

**Company Number: 6425793**

**THE COMPANIES ACT 2006**

**PUBLIC COMPANY LIMITED BY SHARES**

# **ARTICLES OF ASSOCIATION**

of

**Rex Bionics plc**

(Adopted by special resolution  
passed on 30 June 2015)

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1. **Exclusion of model regulations**

- 1.1 No regulations set out in any statute or statutory instrument concerning companies shall apply as regulations or articles of the Company.

2. **Interpretation**

- 2.1 In these Articles unless the context otherwise requires:

“2006 Act” means the Companies Act 2006.

“these Articles” means these articles of association in their present form or as from time to time altered.

“Auditors” means the auditors from time to time of the Company.

“Authenticated” means (subject to section 1146 of the 2006 Act) authenticated in such manner as the Board may in its absolute discretion determine.

“Board” means the board of Directors from time to time of the Company or the Directors present at a meeting of Directors at which a quorum is present.

“clear days” means, in relation to a period of notice, that period commencing on (but excluding) the day upon which the notice is served, or deemed served, and ending on (but excluding) the day for which it is given, or on which it is to take effect.

“Companies Acts” means the 2006 Act, the Uncertificated Securities Regulations and every statute including any orders, regulations and other subordinate legislation made under it from time to time in force concerning companies insofar as the same applies to the Company.

“Deferred Share” means a deferred share with a nominal value of 90 pence, the rights and restrictions of which are set out in Article 5.2;

“Director” means a director of the Company.

“electronic communication” means a communication in electronic form, and any other form of electronic communication, as defined by the Electronic Communications Act 2000.

“electronic form” and “electronic means” have the meanings given to them in section 1168 of the 2006 Act.

“hard copy form” has the meaning given to it in section 1168 of the 2006 Act.

“London Stock Exchange” means London Stock Exchange plc.

“Member” in relation to shares means the member whose name is entered in the Register as the holder of the shares.

“Office” means the registered office of the Company.

“paid up” means paid up or credited as paid up.

“Register” means the register of Members of the Company.

“relevant system” shall have the meaning given to it by the Uncertificated Securities Regulations.

“Seal” means the common seal of the Company or any official seal that the Company may be permitted to have under the Companies Acts.

“Secretary” means the secretary of the Company and includes a joint, deputy, temporary or assistant secretary and any other person appointed by the Board to perform any of the duties of the secretary.

“UK Listing Authority” means the competent authority for the time being for the purposes of Part VI of the Financial Services and Markets Act 2000.

“Uncertificated Securities Regulations” means the Uncertificated Securities Regulations 2001, as amended or re-enacted from time to time.

2.2 In these Articles, a reference to:

“appointment” includes reappointment.

a “meeting” shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by attendance by one person.

a person being entitled to a “share by transmission” shall be a reference to a person becoming entitled to a share under the provisions of Article 19.

“writing” includes any method of representing or reproducing words in a legible and non-transitory form including (subject to the provisions of the Companies Acts) in electronic form.

a share (or to a holding of shares) being in “uncertificated form” are references to an ordinary share, title to which for the time being is recorded in the Register as being held in uncertificated form and which by virtue of the Uncertified Securities Regulations may be transferred by means of a relevant system, and references to a share (or to a holding of shares) being in “certificated form” are references to an ordinary share that is not an uncertificated share.

- 2.3 For the purposes of these Articles, a dematerialised instruction is properly authenticated if it complies with the specifications set out in the Uncertified Securities Regulations.
- 2.4 Subject to Article 2.5, statutory provisions shall be construed as references to those provisions as amended or re-enacted or consolidated or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification).
- 2.5 Any words or expressions in these Articles which are not defined in Article 2.1 but are defined in the Companies Acts have the same meaning as in the Companies Acts in force at the date of adoption of these Articles.
- 2.6 The headings are inserted for convenience only and shall not affect the construction of these Articles.
- 2.7 Where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective.

3. **Liability of Members**

- 3.1 The liability of the Members is limited to the amount, if any, unpaid on the shares in the Company held by them.

4. **Name**

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

5. **Share rights**

- 5.1 Subject to the provisions of the Companies Acts, and without prejudice to any rights attached to any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other rights or such restrictions as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
- 5.2 The Deferred Shares shall have the following rights and be subject to the following restrictions:
- (1) the holders of the Deferred Shares shall not, by virtue of or in respect of their holdings of Deferred Shares, have the right to receive notice of any General Meeting of the Company nor the right to attend, speak or vote at any such General Meeting;
  - (2) the Deferred Shares shall not entitle the holder to the payment of any dividend;
  - (3) save as required by law, the Company need not issue share certificates to the holders of Deferred Shares in respect of their holding thereof;
  - (4) the holders of the Deferred Shares shall not be entitled on a return of assets in a winding-up, reduction of capital or otherwise to receive any amount whatsoever, either by way of repayment of the amount paid up or credited as paid up in respect of the nominal value thereof or by way of participation in

surplus assets unless there shall have been paid to the holders of the shares a sum of not less than £100,000 (plus the amount paid up thereon) per share;

- (5) the Deferred Shares shall not, save as provided in Article 5.2(7) below, be transferable;
- (6) if the share capital of the Company is reduced by the reduction of any capital paid up on any shares and the cancellation of such shares then, before any such reduction or cancellation in respect of any other class of share, the capital paid up, or credited as paid up, on the Deferred Shares shall be reduced to zero and the Deferred Shares shall be cancelled without any payment or other compensation to the holders thereof;
- (7) the Board shall have irrevocable authority at any time after the adoption of this Article to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holders thereof, to such person as the Board may determine as custodian thereof and to cancel and/or acquire the same (in accordance with the provisions of the 2006 Act (as amended)) without making any payment to or obtaining the sanction of the holders thereof, and, pending such transfer and/or cancellation and/or purchase, to retain the certificates, if any, for such Deferred Shares. The Company may, at its option at any time after the adoption of this Article, purchase all or any of the Deferred Shares then in issue, at a price not exceeding £1 for all the Deferred Shares so purchased upon giving the registered holders of such Deferred Share or Deferred Shares not less than 28 days' notice in writing of its intention to do so, fixing a time and place for such purchase; and
- (8) the limitations on the rights of the holders of Deferred Shares contained in this Article 5.2 shall now apply notwithstanding any contrary provision contained in these Articles.

## 6. **Redeemable shares**

- 6.1 Subject to the provisions of the Companies Acts, any shares may be issued on terms that they are, or at the option of the Company or the Member are liable, to be redeemed. The Board may determine the terms, conditions and manner of redemption of any such shares provided it does so before the shares are allotted.

## 7. **Variation of rights**

- 7.1 Subject to the provisions of the Companies Acts, all or any of the rights for the time being attached to any class of shares may (whether or not the Company is being wound up) be varied or abrogated either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.
- 7.2 All the provisions of these Articles as to general meetings shall apply with any necessary changes to a separate general meeting of the holders of any class of share (including the proceedings thereat) of the Company, but so that (i) the necessary quorum shall be two persons present holding or representing by proxy or representative (in the case of corporate Members) not less than one-third in nominal value of the issued shares of the class in question (excluding any treasury shares), but if the Company should have only one member, the necessary quorum shall be that member present in person or



represented by proxy or representative (in the case of corporate Members); (ii) that any holder of shares of the class in question who is present in person or by proxy or representative (in the case of corporate Members) may demand a poll; and (iii) that at any adjourned meeting the quorum shall be one person present in person or by proxy or representative (in the case of corporate Members) (whatever the number of shares held by him).

7.3 The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to, or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking **pari passu** with them.

## 8. **Allotment of shares and sale of treasury shares**

8.1 Subject to the provisions of the Companies Acts and these Articles and any authorising resolutions of the Company which are for the time being in force, the shares of the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and upon such terms and conditions as the Board may determine.

8.2

(A) The Board is generally and unconditionally authorised pursuant to section 551 of the 2006 Act to exercise for each prescribed period all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount equal to the Section 551 Amount.

