has been destroyed) or upon which the bearer shall be entitled to attend and vote at general meetings, or upon which a bearer certificate may be surrendered and the name of the bearer entered in the register in respect of the shares therein specified. The bearer of a bearer certificate shall be subject to the conditions for the time being in force in relation thereto, whether made before or after the issue thereof and, subject to such conditions and to the provisions of the Acts, such bearer shall be deemed to be a member of the Company and shall have the same rights and

privileges as he would have if his name had been included in the register as the holder of the shares comprised in such bearer certificate.

### **LIEN**

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

### **CALLS ON SHARES AND FORFEITURE**

16. Subject to the terms of allotment, the directors may make calls upon the members in respect of any amounts unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of an amount due under it, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

17. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.
19. If a call remains unpaid after it has become due and payable the person from whom it is due shall pay interest on the amount unpaid, from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the shares in question or in the notice of the call or, if no rate is fixed, at 4 per cent. per annum above the base rate of National Westminster Bank Plc from time to time, but the directors may waive payment of the interest wholly or in part.
20. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and, if it is not paid, these articles shall apply as if that sum had become due and payable by virtue of a call.
21. Subject to the terms of allotment, the directors may differentiate between the holders in the amounts and times of payment of calls on their shares.
22. The directors may receive from any member willing to advance it all or any part of the amount unpaid on the shares held by him (beyond the sums actually called up) as a payment in advance of calls. Any such payment shall, to the extent of it, extinguish the liability on the shares in respect of which it is advanced. The Company may pay interest on the amount so received, or so much of it as exceeds the sums called up on the shares in respect of which hits has been received, at such rate as the directors may determine but a payment in advance of calls shall not entitle the holder of the shares to participate in respect of the payment in a dividend declared or paid after the payment but before the call.
- 23.1 If a call or any instalment of a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. If the notice is not complied with, any shares in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all amounts payable in respect of the forfeited shares and not paid before the forfeiture.

- 23.2 When any share has been forfeited notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share by reason of the death or bankruptcy of the holder (as the case may be); but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
24. Subject to the provisions of the Acts, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and, at any time before the disposition, the forfeiture may be cancelled on such terms as the directors determine. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the directors may authorise someone to execute an instrument of transfer of the share to that person.
25. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall remain liable to the Company for all amounts which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those amounts before the forfeiture or, if no interest was so payable, at 4 per cent. per annum above the base rate of National Westminster bank plc from time to time from the date of forfeiture until payment. The directors may however waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
26. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share. The person to whom the share is disposed shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

### **TRANSFER OF SHARES**

27. The instrument of transfer of a share may be in any usual form or in any other form, which the directors approve and shall be executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee.

- 28.1 The directors may, in their absolute discretion refuse to register the transfer of a share in certificated form which is not fully paid provided that if the share is listed on the official list of the UK Listing Authority such refusal does not prevent dealings in the shares from taking place on an open and proper basis. They may also refuse to register a transfer of a share in certificated form (whether fully paid or not) unless the instrument of transfer -
- (A) is lodged, duly stamped, at the Office or at such other place as the directors may appoint and (except in the case of a transfer by a financial institution where a certificate has not been issued in respect of the share) is accompanied by the certificate for the share to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
  - (B) is in respect of only one class of share; and
  - (C) is in favour of not more than four transferees.
- 28.2 The directors may refuse to register a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form in any case where the Company is entitled to refuse (or is excepted from the requirement) under the Uncertificated Securities Regulations 2001 to register the transfer.
29. If the directors refuse to register a transfer of a share, they shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company (in the case of a transfer of a share in certificated form) or the date on which the Operator-instruction was received by the Company (in the case of a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form) send to the transferee notice of the refusal together with reasons for the refusal. The directors shall send to the transferee such further information about the reasons for the refusal as the transferee may reasonably request.
30. [Intentionally deleted.]
31. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
32. The Company shall be entitled to retain any instrument of transfer, which is registered, but any instrument of transfer which the directors refuse to register shall (except in the case of fraud) be returned to the person lodging it when notice of the refusal is given.

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

### **DESTRUCTION OF DOCUMENTS**

- 34.1 The Company may destroy:-
- (A) any instrument of transfer, after six years from the date on which it is registered;
  - (B) any dividend mandate or notification of change of name or address, after two years from the date on which it is recorded;
  - (C) any share certificate, after one year from the date on which its is cancelled; and
  - (D) any other document on the basis of which entry in the register of members is made, after six years from the date on which it is made.
- 34.2 Any document referred to in paragraph 34.1 of this article may be destroyed earlier than the relevant date authorised thereby, provided that a permanent record of the document is made which is not destroyed before that date.
- 34.3 It shall be conclusively presumed in favour of the Company that every entry in the register of members purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was duly cancelled, and that every other document so destroyed was valid and effective in accordance with the particulars in the records of the Company; provided that:-
- (A) this article shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant;
  - (B) nothing in this article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document, otherwise than as provided for in this article, which would not attach to the Company in the absence of this article; and
  - (C) references in this article to the destruction of any document include references to the disposal of it in any manner.

## **UNTRACED MEMBERS**

- 35.1 The Company shall be entitled to sell at the best price reasonably obtainable any share held by a member, or any share to which a person is entitled by transmission, if:-
- (A) for a period of 12 years no cheque or warrant for amounts payable in respect of the share sent and payable in a manner authorised by these articles has been cashed and no communication has been received by the Company from the member or person concerned;
  - (B) during that period at least three dividends in respect of the share have become payable;
  - (C) the Company has, after the expiration of that period, by advertisement in a leading national daily newspaper published in the United Kingdom and in a newspaper circulating in the area of the registered address or last known address of the member or person concerned and by notice to the London Stock Exchange if shares of the class concerned are listed or dealt in on that exchange, given notice of its intention to sell such share; and
  - (D) the Company has not during the further period of three months after the date of the advertisement and prior to the sale of the share received any communication from the member or person concerned.
- 35.2 The Company shall also be entitled to sell at the best price reasonably obtainable any additional share issued during the said period of twelve years in right of any share to which paragraph 35.1 of this article applies (or in right of any share so issued), if the criteria in sub-paragraphs (A), (C) and (D) of that article are satisfied in relation to the additional share (but as if the words “for a period of 12 years” were omitted from sub-paragraph (A) and the words “, after the expiration of that period,” were omitted from sub-paragraph (C).
- 35.3 To give effect to the sale the Company may appoint any person to execute an instrument of transfer of the share. The instrument shall be as effective, as if it had been executed by the registered holder of, or person entitled by transmission to, the share. The purchaser shall not be bound to see to the application of the proceeds of sale, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings relating to such transfer. The Company shall be indebted to the member or other

person entitled to the share for an amount equal to the net proceeds of the sale, but no trust or duty to account shall be created and no interest shall be payable in respect of the proceeds of sale.