(B) The Board shall be empowered during each prescribed period to allot equity securities (as defined in section 560(1) of the 2006 Act) wholly for cash in accordance with the said authority and independently of such authority to sell treasury shares (within the meaning of section 724(5) of the 2006 Act) wholly for cash as if section 561(1) of the 2006 Act did not apply to such allotment or sale provided that such powers shall be limited to the allotment or sale of equity securities:

(1) in connection with a pre-emptive issue; and

(2) otherwise than in connection with a pre-emptive issue, up to an aggregate nominal amount equal to the section 561 Amount.

8.3 For the purposes of Article 8:

(A) “pre-emptive issue” means an offer of equity securities (whether by way of rights issue, open offer or other pre-emptive basis) which is open for acceptance for a period fixed by the Board (not being less than 14 days) to holders of equity securities on the Register on a date fixed by the Board in proportion (as nearly as may be) to their respective holdings of those securities (or which would be held by them if other shares or securities held by them are deemed to have been converted into equity securities in calculating the extent of their holdings or in accordance with the rights attached thereto) but subject to such exclusions or other arrangements as the Board considers necessary or expedient to deal with fractional entitlements; or directions from any holders of shares to deal in some other manner with their respective entitlements; or legal, regulatory or practical problems arising in any overseas territory; or under the laws or requirements of any regulatory body or stock exchange or other authority, in any territory.

- (B) “prescribed period” means any period (not exceeding five years on any occasion) for which (i) any authority conferred pursuant to Article 8.2(A) is conferred or renewed by ordinary or special resolution stating the Section 551 Amount, and (ii) the power conferred pursuant to Article 8.2(B) is conferred or renewed by special resolution stating the Section 561 Amount;
- (C) the “Section 551 Amount” means for any prescribed period the amount stated in the relevant ordinary or special resolution of the Company or any increased amount fixed by ordinary or special resolution;
- (D) the “Section 561 Amount” means for any prescribed period the amount stated in the relevant special resolution;
- (E) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights;
- (F) the Company may before the expiry of any prescribed period or before any revocation or amendment of such authority make an offer or agreement which would or might require shares to be allotted or rights to be granted to subscribe for or convert any security into shares or treasury shares to be sold after expiry of the prescribed period or any such revocation or amendment and the Board may allot or grant such rights or sell such shares in pursuance of any such offer or agreement as if the power to do so had not expired or been revoked or varied;
- (G) any authority conferred pursuant to Article 8.2(A) shall be capable of revocation or variation by ordinary or special resolution and of renewal by ordinary or special resolution for a period not exceeding five years; and
- (H) any power conferred pursuant to Article 8.2(B) shall be capable of revocation or variation by special resolution and of renewal by special resolution for a period not exceeding five years.

## 9. **Commissions**

- 9.1 The Company may exercise all powers of paying commissions or brokerage conferred or permitted by the Companies Acts and any commission or brokerage 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.

## 10. **Non-recognition of trusts and other equitable interests**

- 10.1 Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share, including a share warrant or any right to a share, upon any trust and (except only as otherwise provided by these Articles or as ordered by a court of competent jurisdiction or as required by law) the Company shall not be bound by or required to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right in respect of any share except an absolute right of the registered Member to the whole of the share.

## 11. **Share warrants**

- 11.1 The Company may, with respect to any fully paid shares, issue a share warrant stating that the bearer of the share warrant is entitled to the shares specified in it and may provide

(by coupons or otherwise) for the payment of future dividends or other moneys on the shares included in a share warrant.

11.2 The powers referred to in this Article 11 may be exercised by the Board, which may determine and vary the conditions on which share warrants shall be issued, and in particular the conditions on which:

- (A) a new share warrant or coupon will be issued in place of one damaged, defaced, worn out, lost or destroyed (provided that no new share warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed);
- (B) the bearer of a share warrant shall be entitled to receive notice of and to attend, vote and demand a poll at, general meetings;
- (C) dividends will be paid; and
- (D) a share warrant may be surrendered and the name of the holder entered in the Register in respect of the shares specified in the share warrant.

11.3 Subject to the conditions in Article 11.2 and to these Articles, the bearer of a share warrant shall be deemed to be a Member for all purposes. The bearer of a share warrant shall be subject to the conditions for the time being in force and applicable thereto, whether made before or after the issue of such share warrant.

## 12. **Share certificates**

12.1 Every person (except a stock exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a holder of any shares in certificated form in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of a transfer (or within such other period as the terms of issue shall provide) or, if earlier, within such period as is required by the rules of the London Stock Exchange from time to time, one certificate for all such shares of any one class.

12.2 The Company shall in no case be bound to register more than four persons as the joint holders of any share. In the case of a share held jointly by several persons delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

12.3 The Company may deliver a certificate to the broker or agent who is, or appears to be, acting for the registered holder, and this shall be equivalent to delivery to the holder.

12.4 A Member (except such a nominee as referred to in Article 12.1) who has transferred some of the shares comprised in his registered holding shall be entitled to a certificate for the balance without charge.

12.5 Every certificate shall specify the shares to which it relates and the amount paid up thereon. Every certificate shall be issued under a Seal or in such manner as the Board shall decide (which may include manual or facsimile signatures by one or more directors).

12.6 Any two or more certificates representing shares of any one class held by any Member may at his request be cancelled and a single new certificate for such shares issued in lieu on surrender of the original certificates for cancellation but the Company may charge to the Member any expenses or fees thereby incurred.

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

12.8 If a share certificate is defaced, worn out, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and on such indemnity being given as the Board shall require and on payment of any exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in the case of defacement or wearing out, on delivery of the old certificate to the Company.

13. **Shares in uncertificated form**

13.1 If the Companies Acts allow, the Company may issue shares and other securities which do not have certificates, including shares in uncertificated form.

13.2 The Company may also allow any shares and other securities to be transferred in uncertificated form by the use of a relevant system, or such other systems as may hereafter become available.

13.3 Shares in certificated form can be converted into shares in uncertificated form and vice versa, in such manner as the Board may, in its absolute discretion, think fit but the Board shall comply with the Uncertificated Securities Regulations and the requirements of the relevant system in relation to such conversion.

13.4 The Company shall enter on the Register how many shares are held by each Member in uncertificated form and in certificated form and shall maintain the Register, in the former case, as is required by the Uncertificated Securities Regulations and the relevant system concerned. Unless the Board otherwise determines, holdings of the same holder or joint holders in certificated form and in uncertificated form shall be treated as separate holdings.

13.5 A class of share shall not be treated as two classes of share by virtue only of that class comprising both shares in certificated form and shares in uncertificated form or as a result of any provision of these Articles or the Regulations which apply only in respect of shares in certificated form or in respect of shares in uncertificated form.

13.6 If the Company has any uncertificated shares in issue, these Articles will to apply to those shares but only so far as they are consistent with:

- (A) holding shares in uncertificated form;
- (B) transferring ownership of those shares by using a relevant system; and
- (C) the provisions of the Companies Acts relating to shares held in uncertificated form.

13.7 Subject to the Uncertificated Securities Regulations and the requirements of the relevant system, the Board may make such arrangements as it thinks fit in relation to the issue, holding and transfer of uncertificated shares, the mechanics of conversion and redemption of such shares, the mechanics for payments involving a relevant system and such other provisions as the Board considers necessary for implementing and/or supplementing Article 13 and the Uncertificated Securities Regulations and the requirements of the relevant system.

14. **Lien**

14.1 The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, (whether presently payable or not), called or payable, at a date fixed by or in accordance with the terms of issue of such share, in respect of such share. The Board may at any time, either generally or in any particular case, waive any lien that has arisen, or declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other moneys payable in respect of it.

14.2 The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and has not been paid within 14 days after a notice in writing (demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment) has been served on the holder for the time being of the share.

14.3 For the purpose of giving effect to any such sale the Board may, if the share is in certificated form, authorise any person to transfer the share sold to, or in accordance with the directions of, the purchaser. If the share is in uncertificated form, the Board may do everything necessary to transfer the share under the Uncertificated Securities Regulations. The transferee shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, and his title to the share shall not be affected by any irregularity or invalidity in the proceedings relating to the sale.

14.4 The net proceeds of the sale by the Company of any share on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is then payable. Any residue shall, in the case of shares held in certificated form, upon surrender to the Company for cancellation of the certificate for the share sold and, whether the share sold is in certificated or uncertificated form, subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale, be paid to the person entitled to the share at the time of the sale.

15. **Calls on shares**

15.1 Subject to the terms of allotment, the Board may from time to time make calls upon the Members or persons entitled to a share by transmission in respect of any moneys unpaid on their shares (whether on account of nominal amount or premium). A call may, before receipt by the Company of a sum due thereunder, be revoked or postponed in whole or in part as the Board may determine.

15.2 Each Member or person entitled to a share by transmission shall (subject to the Company giving him at least fourteen days' notice specifying the amount, time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A Member or person entitled to a share by transmission shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

- 15.3 A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 15.4 The joint holders of a share shall be jointly and severally liable to pay all calls in respect the share.
- 15.5 If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the amount unpaid from the day it became payable to the time of actual payment at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) 25 per cent. per annum, as the Board shall decide, but the Board shall be at liberty to waive payment of such interest wholly or in part.
- 15.6 Any sum which, by the terms of allotment of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium or as an instalment of a call, shall for all the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of allotment, the same becomes payable. In the case of non-payment, all relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 15.7 The Board may on the allotment of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
- 15.8 The Board may, if it thinks fit, receive from any Member or person entitled to a share by transmission willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) 15 per cent. per annum, as may be agreed upon between the Board and the Member or person entitled to a share by transmission paying such sum in advance, but the Member shall not be entitled to participate in any dividend or other distribution subsequently declared in respect of any period prior to the date on which the sum would have been payable by virtue of such advance.

16. **Forfeiture of shares**

- 16.1 If a Member or person entitled to a share by transmission fails to pay any call or instalment of a call on or before the day appointed for payment thereof the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment.
- 16.2 The notice shall name a day (not being less than fourteen days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that in the event of non-payment on or before the day and at the place appointed, the shares in respect of which the notice was given will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited under the Articles and, in such case, references in these Articles to forfeiture shall include surrender.
- 16.3 If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution

of the Board. Forfeiture shall include all dividends or other moneys payable in respect of the forfeited share and not paid before the forfeiture.

- 16.4 When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to the share by transmission (as the case may be). Where the share is in certificated form, an entry stating that notice having been given and the date of forfeiture shall promptly be made in the Register opposite the entry of the share; but no forfeiture shall be invalidated by any omission or neglect to give such notice or to make such entry.
- 16.5 Subject to the Companies Acts, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit.
- 16.6 The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may, if necessary, authorise some person to execute an instrument of transfer of a forfeited share in certificated form or, in the case of a share in uncertificated form, to take such steps in the name of the holder as may be necessary to transfer the share, to any other person who shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share. The person who becomes registered as the holder of the share shall be discharged from all calls made before such sale, re-allotment or disposal of the share.
- 16.7 A person whose shares are forfeited shall thereupon cease to be a Member in respect of the forfeited shares, and shall surrender to the Company for cancellation any certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at the rate of 25 per cent. per annum (or such lower rate as the Board may determine) from the date of forfeiture until payment. The Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal or may waive payment in whole or in part.
- 16.8 A statutory declaration in writing by a Director or the Secretary of the Company that a share has been duly forfeited on the date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share.
- 16.9 The forfeiture of a share shall involve the extinction at the time of forfeiture of all interests in and all claims and demands against the Company in respect of that share and all other rights and liabilities incidental to that share as between the holder of that share and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Companies Acts given or imposed in the case of past Members.

## 17. **Disclosure of interests**

- 17.1 Where a Member or any person appearing to be interested in any shares in the Company has been served with a notice under section 793 of the 2006 Act (a "793 Notice") and has not, within the period specified in the 793 Notice, which shall not be less than 14 days from service or deemed service of the notice, (or such further period as the Board may in its discretion allow), supplied to the Company the information required by the 793 Notice in

respect of any shares (in this Article called the “Relevant Shares”) the Board may by notice in writing (a “Direction Notice”) impose on the registered holder of the Relevant Shares (in this Article called the “Relevant Member”) any or all of the sanctions set out in, and in accordance with, Article 17.2.

17.2 The sanctions referred to in Article 17.1 are:

- (A) if the Relevant Shares represent 0.25 per cent. or more in number of the issued shares of any class (calculated on the basis that treasury shares are ignored):
  - (1) in respect of the Relevant Shares the Relevant Member shall have no right to attend or vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares or to exercise any other right in relation to any meeting of the Company or any class of shareholders thereof; and/or
  - (2) in respect of the Relevant Shares, the Relevant Member shall have no right to receive any dividend; and/or
  - (3) the Board may decline to register any transfer of Relevant Shares other than an approved transfer. For the purposes of this Article an approved transfer is a transfer pursuant to (i) a sale to a genuine unconnected third party such as a sale through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or an overseas exchange or (ii) acceptance of a takeover offer (as defined in section 974 of the 2006 Act); and
- (B) in any other case the sanction referred to in Article 17.2(A)(1).

17.3 The Board shall not have an obligation to impose any sanctions pursuant to this Article and any imposition of sanctions may, subject to the provisions of this Article, be made on such terms and subject to such conditions as the Board may think fit. The Board’s power to impose sanctions shall not be prejudiced at any time by indulgence granted to any person or by any delay in serving a Disclosure Notice or in determining to impose sanctions. The Board may at any time and from time to time exclude any Relevant Shares from the sanctions or cancel or suspend or vary the sanctions imposed by it but so that the sanctions as so varied shall not include any sanction that could not have been imposed when such sanctions were first imposed by it.

17.4 A Direction Notice shall be given by the Company to the Relevant Member and to any other person (whose failure to comply with the Disclosure Notice was taken into account by the Board in determining to impose such sanctions) at his last known address, or where such notice is in electronic form to an address notified to the Company by such other person, but the non-receipt of such notice by any person entitled thereto shall not invalidate the sanctions.

17.5 Any sanctions imposed pursuant to this Article shall cease to apply after such period (not exceeding seven days) as the Board may specify after:

- (A) the Board is satisfied that the required information has been produced to the Company; or
- (B) receipt by the Company of notice of an approved transfer of the Relevant Shares.



- 17.6 Where the Company has withheld payment of any dividend in respect of any Relevant Shares (and any other shares of the Company held by the Relevant Member) pursuant to sanctions imposed in accordance with Article 17.2(A)(2), such dividend shall be paid to the person who would, but for such sanctions, have been entitled thereto, or as he may direct as soon as reasonably practicable after the sanctions shall have ceased to apply, but the Company shall not be obliged to account for any interest thereon whether or not such interest has been earned.
- 17.7 Where any securities are issued pursuant to any rights issue or capitalisation issue in right of any Relevant Shares, the Board may determine that the Relevant Member is subject to sanctions in respect of such securities as if those securities were Relevant Shares. If the Board so determines it will give notice in writing of the determination to the Relevant Member.
- 17.8 For the purposes of this Article a person shall be treated as appearing to be interested in any shares if the Member holding the shares has given to the Company a 793 Notice which either (i) states that that person is so interested or (ii) fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant notification or information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.
- 17.9 In the event of any conflict between the provisions of this Article and any other Article the provisions of this Article shall prevail.
- 17.10 This Article is in addition to, and shall not in any way prejudice or affect, the statutory rights of the Company arising from any failure by any person to give any information required by a Disclosure Notice within the time specified in it.
18. **Transfer of shares**
- 18.1 Subject to such of the restrictions of these Articles as may be applicable, any Member may transfer all or any of his shares held in certificated form by an instrument of transfer in the usual or common form or in any other form which the Board may approve.
- 18.2 The instrument of transfer of a share held in a certificated form shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer, when registered, may be retained by the Company.
- 18.3 The transfer of a share in uncertificated form must be made in accordance with and subject to the Uncertificated Securities Regulations and the facilities and arrangements of the relevant system and in accordance with any arrangements made by the Board pursuant to Article 13.
- 18.4 The Board may, in its absolute discretion, decline to register any transfer of a share in certificated form that is not a fully paid up share or on which the Company has a lien provided that in the case of shares admitted to the Official List of the UK Listing Authority or the Alternative Investment Market of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares from taking place on an open and proper basis.
- 18.5 No transfer of any share shall be made to a bankrupt or person who is mentally disordered or a patient for any purpose of any statute relating to mental health.