### **TRANSMISSION OF SHARES**

36. If a member dies the survivor or survivors where he was a joint holder, or his personal representative where he was a sole holder or the only survivor of joint holders, shall be the only person recognised by the Company as having any title to his interest; but nothing in this article shall release the state of a deceased member from any liability in respect of any share which had been jointly held by him.
37. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute and instrument of transfer of the share to that person. All the provisions of these articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer signed by the member and the death or bankruptcy of the member had not occurred.
38. A person becoming entitled to a share by reason of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any general meeting or at any separate meeting of the holders of any class of shares.

### **DISCLOSURE OF INTERESTS**

- 39.1 If a member, or any other person appearing to be interested in shares held by that member, has been given a notice under section 793 of the 2006 Act and has failed in relation to any shares (the “default shares”) to give the Company the information thereby required within 14 days from the date of giving notice, the following sanctions shall apply, unless the directors otherwise determine:-
  - (A) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll; and

(B) where the default shares represent at least 0.25 per cent. of their class:-

(1) any dividend payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to these articles, to receive shares instead of that dividend; and

(2) no transfer, other than an excepted transfer, of any shares held by the member shall be registered unless:-

(a) the member is not himself in default as regards supplying the information required; and

(b) the member proves to the satisfaction of the directors that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

39.2 Where the sanctions under paragraph 39.1 of this article apply in relation to any shares, they shall cease to have effect at the end of the period of seven days (or such shorter period as the directors may determine) following the earlier of:-

(a) receipt of the Company of the information required by the notice mentioned in that paragraph; and

(b) receipt by the Company of notice that the shares have been transferred by means of an excepted transfer,

and the directors may suspend or cancel any of the sanctions at any time in relation to any shares.

39.3 Any new shares in the Company issued in right of default shares shall be subject to the same sanctions as apply to the default shares, and the directors may make any right to an allotment of the new shares subject to sanctions corresponding to those which will apply to those shares on issue; provided that any sanctions applying to, or to a right to, new shares by virtue of this Article 39.3 shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled); and provided further that paragraph 39.1 of this article shall apply to the exclusion of this Article 39.3 if the Company gives a separate notice under section 793 of the 2006 Act in relation to the new shares.

39.4 Where, on the basis of information obtained from a member in respect of any share held by him, the Company gives a notice under section 793 of the 2006 Act to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of Article 39.1 of this article.

39.5 For the purposes of this Article 39:-

- (A) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a notice under section 793 of the 2006 Act, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
- (B) “interested” shall be construed as it is for the purpose of section 793 of the 2006 Act;
- (C) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes (1) reference to his having failed or refused to give all or any part of it and (2) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
- (D) an “excepted transfer” means, in relation to any shares held by a member:-
  - (1) a transfer pursuant to acceptance of a takeover bid (within the meaning of Part 28 of the 2006 Act) in respect of shares in the Company; or
  - (2) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company’s shares are normally traded; or
  - (3) a transfer which is shown to the satisfaction of the directors to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

- 39.6 Nothing in this Article 39 shall limit the powers of the Company under section 794 of the 2006 Act or any other powers of the Company whatsoever.

### **STOCK**

40. The Company may by ordinary resolution convert any paid up shares into stock and re-convert any stock into paid up shares of any denomination.
41. A holder of stock may transfer it or any part of it in the same manner and, subject to the same provisions of these articles as would have applied to the shares from which the stock arose if they had not been converted, or as near thereto as circumstances admit, but the directors may fix the minimum amount of stock transferable at an amount not exceeding the nominal amount of any of the shares from which the stock arose.
42. A holder of stock shall, according to the amount of the stock held by him, have the same rights as of he held the shares from which the stock arose; provided that no such right (except participation in dividends and in the assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that right.
43. All the provisions of these articles applicable to paid up shares shall apply to stock, and the words “share” and “member” shall include “stock” and “stockholder” respectively.

### **ALTERATION OF CAPITAL**

44. The Company may by ordinary resolution:-
- (A) increase its share capital by new shares of such amount as the resolution prescribes;
  - (B) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (C) subject to the provisions of the Acts, sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum;
  - (D) determine that, as between the shares resulting from such a sub-division, any of them may have any preference or advantage as compared with the others; and

- (E) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
45. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell to any person (including, subject to the provisions of the Acts, the Company) the shares representing the fractions for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion among those members and the directors may authorise some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
46. Subject to the provisions of the Acts, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or other undistributable reserve, in any way.

#### **PURCHASE OF OWN SHARES**

47. Subject to the provisions of the Acts, the Company may purchase its own shares, including redeemable shares.

#### **GENERAL MEETINGS**

48. All meetings other than annual general meetings shall be called general meetings.
49. The directors may call general meetings. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or, if there is no director within the United Kingdom, any member of the Company may call a general meeting.

#### **NOTICE OF GENERAL MEETINGS**

50. Subject to the provisions of the 2006 Act, an annual general meeting and all other general meetings of the Company shall be called by at least such minimum period of notice as is prescribed under the 2006 Act. The notice shall specify the place, the day and the time of meeting and the general nature of the business to be transacted and, in the case of an annual general meeting shall specify the meeting, as such. Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by

electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting. Subject to the provisions of these articles, notices shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors of the Company.

51. The accidental omission to give notice of a meeting to, or the failure to give notice due to circumstances beyond the Company's control to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

52. No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business. No meeting shall become incompetent to transact business from the want of a quorum arising after the chair has been taken. Three persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member (including for this purpose proxies or corporate representatives who are appointed by the same member), shall be a quorum.
53. If a quorum is not present within half an hour after the time appointed for holding the meeting, the meeting if convened on the requisition of members shall be dissolved. In any other case the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such day, time and place as the directors may determine. If at the adjourned meeting a quorum is not present within 15 minutes after the time appointed for holding the meeting, then two members present shall form a quorum.
54. The chairman (if any) of the board of directors, or in his absence the vice-chairman, or in the absence of both of them some other director nominated prior to the meeting by the directors, shall preside as chairman of the meeting. However if neither the chairman nor the vice-chairman nor such other director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number present and willing to act to be chairman and, if there is only one director present, he shall be chairman.
55. If no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
56. Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are

members. The chairman of the meeting may permit other persons who are not members of the Company or otherwise entitled to exercise the rights of members in relation to general meetings to attend and, at the chairman's discretion, speak at a general meeting or at any separate class meeting.

57. Without prejudice to any other power of adjournment he may have under these articles or at common law, the chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 30 days or more, at least 7 clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give notice of an adjournment. No business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place.
58. If an amendment proposed to any resolution under consideration is ruled out of order by the chairman, the proceedings on the resolution shall not be invalidated by any error in the ruling.

### **POLLS**

59. A poll on a resolution may be demanded at a general meeting either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

A poll on a resolution may be demanded by:-

- (A) the chairman; or
- (B) the directors; or
- (C) not less than five members having the right to vote at the meeting;  
or
- (D) 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 (excluding any voting rights attached to any shares in the Company held as treasury shares); or
- (E) a member or members holding shares conferring a right to vote on the resolution on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares

conferring that right (excluding any shares in the Company conferring a right to vote at the meeting which are held as treasury shares).

60. Unless a poll is duly demanded and the demand is not subsequently withdrawn, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry in respect of such declaration in the minutes of the meeting, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.
61. If any votes shall be counted which ought not to have been counted or might have been rejected, the error shall not affect the validity of the resolution unless the error was pointed out at the same meeting or at any adjournment thereof and not in that case unless it shall, in the opinion of the chairman, be a sufficiently large error to invalidate the resolution.
62. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

#### **PROCEDURE ON A POLL**

63. Polls at general meetings shall, subject to articles 64 and 65 below, be taken as and when the chairman directs and can be taken by electronic means. The chairman may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared. The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
64. A poll on:-
  - (A) the election of the chairman of the meeting; or
  - (B) a question of adjournment,must be taken immediately.

Other polls must be taken either immediately or within 30 days of their being demanded. A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a

show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

65. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least 7 clear days notice must be given specifying the time and place at which the poll is to be taken.
66. [Intentionally deleted.]

### **VOTES OF MEMBERS**

67. Subject to any rights or restrictions attached to any shares:-
- (a) on a show of hands every member who is present in person has one vote, and every proxy present who has been duly appointed by a member entitled to vote has one vote; and
  - (b) on a poll every member (whether present in person or by proxy) has one vote for every share of which he is the holder. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.
68. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and seniority shall be determined by the order in which the names of the holders stand in the register of members.
69. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, on a show of hands or on a poll, by any person authorised in that behalf by that court. Evidence to the satisfaction of the directors of the authority of the person claiming the right to vote shall be delivered to the Office, or such other place as is specified in accordance with these articles for the delivery or receipt of appointments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.
70. No member shall have the right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by representative or proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.
71. No objection may be raised as to the qualification of any person voting at a general meeting or to the counting of, or failure to count, any vote,

except at the meeting or adjourned meeting at which the vote objected to is tendered. Subject to any objection made in due time, every vote counted and not disallowed at the meeting shall be valid and every vote disallowed or not counted shall be invalid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

### **PROXIES**

- 72.1. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. The appointment of a proxy shall be deemed also to confer authority to demand or join in demanding a poll (and for the purposes of these articles a demand for a poll made by a person as proxy for a member or as the duly authorised representative of a corporate member shall be the same as a demand made by the member). Delivery of an appointment of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it. A proxy need not be a member. A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. References in these articles to an appointment of proxy include references to an appointment of multiple proxies.
- 72.2. Where two or more valid appointments of proxy are received in respect of the same share in relation to the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others. If the Company is unable to determine which is last sent, the one which is last received shall be so treated. If the Company is unable to determine either which is last sent or which is last received, none of such appointments shall be treated as valid in respect of that share.
73. The appointment of a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor which in the case of a corporation may be either under its common seal or under the hand of a duly authorised officer. In addition, the directors may allow the appointment of a proxy to be sent or supplied in electronic form subject to any conditions or limitations as the directors may specify, and where the Company has given an electronic address in any instrument of proxy or invitation to appoint a proxy, any document or information relating to proxies for the meeting (including any document necessary to show the validity of, or otherwise relating to, the appointment of a proxy, or notice of the termination of the authority of a proxy) may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

74. The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:-
- (A) in the case of an appointment of proxy in hard copy form, be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote; or
  - (B) in the case of an appointment of proxy in electronic form, be received at the electronic address specified in the notice convening the meeting, or in any instrument of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote; or
  - (C) in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid not less than 24 hours (or such shorter time as the directors may determine) before the time appointed for the taking of the poll.

An appointment of proxy which is not, or in respect of which the authority or copy thereof is not, delivered or received in a manner so permitted shall be invalid. The directors may specify in the notice convening the meeting that in determining the time for delivery of proxies pursuant to this article, no account shall be taken of any part of a day that is not a working day (as defined in section 1173(1) of the 2006 Act).

75. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of the determination was delivered to the Company at the Office, or at such other place or address at which an appointment of proxy may be duly received or delivered, not later than the last time at which an appointment of proxy should have been received in order for it to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll demanded or for use on the holding of the poll at which the vote was given.
76. [Intentionally deleted.]