- 18.6 The Board may also refuse to register any transfer unless:
- (A) in the case of a share in certificated form, the instrument of transfer, duly stamped, if required, is lodged at the Office (or at such other place as the Board may decide) accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
  - (B) in the case of a share in certificated form, the instrument of transfer is in respect of only one class of share;
  - (C) in the case of a transfer to joint holders of a share in certificated or uncertificated form, the number of joint holders to whom the share is to be transferred does not exceed four; and
  - (D) in the case of a share in uncertificated form, the Uncertificated Securities Regulations do not allow it.
- 18.7 If the Board refuse to register a transfer it shall send to the transferee notice of the refusal as soon as reasonably practicable:
- 18.8 together with reasons for the refusal:
- (A) in the case of a share in certificated form, as soon as reasonably practicable but in any event by such time as is the earlier of (1) the time required by the rules of the London Stock Exchange in force for the time being or (2) the expiration of two months after the date upon which the instrument of transfer was lodged; and
  - (B) in the case of a share in uncertificated form, as soon as reasonably practicable but in any event within two months of the Company receiving properly authenticated “dematerialised instructions” attributable to CRESTCo to update the Register to show the transferee as the holder thereof.
- 18.9 No fee shall be charged by the Company for registering any transfer or any document relating to or affecting the title to any share, or otherwise making any entry in the Register affecting the title to any share.
- 18.10 Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.
19. **Transmission of shares**
- 19.1 If a Member dies, the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or the only surviving holder, shall be the only persons recognised by the Company as having any title to his shares. Nothing contained in these Articles shall release the estate of a deceased Member from any liability in respect of any share held by him, whether solely or jointly with other persons.
- 19.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law may, subject as provided in this Article and upon such evidence being produced as may from time to time be required by the Board as to his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof and the Company shall make no charge for such registration. If the person elects to be registered himself, he

shall give the Company notice in writing to that effect. If the person elects to have his nominee registered, he shall signify his election by signing an instrument of transfer of the share in favour of his nominee. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or instrument of transfer as if the death or bankruptcy of the Member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer were signed by such Member.

- 19.3 Where a person becomes entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law, the rights of the Member in relation to that share shall immediately cease. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof.
- 19.4 The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 60 days the Board may thereafter withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the notice have been complied with.

20. **Untraced shareholders**

- 20.1 The Company may sell, at the best price reasonably obtainable, any share of a Member or any share to which a person is entitled by transmission if and provided that:
- (A) for a period of 12 years (ending with the date of publication of the advertisements referred to in Article 20.1(B) (or, if published on different dates, on the first date)) at least three cash dividends have become payable during that period in respect of those shares and no cheque or warrant sent by the Company (in the manner authorised by these Articles) has been cashed and no cash dividend payable on the share has been satisfied by the Company by the transfer of funds to a bank account designated by the Member or person entitled by transmission to the share and no communication has been received by the Company from the Member or the person entitled by transmission; and
  - (B) the Company has given notice of its intention to sell such share at the expiration of the said period of 12 years by advertisement in both a leading national newspaper and in a newspaper circulating in the area of the last known address of such Member or other person or the address at which notice must be given in accordance with these Articles; and
  - (C) during the further period of three months after the date of publication of the advertisements (or the date on which the last of the two advertisements is published if published on different dates) the Company has not received any communication from the Member or person entitled by transmission and the Member or person entitled by transmission has not cashed any cheque or warrant or had funds transferred into his bank account in respect of dividends in the manner set out in Article 20.1(A).

20.2 To give effect to any such sale the Board may:

- (A) in the case of a share in certificated form appoint any person to execute as transferor an instrument of transfer of such share and such instrument of transfer shall be as effective as if it had been executed by the Member or person entitled by transmission to such share; and
  - (B) in the case of a share in uncertificated form do whatever it considers necessary to transfer the share and such action shall be as effective as if it had been done by the Member or person entitled by transmission to such share. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 20.3 The Company shall account to the Member or person entitled by transmission to such share for the net proceeds of such sale by transferring all moneys in respect thereof to a separate account in the name of such Member or other person which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such Member or other person and shall upon the request of the Member or the person entitled by transmission to the share, pay such moneys to him. Moneys credited to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Company shall not be required to account to the former Member or person entitled by transmission to such share for any interest or other moneys earned on the net proceeds of such sale.
- 20.4 If during the period of 12 years referred to in Article 20.1(A) or during the period of three months referred to in Article 20.1(C) or during any intervening period further shares have been issued in respect of those held at the beginning of the 12 year period or of any previously so issued during such periods and all of the requirements of Articles 20.1(A) to 20.1(C) inclusive have been met in respect of such further shares on the basis that all references to the 12 year period shall be deemed to be references to the entire period in which all such further shares have been in issue and on the basis that the proviso to Article 20.1(A) shall not apply to such further shares, then the Company may also sell such further shares under Article 20.2.

21. **Fractions of shares**

- 21.1 Whenever as a result of a consolidation or subdivision of shares any Members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit. In particular, the Board may issue fractional certificates or sell the shares representing fractions and distribute the net proceeds of sale in due proportion among the Members who would have been entitled to the fractions or, if permitted, retain such net proceeds for the benefit of the Company. The Board may authorise a person to transfer the shares representing fractions to the purchaser thereof who 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 or invalidity in the proceedings relating to the sale.
- 21.2 So far as the Companies Acts allow, the Board may treat shares of a Member in certificated form and in uncertificated form as separate holdings in giving effect to subdivisions and/or consolidations and may cause any shares arising on consolidation or subdivision and representing fractional entitlements to be entered in the Register as shares in certificated form where this is desirable to facilitate the sale thereof.

## 22. **General meetings**

- 22.1 The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. Any general meeting of the Company other than an annual general meeting shall be called a general meeting.
- 22.2 The Board may, whenever it thinks fit, and in accordance with the Companies Acts, convene a general meeting and, on the requisition of Members under the Companies Acts, shall promptly convene a general meeting in accordance with the Companies Acts and if it shall fail to do so within the time allowed by the Companies Acts, any of the requisitionists may do so. If sufficient Directors are not within the United Kingdom to call a general meeting, any Director or Member may call a general meeting.

## 23. **Notices of general meetings**

- 23.1 An annual general meeting shall be called by not less than 21 clear days' notice. Subject to the Companies Acts, all other general meetings shall be called by not less than 14 clear days' notice.
- 23.2 The notice shall specify the information required by the Companies Acts, including the place, date and time of meeting and the general nature of the business to be transacted; with reasonable prominence a statement that a Member is entitled to appoint one or more proxies (provided that each proxy is appointed to exercise the rights attached to different shares) to attend, speak and vote instead of him, and that a proxy need not be a Member of the Company; a notice convening an annual general meeting shall specify the meeting as such, and a notice convening a meeting to pass a special resolution shall state the intention to propose the resolution as a special resolution and the text of the resolution.
- 23.3 Subject to the provisions of the Companies Acts, notice of every general meeting shall be given to all Members, other than to any Member who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to every Director and to the Auditors.
- 23.4 The accidental omission to give notice of a meeting or send any other notice or circular relating thereto or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of any of those documents by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.
- 23.5 If the Board, in its absolute discretion, considers that it is impractical or undesirable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, or on the date or at the time or place to which the general meeting has been postponed under this Article 23.5, or has been adjourned, it may postpone the meeting to another date, time or place. When a meeting is postponed for 30 days or more not less than seven clear days' notice of the postponed meeting shall be given in the same manner as it was given for the original meeting. Otherwise, when a meeting is postponed, notice of the date, time and place of the postponed meeting shall be placed in at least two national newspapers circulating throughout the United Kingdom. Save as aforesaid, it shall not be necessary to give any notice of the postponed meeting.

## 24. **Proceedings at general meetings**

- 24.1 The Board and the chairman of any meeting may at any meeting take such action (including altering the arrangements for the meeting) as it or he (in its or his absolute

discretion) considers to be appropriate to ensure the safety of those attending the meeting and so as to enable the persons present adequately to hear the proceedings of the meeting and to speak and vote on the matters before the meeting or to reflect the wishes of the majority of the meeting. In making such arrangements, the chairman of the meeting may alter the arrangements made by the Board.