77. The directors may at the expense of the Company send or make available appointments of proxy or invitations to appoint a proxy to the members by post or by electronic means or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the directors or any other person. If for the purpose of any meeting appointments of proxy or invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission, or the failure due to circumstances beyond the Company's control, to send or make available such an instrument of proxy or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

### **CORPORATIONS ACTING BY REPRESENTATIVES**

78. Subject to the provisions of the 2006 Act, any corporation (other than the Company itself) which is a member of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company, or at any separate meeting of the holders of any class of shares, and, the corporation shall for the purposes of these articles be deemed to be present in person at any such meeting if a person or persons so authorised is present at it.

### **DIRECTORS**

79. Unless otherwise determined by the Company by ordinary resolution the number of directors (other than alternate directors) shall be not less than two nor more than 12.
80. A director shall not require a share qualification.
- 81.1 Until otherwise determined by the Company by ordinary resolution, there shall be paid to the directors (other than alternate directors) such fees for their services in the office of director as the directors may determine (not exceeding in the aggregate an annual sum of £200,000 or such larger amount as the Company may by ordinary resolution decide) divided between the directors as they agree, or, failing agreement, equally. The fees shall be deemed to accrue from day to day and shall be distinct from and additional to any remuneration or other benefits, which may be paid or provided to any director pursuant to any other provision of these articles.

- 81.2 The directors may also be paid travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the directors or of committees of the directors or general meetings or separate meetings of the holders of any class of shares or otherwise in connection with the discharge of their duties as directors.
- 81.3 Any director who performs services, which the directors consider go beyond the ordinary duties of a director may be paid such special remuneration (whether by way of bonus, commission, participation in profits or otherwise) as the directors may determine.

### **ALTERNATE DIRECTORS**

82. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director appointed by him.
83. An alternate director shall (unless he is absent from the United Kingdom) be entitled to receive notices of meetings of the directors and of committees of the directors of which his appointor is a member, to attend and vote at any such meeting at which the directors appointing him is not present and generally to perform all the functions of his appointor as a director in his absence, but shall not (unless the Company by ordinary resolution otherwise determines) be entitled to any fees for his services as an alternate director.
84. An alternate director shall cease to be an alternate director if his appointor ceases to be a director, but, if a director retires by rotation or otherwise but is re-appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
85. An appointment or removal of an alternate director shall be by notice to the Company executed by the director making or revoking the appointment or in any manner approved by the directors.
86. Save as otherwise provided in these articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the directors appointing him.

## **POWERS OF DIRECTORS**

87. The business of the Company shall be managed by the directors who, subject to the provisions of the Acts, the memorandum and these articles and to any directions given by special resolution, may exercise all the powers of the Company. No alteration of the memorandum or these articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by these articles and a meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

88.1 The directors shall restrict the borrowings of the Company and exercise all powers of control exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate principal amount (including any premium payable on final repayment) outstanding of all money borrowed by the Group (excluding amounts borrowed by any member of the Group from any other member of the Group, other than amounts to be taken into account under paragraph 88.2 (C) and (D) below) shall not at any time, save with the previous sanction of an ordinary resolution of the Company, exceed an amount equal to two times the aggregate of:-

- (A) the amount paid up on the share capital of the Company; and
- (B) the total of the capital and revenue reserves of the Group, including any share premium account, capital redemption reserve and credit balance on the profit and loss account, but excluding sums set aside for taxation and amounts attributable to outside shareholders in subsidiaries of the Company and deducting any debit balance on the profit and loss account,

all as shown in the then latest audit consolidated balance sheet and profit and loss account of the Group, but adjusted, as may be necessary, in respect of any variation in the paid up share capital or share premium account of the Company since the date of that balance sheet and further adjusted, as may be necessary, to reflect any change since that date in the companies comprising the Group.

88.2 For the purposes of this article, but without prejudice to the generality of the terms “borrowing” and “borrowed”:-

- (A) amounts borrowed for the purpose of repaying the whole or any part of any amounts previously borrowed and then outstanding

(including any premium payable on final repayment) and to be applied for that purpose within four months of the borrowing shall not, pending such application, be taken into account as money borrowed;

- (B) the principal amount (including any premium payable on final repayment) of any debentures issued in whole or in part for a consideration other than cash shall be taken into account as money borrowed by the member of the Group issuing them;
- (C) money borrowed by a partly-owned subsidiary and not owing to another member of the Group shall (notwithstanding sub-paragraph (B) above) be taken into account subject to the exclusion of a proportion of it equal to the minority proportion and money borrowed and owing to a partly-owned subsidiary by another member of the Group shall (subject to sub-paragraph (D) below) be taken into account to the extent of a proportion of it equal to the minority proportion (and for the purpose of this sub-paragraph “minority proportion” means the proportion of the issued equity share capital of the partly-owned subsidiary which is not attributable, directly or indirectly, to the Company); and
- (D) in the case of money borrowed and owing to a partly-owned subsidiary by another partly-owned subsidiary, the proportion which would otherwise be taken into account under sub-paragraph (C) above shall be reduced by excluding such part of it as is equal to the proportion of the issued equity share capital of the borrowing subsidiary which is not attributable, directly or indirectly, to the Company.

88.3 In calculating the aggregate amount of borrowings for the purpose of this article, money borrowed by any member of the Group which is denominated or repayable in a currency other than sterling shall be treated as converted into sterling:-

- (A) at the rate of exchange used for the conversion of that currency in the latest audited balance sheet of that member; or
- (B) if no rate was so used, at the middle market rate of exchange prevailing in London at the close of business on the date of that balance sheet,

but if the amount in sterling resulting from conversion at that rate would be greater than that resulting from conversion at the middle market rate prevailing in London at the close of business on the business day

immediately preceding the day on which the calculation falls to be made, the latter rate shall apply instead.