- 24.2 Arrangements made under Article 24.1 may include arrangements for persons entitled to attend the meeting to do so by attending at a place or places other than the place specified in the notice of meeting at which the chairman of the meeting is to preside (the “Principal Place”), provided that persons attending at the Principal Place and at such other place or places are able to participate in the business of the meeting, and to hear and see all persons who speak at the Principal Place or such other place or places (whether by means of microphones, loudspeakers, audio-visual equipment or otherwise) and when speaking may be heard and seen by all other persons present at the Principal Place and every other place or places.
- 24.3 The Board or the chairman of the meeting may implement, at general meetings or any separate meetings of the holders of any class of share of the Company, such searches or security arrangements as it or he shall consider appropriate. Such arrangements may include a requirement to require any person attending the meeting not to bring into it any item which might be used to disrupt the meeting or which might be a security risk. The Board and the chairman of the meeting shall be entitled to refuse entry to the meeting or eject from the meeting any person who does not submit to such searches, fails to comply with such security arrangements or who disrupts the orderly conduct of the meeting.
- 24.4 Where a meeting is adjourned any arrangements made in respect of that meeting under Articles 24.1 to 24.3 inclusive shall not apply to the adjourned meeting unless the Board otherwise resolves and the power of the Board to make any such arrangements shall apply to any adjourned general meeting. Different arrangements from those which applied to the original meeting may be made for an adjourned meeting.
- 24.5 No business, other than the appointment of a chairman, shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided by these Articles, two qualifying persons present at a meeting and entitled to vote on the business to be dealt with are a quorum, unless:
- (A) each is a qualifying person only because he is authorised under the Companies Acts as a representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or
  - (B) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

For the purposes of this Article a “qualifying person” means (i) an individual who is a Member of the Company, (ii) a person authorised under the Companies Acts to act as a representative of the corporation in relation to the meeting, or (iii) a person appointed as proxy of a Member in relation to the meeting.

- 24.6 If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of the Members, shall be dissolved. In any other case, it shall stand adjourned to such other day (not being less than 10 clear days thereafter) and at such time or place as the chairman of the meeting may determine. The Company shall give not less than seven clear days’ notice in writing of the adjourned meeting (but otherwise complying with Article 23). At the adjourned meeting one Member

(whatever the number of shares held by him) present in person or by proxy or representative (in the case of corporate Members) shall be a quorum.

- 24.7 Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company. The chairman of the meeting may invite any person (whether a Member or not) to attend the whole or any part of a general meeting and to speak at the meeting insofar as such person is able to assist in discussions at the meeting by reason of knowledge or experience of the Company's business.
- 24.8 The chairman (if any) of the Board or, in his absence, a deputy chairman (if any) shall preside as chairman of the general meeting. If there is no such chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within five minutes after the time appointed for holding the meeting, or if none of them is willing to act as chairman, the Directors present shall choose one of their number to act or, if one Director only is present, he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the Members present in person or by proxy or by corporate representative and entitled to vote shall elect one of their number to be chairman.
- 24.9 The chairman of the meeting shall take such action as he thinks fit to promote the orderly conduct of the meeting. The decision of the chairman of the meeting on points of order, matters of procedure or arising incidentally out of the business of the meeting shall be final and conclusive, as shall be his determination, acting in good faith, as to whether any point or matter is of such a nature.
- 24.10 The chairman may, at any time, without the consent of the meeting, adjourn any meeting (whether or not it has commenced or a quorum is present) to a later time on the same day or on a later day and either to the same or another place where it appears to him that:
- (A) the Members wishing to attend cannot conveniently be accommodated in the place(s) appointed for the meeting;
  - (B) the conduct of persons present prevents, or is likely to prevent, the orderly continuation of business; or
  - (C) an adjournment is otherwise necessary so that the business of the meeting may properly be conducted.
- 24.11 The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting to a later time on the same day or on a later day and either to the same or another place or places.
- 24.12 No business shall be transacted at any adjourned meeting except business that might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more not less than seven clear days' notice of the adjourned meeting shall be given in the same manner as required for the original meeting.
- 24.13 Save as expressly provided by these Articles it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

25. **Amendments to resolutions**

- 25.1 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings relating to that resolution shall not be invalidated by any error in such ruling.
- 25.2 In the case of a resolution proposed as a special resolution, no amendment to the resolution (other than a clerical amendment to correct a patent error) may in any event be considered or voted on.
- 25.3 In the case of a resolution duly proposed as an ordinary resolution, no amendment, (other than a clerical amendment to correct a patent error) may be considered or voted on unless either the chairman in his absolute discretion so decides or written notice of the proposed amendment and the intention to move it has been left at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for the holding of the meeting or the adjourned meeting at which the ordinary resolution is to be considered.

26. **Method of voting and demand for poll**

- 26.1 At any general meeting a resolution put to the vote shall be decided on a show of hands unless a poll is demanded before, or on the declaration of the result of, the show of hands or on the withdrawal of any other demand for a poll. Subject to the provisions of the Companies Acts, a poll may be demanded by:
- (A) the chairman of the meeting; or
  - (B) (except on the election of the chairman or a question of adjournment), at least five Members present in person or by proxy or by corporate representative and having the right to vote on the resolution; or
  - (C) any Member or Members present in person or by proxy or by corporate representative representing not less than 10% of the total voting rights of all Members having the right to vote on the resolution (excluding any voting rights attached to any shares held as treasury shares); or
  - (D) any Member or Members present in person or by proxy or by corporate representative holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all shares conferring that right (excluding any shares conferring a right to vote on the resolution which are held as treasury shares).
- 26.2 Unless a poll is demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or has been carried by a particular majority or has been lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.
- 26.3 If a poll is demanded it shall be taken in such manner as the chairman of the meeting shall direct and he may appoint scrutineers who need not be Members. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded, even if the poll shall be carried out after the meeting.



- 26.4 A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken at the meeting promptly. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time (being not later than 30 days after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.
- 26.5 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn with the consent of the chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and in that event shall not invalidate the result of a show of hands declared before the demand was made.
- 26.6 On a poll, votes may be given either personally or by proxy or (in the case of a corporate Member) a duly authorised representative. A person entitled to more than one vote on a poll need not, if he votes, use all his votes or cast all the votes he uses in the same way.

27. **Votes of Members**

- 27.1 Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a show of hands:
- (A) every Member who is present in person (or, in the case of a corporate member, present by a duly authorised representative) shall have one vote;
  - (B) subject to paragraph (C), every proxy present who has been duly appointed by one or more Members entitled to vote on the resolution has one vote; and
  - (C) a proxy has one vote for and one vote against the resolution if:
    - (1) the proxy has been duly appointed by more than one Member entitled to vote on the resolution; and
    - (2) the proxy has been instructed by one or more of those Members to vote for the resolution and by one or more other of those Members to vote against it.

For the purposes of this Article 27.1, if a duly appointed proxy has received instructions from a shareholder to vote either for or against a resolution, that proxy will not be restricted from casting a second vote the other way under any discretionary voting authority he has been given by another shareholder.

- 27.2 Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a poll every Member who is present in person or by proxy or by corporate representative has one vote for every share of which he is the holder.
- 27.3 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
- 27.4 A Member in respect of whom an order has been made by any court or other authority having jurisdiction (anywhere in the world) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised for that purpose appointed by any such court or other authority or pursuant to any such law. Such receiver, curator bonis or other person may vote by proxy, and may otherwise act and be treated as such Member for the purposes of general meetings,

provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office (or at such other place in the United Kingdom as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.

27.5 No Member shall, unless the Board otherwise determines, be entitled to be present or to vote, either personally or by proxy or by corporate representative, or to be counted in a quorum, at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

27.6 For the purposes of determining which persons are entitled to attend and vote at general meetings (or at a separate general meeting of the holders of any class of shares), and how many votes such persons may cast, the Company must specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend and vote at the meeting. In calculating this period, no account shall be taken of any part of a day that is not a working day. Changes to the Register after the time so specified shall be disregarded in determining the rights of any person to attend and vote at the meeting.

27.7 If:

- (A) any objection shall be raised to the qualification of any voter; or
- (B) any votes have been counted that ought not to have been counted or that might have been rejected; or
- (C) any votes are not counted that ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection raised or error pointed out in time shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

## 28. **Proxies**

28.1 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. 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 the appointing Member. A proxy need not be a Member.