- 88.4 No debt incurred or security given in respect of money borrowed or to be taken into account as money borrowed in excess of the above limit shall be invalid or ineffectual, except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

### **DELEGATION OF DIRECTORS' POWERS**

- 89.1 The directors may delegate any of their powers:-
- (A) to any managing director or any director holding any other executive office or any other director;
  - (B) to any committee consisting of one or more directors and (if thought fit) one or more other persons, but a majority of the members of the committee shall be directors and no resolution of the committee shall be effective unless a majority of those present when it is passed are directors; and
  - (C) to any local board or agency for managing any of the affairs of the Company either in the United Kingdom or elsewhere.
- 89.2 Any such delegation (which may include authority to sub-delegate all or any of the powers delegated) may be subject to any conditions the directors impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. The power to delegate under this article, being without limitation, includes power to delegate the determination of any fee, remuneration or other benefit which may be paid or provided to any director, and the scope of the power to delegate under sub-paragraph (A), (B) or (C) of Article 89.1 shall not be restricted by reference to or inference from any other of those sub-paragraphs. Subject as aforesaid, the proceedings of any committee, local board or agency with two or more members shall be governed by such of these articles as regulate the proceedings of directors so far as they are capable of applying.
90. The directors may, by power of attorney or otherwise, appoint any person, whether nominated directly or indirectly by the directors, to be the agent of the Company for such purposes and with such powers and subject to such conditions as they think fit, and may delegate any of their powers to

such an agent. Any such appointment may contain such provisions for the protection and convenience of persons dealing with the agent as the directors may think fit and may also authorise the agent to sub-delegate all or any of the powers vested in him. The directors may revoke or vary any such appointment or delegation.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

91. At the annual general meeting in every year there shall retire from office by rotation:-
- (i) all directors who held office at the time of the two preceding annual general meetings and who did not retire by rotation at either of them; and
  - (ii) if the number of directors retiring under (i) above is less than one-third of the directors or, if their number is not three or a multiple of three, less than the number which is nearest to but does not exceed one-third, such additional number of directors as shall together with the directors retiring under (i) above equal one-third of the directors or, if their number is not three or a multiple of three, the number which is nearest to but does not exceed one-third, but so that if there is only one director who is subject to retirement by rotation, he shall retire.
92. Subject to the provisions of the Acts and to the following provisions of these articles, the directors to retire under sub-paragraph (ii) of Article 91 shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
93. 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 a resolution for the re-appointment of the director is put to the meeting and lost.
94. No person other than a director retiring by rotation shall be appointed or re-appointed a director at any general meeting unless:-
- (A) he is recommended by the directors; or
  - (B) not less than 7 nor more than 35 days before the date appointed for holding the meeting, notice executed by two members duly qualified to vote on the appointment or re-appointment, stating the

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

95. At a general meeting a motion for the appointment of two or more persons as directors by a single resolution shall not be made, unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it. For the purposes of this article a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.
96. Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.
97. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed as the maximum number of directors. A director so appointed shall retire at the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting.
98. Subject as aforesaid, a director who retires at an annual general meeting may be re-appointed. If he is not re-appointed or deemed to have been re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

99. Without prejudice to the provisions of the Acts, the Company may, by ordinary resolution, remove a director before the expiration of his period of office (but such removal shall be without prejudice to any claim to damages for breach of any contract of service between the director and the Company) and, subject to these articles, may, by ordinary resolution, appoint another person instead of him. A person so 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 appointed or re-appointed a director.
100. The office of a director shall be vacated if:-
  - (A) he ceases to be a director by virtue of any provision of the Acts or he becomes prohibited by law from being a director; or

- (B) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (A) he is, or may be, suffering from mental disorder and either:-
  - (1) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984, or
  - (2) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of any person to exercise powers with respect to his property or affairs; or
- (B) he resigns his office by notice in writing to the Company; or
- (C) in the case of a director who holds any executive office, his appointment as such is terminated or expires and the directors resolve that his office be vacated; or
- (D) he is absent for more than six consecutive months without permission of the directors from meetings of the directors held during that period and the directors resolve that his office be vacated; or
- (E) he is requested in writing by all the other directors to resign.

### **DIRECTORS' APPOINTMENTS AND INTERESTS**

- 101.1 The directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company. Subject to the provisions of the Acts, any such appointment may be made for such term, at such remuneration and on such other conditions as the director think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim for breach of the contract of service between the director and the Company. A managing director shall not be subject to retirement by rotation.
- 101.2 The directors may from time to time appoint any person who is for the time being a director of the Company to the office of President of the Company for such period, either for life or for a definite period, or for a period terminable on the happening of any contingency or event, and with such powers and duties as the

directors in their discretion may determine. A director appointed to the office of President shall not while holding that office be subject to retirement by rotation or be taken into account in determining the rotation of retirement of directors, but his appointment shall be subject to determination ipso facto if he ceases from any cause to be a director of the Company.

102.1 Subject to the provisions of the Acts, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office -

- (A) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and
- (B) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested,

and (i) he shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate; (ii) he shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any such body corporate; (iii) he shall not be required to disclose to the Company, or use in performing his duties as a director of the Company, any confidential information relating to such office or employment if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that office or employment; (iv) he may absent himself from discussions, whether in meetings of the directors or otherwise and exclude himself from information, which will or may relate to that office, employment, transaction, arrangement or interest; and (v) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

102.2 For the purposes of this article -

- (A) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- (B) 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.

103.1 The directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law -

- (A) any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and
- (B) a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and without prejudice to the generality of paragraph (A) of this article may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises, provided that the authorisation is effective only if (i) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and (ii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

103.2 If a matter, or office, employment or position, has been authorised by the directors in accordance with this article then (subject to such terms and conditions, if any, as the directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below) –

- (A) the director shall not be required to disclose to the Company, or use in performing his duties as a director of the Company, any confidential information relating to such matter, or such office, employment or position if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;
- (B) the director may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to that matter, or that office, employment or position; and
- (C) a director shall not, by reason of his office as a director of the Company, be accountable to the Company for any benefit which he derives from any such matter, or from any such office, employment or position.

## **GRATUITIES AND PENSIONS**

104. The directors may grant pensions, allowances, gratuities, donations and bonuses to officers, ex-officers, employees, ex-employees, directors and ex-directors of the Company, or of the predecessors in business of the Company or of any such subsidiary company, or the dependants or connections of such persons. The directors may establish and maintain or concur in establishing and maintaining trust funds or schemes (whether contributory or non-contributory) by way of payment of premiums to insurance companies or otherwise with a view to providing pensions or other benefits for any persons as aforesaid, their dependants or connections and support of which may, in the opinion of the directors, be calculated directly or indirectly to benefit the Company or its employees and may institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company of its officers or employees and may arrange for the Company to pay such insurance premiums as are mentioned in Article 142 hereof.

## **PROCEEDINGS OF DIRECTORS**

- 105.1 Subject to the provisions of these articles the directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Any one or more (including, without limitation, all) of the directors, or any committee of the directors, may participate in a meeting of the directors or of such committee to the extent permitted by law (a) by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time or (b) by a succession of telephone calls to directors from the chairman of the meeting following disclosure to them of all material points. Participating by such means shall constitute presence in person at a meeting. Such meeting shall be deemed to have occurred in (a) at the place, where the chairman of the meeting is present, and in (b) where the chairman of the meeting is present.
- 105.2 A director may, and the secretary at the request of a director shall, call a meeting of the directors. Subject to paragraph 105.3 of this article, it shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom.
- 105.3 If a director notifies the Company in writing of an address in the United Kingdom at which notice of meetings of the directors is to be given to him when he is absent from the United Kingdom, he shall, if so absent, be entitled to have notice given to him at that address, but the Company shall not be obliged by virtue of this paragraph to give any director a longer period of notice than he would have been entitled to had he been present in the United Kingdom at that address.

- 105.4 Questions arising at a meeting 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; and an alternate director who is appointed by two or more directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence.
- 105.5 A director unable to attend any meeting of the directors may authorise any other director to vote for him at that meeting. In that event the director so authorised shall have a vote for each director by whom he is so authorised in addition to his own vote. Any such authority must be in writing or by telex, cable, radiogram or telegram, which must be produced at the meeting of the directors at which the same is to be used and be left with the Secretary for filing.
106. No business shall be transacted at any meeting of the directors unless a quorum is present. The quorum may be fixed by the directors. If the quorum is not fixed by the directors, the quorum shall be two. A director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate director who is not himself a director shall, if his appointor is not present, be counted in the quorum.
107. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
108. The directors may elect from their number, and remove, a chairman and a vice-chairman of the board of directors. The chairman, or in his absence the vice-chairman, shall preside at all meetings of the directors, but if there is no chairman or vice-chairman, or if at the meeting neither the chairman nor the vice-chairman is present within five minutes after the time appointed for the meeting, or if neither of them is willing to act as chairman, the directors present may choose one of their number to be chairman of the meeting.
109. All acts done by a meeting of the directors, or of a committee of the directors, or by a person acting as a director shall, notwithstanding that it may afterwards be discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
110. A resolution in writing executed by all the directors entitled to receive notice of a meeting of the directors or of a committee of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may

be) of that committee, duly convened and held, and may consist of several documents in the like form each executed by one or more directors, but a resolution executed by an alternate director need not also be executed by his appointor and, if it is executed by a director who has appointed an alternate director, it need not also be executed by the alternate director in that capacity.

- 111.1 Save as otherwise provided by these articles, a director shall not vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company), unless his interest arises only because the case falls within one or more of the following sub-paragraphs:-
- (A) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;
  - (B) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
  - (C) his interest arises by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares in or debentures or other securities of the Company for subscription, purchase or exchange;
  - (D) the resolution relates in any way to a superannuation fund or retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes;
  - (E) the resolution relates in any way to an arrangement for the benefit of the employees of the Company or any of its subsidiaries, including but without being limited to an employees' share scheme, which does not accord to any director as such any privilege or advantage not generally accorded to the employees to whom the arrangement relates;
  - (F) the resolution relates to a transaction or arrangement with any other company in which he is interested, directly or indirectly, provided that he is not the holder of or beneficially interested in one per cent. or more of the equity share capital of that company (or of any other company through which his interest is derived) and not entitled to exercise one per cent. or more of the voting rights available to members of the relevant company (and for the purpose of calculating the said percentage there shall be disregarded any shares held by the said director as a bare or custodian

trustee and in which he has no beneficial interest, and any shares comprised in any authorised unit trust scheme in which the director is interested only as a unit holder);

- (G) the resolution relates in any way to the purchase and/or maintenance of any insurance policy against any liability.

111.2 For the purposes of paragraph 111.1 of this article, an interest of any person who is for any purpose of the 1985 Act (excluding any statutory modification thereof not in force when these articles became binding on the Company) connected with a director shall be taken to be the interest of that director. In relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director, without prejudice to any interest, which the alternate director has otherwise.

111.3 Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each director separately and (provided he is not by virtue of sub-paragraph (F) or paragraph 111.1 of this article, or otherwise under that paragraph, or for any other reason, precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

112. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

113. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these articles prohibiting a director from voting at a meeting of the directors or of a committee of the directors and may by ordinary resolution, ratify any transaction not duly authorised by reason of a contravention of these articles.

114. If a question arises at a meeting of the directors or of a committee of the directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting (or, if the director concerned is the chairman, to the other directors at the meeting), and his ruling in relation to any director other than himself (or, as the case may be, the ruling of the majority of the other directors in relation to the chairman) shall be final and conclusive.

### **MINUTES**

115. The directors shall cause minutes to be made in books kept for the purpose:-

- (A) of all appointments of officers made by the directors; and
- (B) of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of the directors, including the names of the directors present at each such meeting.

Minutes shall be retained for at least ten years from the date of the appointment or meeting and shall be kept available for inspection in accordance with the Act.

### **SECRETARY**

116. Subject to the provisions of the Acts, the secretary shall be appointed by the directors for such term, at such remuneration and on such other conditions as they think fit; and any secretary so appointed may be removed by them.