28.2 Subject to Article 28.9, the appointment of a proxy shall

- (A) if in hard copy form, be executed by or on behalf of the appointor or his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same; or
- (B) if in electronic form, submitted by or on behalf of the appointor and Authenticated by the appointor or his attorney authorised in writing.

28.3 Subject to Article 28.9, an appointment of a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed or Authenticated, or a notarially certified copy of such power or authority, shall

- (A) in the case of an appointment in hard copy form, be delivered at the Office (or at such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment thereof or, in either case, in any document sent with the notice); or
- (B) in the case of an appointment in electronic form, be delivered to any address specified in either the notice convening the meeting, or in any notice of any adjournment thereof or, in either case, any document sent with the notice, or in any invitation in electronic form inviting the appointment of a proxy

in either case

- (1) not less than 48 hours (or such shorter period as the Directors decide) before the appointed time for the meeting or adjourned meeting to which it relates;
- (2) not less than 24 hours (or such shorter period as the Directors decide) before a poll which is taken more than 48 hours after the time of the meeting or adjourned meeting at which it was demanded; or
- (3) before the end of the meeting at which the poll was demanded (or at such later time as the Directors decide), if the poll is taken after the end of the meeting or adjourned meeting but 48 hours or less after it was demanded.

28.4 In calculating the 48 hour and 24 hour periods referred to in Articles 28.3 and 28.5 the Board may decide whether to take account of any part of a day that is not a working day.

28.5 A member may terminate the authority of a person to act as proxy by notice in writing delivered to the Company (at the Office or at any other place specified by the Company for the receipt of proxy forms in the notice of meeting or adjourned meeting or, in either case, in any document sent with the notice) not later than the last time at which a proxy form should have been received to be valid in accordance with Article 28.3.

28.6 Where two or more but differing appointments of a proxy are delivered or received in respect of the same share for use at the same meeting then the one which is last received (regardless of its date or its date of execution) shall be treated as replacing and revoking the others as regards that share.

28.7 The appointment of a proxy shall not preclude a Member from attending and voting in person at the meeting or on the poll concerned.

28.8 No proxy shall be valid after the expiration of 12 months from its stated date of execution or delivery by electronic means.

28.9 Appointments of a proxy shall be in any common form or in such other form as the Board may approve. An appointment of a proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The appointment of a proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

28.10 Without limiting any other provision of these Articles, in relation to any shares which are held in uncertificated form, the Board may from time to time:

- (A) permit appointments of a proxy to be made by means of a communication sent in electronic form in the form of an uncertificated proxy instruction (that is a properly authenticated dematerialised instruction and/or other instruction or notification, which is sent by means of the relevant system concerned and received by the participant in that system acting on behalf of the Company as the Board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Board (subject always to the facilities and requirements of the system concerned)); and
- (B) in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made in the same way. The Board may also prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

28.11 Any corporation which is a Member may, in accordance with the Companies Acts, by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any separate meeting of any class of Members. The Company may require such person or persons to produce a certified copy of the resolution before permitting them to execute their powers.

28.12 A vote given or poll demanded by a proxy or by a duly authorised representative of a corporation shall be valid notwithstanding the previous death or incapacity of the principal, or revocation of the proxy appointment or of the authority under which it was executed or delivered or revocation of the appointment of the duly authorised representative, or the transfer of the share in respect of which the vote is given or poll is demanded, unless notice in writing of such death, incapacity, revocation or transfer shall have been received by the Company in hard copy form at the Office (or such other place in the United Kingdom as may be specified for the delivery of proxy appointments in the notice convening the meeting or other document sent therewith) or, in electronic form at the Address specified in accordance with Article 28.3, before the last time at which a proxy should have been delivered in order to be valid for use at the meeting or on the holding of any poll demanded at that meeting, or such later time as may be determined by the Board and set out in a notice given to Members.

28.13 A demand for a poll made by a person as proxy for a Member or as the duly authorised representative of a Member which is a corporation shall have the same effect as a demand by a Member, except that for the purpose of establishing whether the requirements of Article 26.1 are met, the voting rights to be taken into account shall be the voting rights exercisable by such person in his capacity as proxy or representative of the Member and not the voting rights which may be exercised by the Member himself.

## 29. **Number of directors and shareholding qualification**

29.1 Unless and until otherwise determined by ordinary resolution of the Company, the Directors (disregarding alternate Directors) shall be not less than two and not more than twelve in number.

29.2 No shareholding qualification for Directors shall be required.

30. **Appointment and removal of directors**

30.1 Subject to these Articles, the Company may by ordinary resolution appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board.

30.2 Subject to these Articles, the Board shall have power from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next following annual general meeting and shall then be eligible for reappointment but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

30.3 The Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with the provisions of the Companies Acts, remove any Director before the expiration of his period of office and may (subject to the provisions of these Articles) by ordinary resolution appoint another person in his place. Any 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 a Director.

30.4 No person other than a Director retiring at the meeting shall, unless recommended by the Board, be appointed a Director at any general meeting unless, not less than 14 and not more than 42 clear days before the day appointed for the meeting, there has been given to the Company notice by some Member entitled to attend and vote at the meeting (not being the person to be proposed) of his intention to propose such person for appointment and also notice signed by the person to be proposed of his willingness to be appointed.

31. **Remuneration of directors**

31.1 The remuneration of the Directors for their services as such (excluding amounts payable under other provisions of these Articles) shall be determined by the Board but shall not exceed in aggregate the sum of £500,000 per annum or such greater sum as the Company may from time to time determine by ordinary resolution. Such sum (unless otherwise directed by the resolution of the Company) shall be divided amongst the directors in such proportions and in such manner as the Board may determine or, failing such determination, equally.

32. **Additional remuneration and expenses**

32.1 Each Director may also be paid all reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company and shall be paid all expenses properly and reasonably by him in the conduct of the Company's business or in the discharge of his duties as a Director.

32.2 Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) or may receive such other benefits as the Board or any committee authorised by the Board may determine and such extra remuneration or benefits shall be in addition to any remuneration or benefits provided for by or pursuant to any other Article.

33. **Executive directors**

- 33.1 The Board may from time to time appoint one or more of the Directors to any executive office for such period (subject to the provisions of the Companies Acts) and upon such terms as the Board may determine and may revoke or terminate any such appointment. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company that may be involved in such revocation or termination.
- 33.2 A Director appointed to an executive office shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and either in addition to or instead of his remuneration as a Director.
- 33.3 The Board may from time to time appoint any person to any office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company such a designation or title and may at any time terminate any such appointment or the use of any such designation or title. The inclusion of the word "Director" in the designation or title of any such office or employment with the Company shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these Articles.

34. **Disqualification of directors**

- 34.1 Without prejudice to the other provisions of these Articles, the office of a Director shall be vacated if:
- (A) (not being a Director who holds an executive office and whose contract of service precludes resignation) he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board;
  - (B) a registered medical practitioner who is treating that Director gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - (C) by reason of that Director's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
  - (D) he is absent from meetings of the Board (whether or not an alternate Director appointed by him attends), without the permission of the Board, for twelve consecutive months, and the Board resolves that he should cease to be a director;
  - (E) he becomes bankrupt or makes any arrangement or composition with creditors generally;
  - (F) he is prohibited by law from being a Director;
  - (G) he ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Articles or the Act;
  - (H) he is requested to resign by a notice in writing delivered to the Office or tendered at a meeting of the Board signed by all of the other Directors (not being less than two

in number) and, for this purpose, like notices each signed by a Director shall be as effective as a single notice signed by a number of Directors;

- (l) being a Director holding an executive office, he ceases to hold that office and the Board resolves that he should cease to be a Director.

35. **Rotation of directors**

35.1 Subject to the provisions of these Articles at every annual general meeting all Directors holding office at the start of business on the day of the notice convening such meeting and who also held office at the time of both of the two immediately preceding annual general meetings and did not retire at either such meeting, shall retire from office.