### **THE SEAL**

117. The seal shall be used only by the authority of a resolution of the directors or of a committee of the directors. The directors may determine whether any instrument to which the seal is affixed, shall be signed and, if it is to be signed, who shall sign it. Unless otherwise determined by the directors -
- (A) share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under the seal in respect of any debentures or other securities, need not be signed and any signature may be applied to any such certificate by any mechanical or other means or may be printed on it; and
  - (B) every other instrument to which the seal is affixed shall be signed by two authorised persons, or by a director in the presence of a witness who attests the signature and for this purpose an authorised person is any director or the secretary of the Company.
118. Subject to the provisions of the Acts, the Company may have an official seal for use in any place abroad.

### **DIVIDENDS**

119. Subject to the provisions of the Acts, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
120. Subject to the provisions of the Acts, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights

with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay, at intervals settled by them, any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. If the director's act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred on non-preferred rights.

121. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this article, an amount paid up on a share in advance of a call shall be treated, in relation to any dividend declared after the payment but before the call, as not paid up on the share.
122. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where in the opinion of the directors any difficulty (whether practical, legal or otherwise) arises in regard to the distribution, the directors may settle the same. Without prejudice to the generality of the foregoing the directors may issue fractional certificates (or ignore fractions), exclude any members from participation in the distribution of assets, fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

### **SCRIP DIVIDENDS**

123. The directors may, with the sanction of an ordinary resolution of the Company, offer the holders of ordinary shares the right to elect to receive ordinary shares, credited as fully paid in whole or in part, instead of cash in respect of the whole (or in some part, to be determined by the directors) of such dividend or dividends as are specified by such resolution. The following provisions shall apply:-
  - (A) The said resolution may specify a particular dividend (whether or not declared), or may specify all or any dividends declared within a specified period, but such period may not end later than the date five years from the date of the meeting at which such resolution is passed.
  - (B) The entitlement of each ordinary shareholder to new ordinary shares shall be such that the Relevant Value thereof shall be as nearly as possible equal

to (but not in excess of) the cash amount (disregarding any tax credit) that such shareholder would have received by way of dividend. For this purpose “Relevant Value” shall be calculated by reference to the average of the middle market quotations for the Company’s ordinary shares on the London Stock Exchange as shown in the Daily Official List, on the day when the ordinary shares are first quoted “ex” the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the auditors as to the amount of the Relevant Value in respect of any dividend shall be conclusive evidence of that amount.

- (C) The basis of allotment shall be such that no holder may receive a fraction of a share and the directors may deal with any fractions which arise as they think fit.
- (D) The directors, after determining the basis of allotment, shall notify the holders of ordinary shares in writing of the right of election offered to them and shall send with, or following, such notification forms of election and specify the procedure to be followed and place at which and the latest time by which, duly completed forms of election must be lodged in order to be effective.
- (E) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect whereof the said election has been duly made (“the elected ordinary shares”) and instead thereof additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid. For such purpose the directors shall capitalise out of such of the sums standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the directors may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to and amongst the holders of the elected ordinary shares on such basis.
- (F) The directors shall not proceed with any election unless the Company has sufficient unissued shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined.
- (G) The additional ordinary shares so allotted shall rank *pari passu* in all respects with the fully-paid ordinary shares then in issue save only as regards participation in the relevant dividend.

- (H) The directors may apply such exclusions or other arrangements' as they may seem necessary or expedient to deal with the legal or practical problems in respect of overseas shareholders.
- (I) The directors may do all acts and things which they consider necessary or expedient to give effect to any such capitalisation, and may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation and incidental matters and any agreement so made shall be binding on all concerned.

124.1 Any dividend or other money payable in respect of a share may be paid by cheque or warrant sent by post at the risk of the person or persons entitled thereto to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any such dividend or other money may also be paid by any other method (including direct debit and bank transfer), which the directors consider appropriate. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other money payable in respect of the share.

124.2 The Company may cease to send any cheque or warrant (or to use any other method of repayment) for any dividend payable in respect of a share if:-

- (A) in respect of at least two consecutive dividends payable on that share the cheque or warrant has been returned undelivered or remains un-cashed (or that other method of payment has failed); or
- (B) following one such occasion, reasonable enquiries have failed to establish any new address of the holder.

But, subject to the provisions of these articles, may recommence sending cheques or warrants (or using another method of payment) for dividends payable on that share if the person or persons entitled so request.

125. No dividend or other money payable in respect of a share shall bear interest against the Company, unless otherwise provided by the rights attached to the share.

126. All dividends and all other payments made in respect of the repurchase or cancellation of any share unclaimed for one year after having been declared may be invested or otherwise made use of by the directors for the benefit of the

Company until claimed and so that the Company shall not thereby be constituted a trustee in respect thereof. Any dividend and any other such payment which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

### **CAPITALISATION OF PROFITS**

127. The directors may with the authority of an ordinary resolution of the Company:-
- (A) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
  - (B) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were them distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members or as they may direct, in those proportions, or partly in one way and partly in the other. The share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
  - (C) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividend only to the extent that the later shares rank for dividend.
  - (D) make such provision by the issue of fractional certificates (or by ignoring fractions) or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable in fractions;
  - (E) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any further shares to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members; and

- (F) generally do all acts and things required to give effect to such resolution as aforesaid.

### **RECORD DATES**

128. Notwithstanding any other provisions of these articles, but without prejudice to the rights attached to any shares, the Company or the directors may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made. Where such a record date is fixed, references in these articles to a holder of shares or member to whom a dividend is to be paid or a distribution, allotment or issue is to be made shall be construed accordingly.

### **ACCOUNTS**

129. No member (other than a director) shall have any right of inspecting any accounting record or other document of the Company, unless he is authorised to do so by statute, by order of the court, by the directors or by ordinary resolution of the Company.

### **DISCOVERY**

130. No member or meeting of members shall be entitled to discovery of or any information respecting any detail of the Company's operations or trading or any matter which may be or is in the nature of a trade secret, or which may relate to the conduct of the business of the Company, which in the opinion of the directors it would not be in the interest of the members to communicate.