35.2 If the number of Directors due to retire at any annual general meeting by virtue of Article 35.1, when added to the number of other Directors (if any) who wish to retire and not to offer themselves for re-appointment at such meeting, is less than that number which is one third of the total number of Directors, or if such total number is not divisible by three that number which is nearest to but does not exceed one third (the "Minimum Retirement Number"), then such number of additional Directors shall retire at such meeting as will increase the total number of Directors so retiring to the Minimum Retirement Number. In calculating the total number of Directors and the Minimum Retirement Number, there shall be disregarded any Director who is in any case due to vacate office at such meeting by virtue of Article 30.2. Such additional directors shall be those who, apart from otherwise retiring at such meeting, have been longest in office since their last appointment, but as between persons who became or were last appointed Directors on the same day those to retire shall (unless they otherwise agree by themselves) be determined by lot. The Directors to retire on each occasion under this article 35.2 (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting and no such Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after such date but before the close of the meeting.

35.3 A Director who retires at an annual general meeting shall be eligible for re-appointment. If he is not appointed, or deemed to have been 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. There shall be circulated with the notice of a resolution to re-appoint a retiring Director details of any committees of the Board upon which such Director has previously served.

35.4 Subject to the provisions of these Articles, at the meeting at which a Director retires by rotation, the Company may fill the vacated office by appointing a person thereto and in default of the retiring Director shall, if willing to continue to act, be deemed to have been reappointed unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the reappointment of such Director shall have been put to the meeting and lost.

35.5 If:

- (A) at the annual general meeting in any year any resolution or resolutions for the appointment or re-appointment of the persons eligible for appointment or re-appointment as Directors are put to the meeting and lost; and
- (B) at the end of that meeting the number of Directors is fewer than any minimum number of Directors required under Article 29,

all retiring Directors who stood for re-appointment at that meeting ("Retiring Directors") shall be deemed to have been re-appointed as Directors and shall remain in office but the

Retiring Directors may only act for the purpose of convening general meetings of the Company and perform such duties as are essential to maintain the Company as a going concern, and not for any other purpose.

35.6 The Retiring Directors shall convene a general meeting as soon as reasonably practicable following the annual general meeting referred to in Article 35.4 and they shall retire from office at that meeting. If at the end of any meeting convened under this Article the number of Directors is fewer than any minimum number of Directors required under Article 29, the provisions of this Article shall also apply to that meeting.

36. **Alternate directors**

36.1 Each Director shall have the power to appoint any person to be his alternate Director and may at his discretion remove such alternate Director. The appointment of a person who is not another Director shall be subject to approval by the Board.

36.2 Any appointment or removal of an alternate Director shall be by notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board, or in any other manner approved by the Board.

36.3 An alternate Director who has given the Company an address at which notices may be given to him shall be entitled to receive notices of meetings of the Board or of committees of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director.

36.4 Every person acting as an alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent as if he were a Director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate Director except only such part (if any) of the remuneration which would otherwise be payable to the Director appointing him as that appointing Director may by notice in writing to the Company from time to time direct.

36.5 Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate Director to any resolution in writing of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.

36.6 An alternate Director shall cease to be an alternate Director if:

(A) his appointor removes him or ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is reappointed, or is deemed to be reappointed, at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired;

(B) on the happening of any event which, if he were a Director, would cause him to vacate that office;



(C) he resigns his office by notice to the Company.

37. **Directors' interests**

37.1 Board authorisation of conflicts of interest

- (A) The Board may, subject to the quorum and voting requirements in this Article 37.1, authorise any matter which relates to a situation in which a Director (the "relevant Director") has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company and which would, if not so authorised or otherwise permitted under the 2006 Act or these articles, result in a breach of duty by the relevant Director under section 175 of the 2006 Act (a "Conflict").
- (B) Any Director (including the relevant Director) may propose that a Conflict be authorised by the Board. Such proposal and any authorisation given by the Board shall be effected in accordance with the provisions of these Articles.
- (C) A Director must disclose to the Board:
- (1) the nature and extent of any Conflict, including the nature and extent of the interest of the relevant Director;
  - (2) such additional information known to the relevant Director in relation to the Conflict as is necessary to enable the Board to decide whether or not to authorise the Conflict; and
  - (3) such additional information known to the relevant Director in relation to the Conflict as the Board may request in connection with the decision of the Board whether or not to authorise the Conflict.
- (D) Where the Board authorises a Conflict:
- (1) the relevant Director and any other interested Director will not count towards the quorum nor vote on any resolution giving such authorisation (and if he does vote his vote will not be counted);
  - (2) the Board may (in connection with giving the authorisation or subsequently):
    - (a) require that the relevant Director is excluded from the receipt of information, participation in discussions (whether at meetings of the Board or otherwise) relating to the Conflict;
    - (b) impose upon the relevant Director such other terms for the purpose of dealing with the Conflict as it may determine; and
    - (c) decide that each relevant director may or may not vote or may or may not be counted in the quorum at any future meeting of directors in relating to any resolution relating to the Conflict(together "Relevant Terms");
  - (3) each relevant Director will be obliged to comply with any Relevant Terms and any failure to comply with Relevant Terms by the relevant Director will, unless such failure is authorised by the Board, result in the cessation of any authorisation by the Board of the Conflict on the Relevant Terms;

- (4) the Board may decide that where the relevant Director obtains or has obtained (in connection with the Conflict and otherwise than through his position as a Director) information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs in circumstances where to do so would be a breach of that confidence;
- (5) the authorisation may extend to any actual or potential Conflict which can reasonably be expected to arise out of the Conflict which has been authorised;
- (6) the Relevant Terms must be recorded in writing and notified to the relevant Director (but the authority will be effective whether or not the Relevant Terms are so recorded and notified); and
- (7) the Board may revoke or vary the authorisation at any time but this will not affect anything done by the relevant Director in accordance with the Relevant Terms prior to such revocation or variation and notice of any such revocation or variation will be given to the relevant Director (but such revocation or variation shall be effective whether or not such notice is given).

### 37.2 Declaration of Directors' interests generally

- (A) Subject to Article 37.2(D), a Director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company must declare the nature and extent of that interest.
- (B) Subject to Article 37.2(D), a Director who is in any way, directly or indirectly, interested in an existing transaction or arrangement with the Company must declare the nature and extent of that interest save to the extent that the interest has already been declared under Article 37.2(A).
- (C) A declaration of interest shall be made at a meeting of the Board or by notice in writing to the Directors in accordance with section 184 of the 2006 Act or by general notice in accordance with section 185 of the 2006 Act.
- (D) A Director need not declare an interest under Article 37.2(A) or 37.2(B):
  - (1) of which the Director is not aware, or where the Director is not aware of the transaction or arrangement in question, and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware;
  - (2) to the extent that the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware);
  - (3) to the extent that it concerns terms of a service contract that have been or are to be considered by a Board meeting or a committee of the Directors appointed for the purpose under these Articles;
  - (4) to the extent that it has been the subject of authorisation under Article 37.1; or
  - (5) to the extent that where the relevant matter falls within Chapter 4 of Part 10 of the 2006 Act, approval is given under that Chapter or the matter is one as to which it is provided in that Chapter that approval is not needed.

- (E) Subject to the provisions of the Companies Acts and to Articles 37.1 – 37.3, a Director or proposed or intending director of the Company shall not be disqualified by such office from contracting with the Company, either with regard to any office or place of profit or employment or as vendor, purchaser or in any other manner whatsoever.

### 37.3 **Accountability for benefits**

A Director shall not, by reason of his office or of the fiduciary relationship established by reason of his being a director, be accountable to the Company for any remuneration, profit or other benefit which he (or any connected person as defined in Article 37.5(B) or any firm with which he is associated) derives from or in connection with any Conflict authorised under Article 37.1 or any matter permitted under Article 37.4 and no such contract, transaction or arrangement shall be liable to be set aside on such grounds.