### **NOTICES**

131. Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing other than a notice calling a meeting of the directors, which need not be in writing.
- 132.1 Any notice, document or information may (without prejudice to articles 138 and 139) be given, sent or supplied by the Company to any member either:-

- (A) personally; or

- (B) by sending it by post in a prepaid envelope addressed to the member at his registered address or postal address given pursuant to article 132.4, or by leaving it at that address; or
- (C) by sending it in electronic form to a person who has agreed (generally or specifically) that the notice, document or information may be sent or supplied in that form (and has not revoked that agreement); or
- (D) subject to the provisions of the Acts, by making it available on a website, provided that the requirements in article 132.2 are satisfied. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the member. Notice is also to be treated as given to a member where:

132.2 The requirements referred to in article 132.1(D) are that: -

- (A) the member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to him by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);
- (B) the member is sent a notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed ("notification of availability");
- (C) in the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, time and date of the meeting, and states whether it will be an annual general meeting; and

- (D) the notice, document or information continues to be published on that website, in the case of a notice of meeting, throughout the period beginning with the date of the notification of availability and ending with the conclusion of the meeting and in all other cases throughout the period specified by any applicable provision of the Acts, or, if no such period is specified, throughout the period of 28 days beginning with the date on which the notification of availability is sent to the member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

132.3 In the case of joint holders of a share:-

- (A) it shall be sufficient for all notices, documents and other information to be given, sent or supplied to the joint holder whose name stands first in the register of members in respect of the joint holding (the "first named holder") only; and
- (B) the agreement of the first named holder that notices, documents and information may be given, sent or supplied in electronic form or by being made available on a website shall be binding on all the joint holders.

132.4 A member whose registered address is not within the United Kingdom shall not be entitled to receive any notice, document or information from the Company unless he gives to the Company an address (not being an electronic address) within the United Kingdom at which notices, documents or information may be given to him.

132.5 For the avoidance of doubt, the provisions of this article 132 are subject to article 51.

132.6 The Company may at any time and at its sole discretion choose to give, send or supply notices, documents and information only in hard copy form to some or all members.

133.1 A member present either in person or by proxy, or in the case of a corporate member by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares, shall be deemed to

have received notice of the meeting and, where requisite, of the purposes for which it was called.

- 134.1 Any notice to be given to a member may be given by reference to the register of members as it stands at any time within the period of fifteen days before the notice is given, and no change in the register after that time shall invalidate the giving of the notice.
- 134.2 Every person who becomes entitled to a share be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title; but this article does not apply to a notice given under section 793 of the 2006 Act.
135. Subject to the Acts, where, by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to give notice of a general meeting, the general meeting may be convened by a notice advertised in two national daily newspapers published in the United Kingdom. The Company shall send a copy of the notice to members in the same manner as it sends notices under article 132.1 if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
136. Subject to the Acts, any notice, document or information to be given, sent or supplied by the Company to the members or any of them, not being a notice to which article 135 applies, shall be sufficiently given, sent or supplied if given by advertisement in at least one leading national daily newspaper published in the United Kingdom.
137. Any notice, document or information sent or supplied by the Company to the members or any of them:-
- (A) by post, shall be deemed to have been received 24 hours after the time at which the envelope containing the notice, document or information was posted unless it was sent by second class post or there is only one class of post in which case it shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;
  - (B) by advertisement, shall be deemed to have been received on the day on which the advertisement appears;
  - (C) by electronic means, shall be deemed to have been received 24 hours after it was sent. Proof that a notice, document or

information in electronic form was sent in accordance with the Institute of Chartered Secretaries and Administrators' Guidance (in issue at the time the relevant notice, document or information was sent) shall be conclusive evidence that the notice, document or information was sent;

- (D) by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with this article or, if later, the date on which it is first made available on the website.
138. Any notice, document or information may be given by the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it in any manner authorised by these articles for the giving of notice to a member addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or by any like description, at the address, if any, within the United Kingdom supplied for that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.
139. If on three consecutive occasions notices, documents or information sent or supplied to a member have been returned undelivered, the member shall not be entitled to receive any subsequent notice, document or information until he has supplied to the Company (or its agent) a new registered address, or a postal address within the United Kingdom, or (without prejudice to article 132.4 shall have informed the Company, in such manner as may be specified by the Company, of an electronic address. For the purposes of this article, references to notices, documents or information include references to a cheque or other instrument of payment; but nothing in this article shall entitle the Company to cease sending any cheque or other instrument of payment for any dividend, unless it is otherwise so entitled under these articles.
140. Where a document is required under these articles to be signed by a member or any other person, if the document is in electronic form, then in order to be valid the document must either:-
- (A) incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form by the directors may approve; or;

- (B) be accompanied by such other evidence as the directors may require in order to be satisfied that the document is genuine.

The Company may designate mechanisms for validating any such document and a document not validated by the use any such mechanisms shall be deemed as having not been received by the Company. In the case of any document or information relating to a meeting, an instrument of proxy or invitation to appoint a proxy, any validation requirements shall be specified in the relevant notice of meeting in accordance with Articles 50 and 73.

### **WINDING UP**

141. If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he may with the like sanction determine, but no member shall be compelled to accept any assets upon which there is a liability.

### **INDEMNITY**

- 142.1 Subject to the provisions of the Acts, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as an officer or auditor of the Company and in which judgment is given in his favour or in which he is acquitted, or incurred in connection with any application in which relief is granted to him by the court from liability in respect of any such act or omission or from liability to pay any amount in respect of shares acquired by a nominee of the Company.
- 142.2. Subject to the provisions of the Acts, the Company may indemnify any person who is or was a director of an associated company that is a trustee of an occupational pension scheme, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any liability incurred by him in connection with the company's activities as trustee of an occupational pension scheme.
- 142.3 Subject to the provisions of the Acts, the directors may purchase and maintain insurance at the expense of the Company for the benefit of any

director or other officer or the 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 as a director, officer or auditor. The directors may authorise directors of companies within the Group or of any holding company of the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director, other officer or auditor of such company in respect of such liability, loss or expenditure.