### 37.4 **Quorum and voting requirements**

- (A) Provided that a Director has declared his interest in accordance with Article 37.1(C) or Article 37.2 and subject to Article 37.1, and, where relevant, subject to compliance by the Director with the provisions of the 2006 Act, notwithstanding his office the Director may:
  - (1) be a party to or in any other way, directly or indirectly, interested in any transaction or arrangement to which the Company is a party or in which the Company is interested, directly or indirectly;
  - (2) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms, including as to remuneration, as the Board may decide;
  - (3) act by himself or through a firm with which he is associated in a professional capacity for the Company or any other body corporate in which the Company may be interested (otherwise than as Auditor) and if acting for the Company, he or his firms shall be entitled to remuneration for professional services as if he were not a director;
  - (4) be or become a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate promoted by the Company or in which the Company may be interested or as regards which it has any power of appointment; and
  - (5) be or become a director or other officer of any body corporate in which the Company does not have a direct or indirect interest in circumstances where his being or becoming a director or other officer of such body corporate cannot reasonably be regarded as giving rise to a conflict of interest at the time of or during his appointment as such a director or other officer.
- (B) Without prejudice to any other provision of these Articles, a Director shall not be counted in the quorum nor vote on any resolution of the Board in respect of any matter in which he is directly or indirectly interested (and if he does vote his vote will not be counted). Subject to the provisions of the Companies Acts and these Articles, this prohibition shall not apply to the following matters:
  - (1) a matter where his interest cannot reasonably be regarded as likely to give rise to a conflict of interest;

- (2) a matter to the extent that it has been authorised under Article 37.1; or
- (3) a matter where the interest arises only from one or more of the following:
  - (a) any guarantee, security or indemnity to such Director in respect of money lent, or obligations undertaken, by him for the benefit of the Company or any of its subsidiary undertakings;
  - (b) any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings in respect of which such Director has himself given an indemnity or that he has guaranteed or secured in whole or in part;
  - (c) any subscription by such Director for shares, debentures or other securities of the Company or any of its subsidiary undertakings issued or to be issued pursuant to any offer or invitation to Members or debenture holders of the Company or any class thereof or to the public or any section thereof, or any underwriting or sub-underwriting by such Director of any such shares, debentures or other securities;
  - (d) such Director is interested by virtue only of his interest in shares or debentures or other securities of the Company;
  - (e) any matter or situation concerning any other company (not being a company in which such Director owns one per cent or more within the meaning of Article 37.5(B)) in which he is interested, directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
  - (f) the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme or share option scheme, share incentive scheme or profit sharing scheme that relates both to Directors and employees of the Company or of any of its subsidiary undertakings and that does not provide any Director as such any privilege or advantage not generally provided to the employees to whom such scheme or fund relates; or which has been approved by HM Revenue and Customs or, where permitted self-certified for tax purposes;
  - (g) any insurance which the Company is empowered, pursuant to Article 58, to purchase and/or maintain for, or for the benefit of, any Directors of the Company, or any group of persons consisting of or including Directors of the Company; and
  - (h) (save in relation to any matter concerning or directly affecting his own participation therein) the adoption or modification of any other share option or share incentive scheme of the Company.
- (C) A Director shall not be counted in the quorum nor vote (and if he does vote his vote will not be counted) on any resolution of the Board concerning his own appointment (including the terms thereof) or removal as the holder of any office or place of profit with the Company or any other body corporate in which the Company is interested.
- (D) Where arrangements are under consideration by the Board concerning the appointment (including the terms thereof) or removal of two or more Directors to

offices or places of profit with the Company or any other body corporate in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to be counted in the quorum and to vote in respect of each resolution except that concerning his own appointment and except (in the case of an office or place of profit with any such other body corporate as aforesaid) where the other body corporate is a body corporate in which the Director owns one per cent. or more within the meaning of Article 37.5(B).

- (E) If any question shall arise at any meeting of the Board as to the interest of a Director or as to the entitlement of any Director to be counted in the quorum or to vote and such question is not resolved by the Director voluntarily agreeing to abstain from voting and not to be counted in the quorum, such question shall be decided by a resolution of the Board (for which purpose the Director shall not be counted in the quorum and shall not vote thereon and, if he does vote, his vote will not be counted) and such resolution shall be final and conclusive.
- (F) The Board may cause the voting power conferred by the shares in any other body corporate held or owned by the Company or any power of appointment of the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of the appointment of the Directors or any of them to be directors or officers of such other body corporate, or voting or providing for the payment of remuneration to the directors or officers of such other body corporate.

### **37.5 General provisions relating to conflicts of interest and other interests of Directors**

- (A) Subject to the provisions of the Companies Acts the Company may by ordinary resolution suspend or relax the provisions of Article 37 to any extent or ratify any matter not properly authorised by reason of a contravention of Article 37.
- (B) A body corporate shall be deemed to be a body corporate in which a Director owns one per cent or more if and so long as (but only if and so long as) the Director, together with any person connected with him within the meaning of section 252 of the 2006 Act (a "connected person"), is (either directly or indirectly) the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such body corporate or of the voting rights available to members of such body corporate. For the purpose of this Article 37.5(B) there shall be disregarded any shares held by a Director or connected person as bare or custodian trustee and in which he or such connected person has no beneficial interest, any shares comprised in a trust in which the interest of the Director or connected person is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or connected person is interested only as a unit holder.
- (C) Where a body corporate in which a Director holds one per cent. or more is interested in a matter then that Director shall be treated as being interested in that matter.
- (D) An interest of a connected person will be treated as an interest of the Director and an interest (whether of his or of a connected person) of which the 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.
- (E) For the purposes of Article 37, an interest of the appointor of an alternate Director shall be treated as an interest of the alternate Director, without prejudice to any interest the alternate Director may otherwise have.

(F) For the purposes of Article 37:

- (1) any reference to a conflict of interest includes a conflict of interest and duty, and a conflict of duties, and interest includes both direct and indirect interest; and
- (2) references to information known to a Director include information of which the Director ought reasonably to be aware.

38. **Powers of the Board**

- 38.1 Subject to the Companies Acts, these Articles and any directions given by the Company by special resolution, the business of the Company shall be managed by the Board which may exercise all the powers of the Company.
- 38.2 No alteration of these Articles and no special resolution shall invalidate any prior act of the Board that would have been valid if that alteration had not been made or that resolution had not been passed. The general powers given by this Article 38 shall not be limited or restricted by any special authority or power given to the Board by any other Article.

39. **Delegation of Board's powers**

- 39.1 The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit (with power to sub-delegate) and either collaterally with, or to the exclusion of, its own powers and may, from time to time, revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby. The power to delegate contained in this Article 39.1 shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or a committee authorised by the Board.
- 39.2 The Board may establish local or divisional boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local or divisional boards, or any managers or agents, and may fix their remuneration. The Board may delegate to any such local or divisional board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board and may also give power to sub-delegate and may authorise the members of any such local or divisional board or any of them to fill any vacancies (and to act notwithstanding vacancies) and to fix their own remuneration. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person appointed as aforesaid and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.
- 39.3 The Board may by power of attorney or otherwise appoint any person, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under the provisions of these Articles) and for such period and subject to such conditions and upon such terms (including terms as to remuneration) as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Board may remove any person appointed

under this Article and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation, shall be affected by it. The power to delegate contained in this Article 39.3 shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or a committee authorised by the Board.

39.4 All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

40. **Directors' gratuities and pensions**

40.1 The Board may, subject to the provisions of the Companies Acts, exercise all the powers of the Company to grant and pay pensions, annuities, gratuities, superannuation or other allowances and benefits in favour of any person, including any Director or former Director, or the relations or dependants of any Director, or former Director and, for the purpose of providing any such benefit or allowance, shall have power to contribute to any scheme or fund or to pay premiums in respect thereof.

40.2 No benefits (except such as may be provided for by any other Article) may be granted to or in respect of a Director or former Director who has not been employed by, or held an executive or other office or place of profit under, the Company or any body corporate which is or has been its subsidiary or any predecessor in business of the Company or any such body corporate without the approval of an ordinary resolution of the Company.

40.3 A Director or former Director shall not be accountable to the Company or the Members for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

41. **Borrowing powers**

- 41.1 Subject to these Articles and the Companies Acts, the Board may exercise all the powers of the Company to (i) borrow money; (ii) indemnify and guarantee; (iii) mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company; (iv) create and issue debentures and other securities; and (v) to give security, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 41.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (but as regards subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Board can secure) that the aggregate principal amount from time to time outstanding of all borrowings by the Group (exclusive of borrowings owing by one member of the Group to another member of the Group), shall not, without the previous sanction of an ordinary resolution of the Company, at any time exceed an amount equal to five times the Adjusted Capital and Reserves or £10 million (whichever is greater).
- 41.3 For the purpose of this Article 41 the “Adjusted Capital and Reserves” means a sum equal to the aggregate of:
- (A) the amount paid up or credited or deemed to be paid up on the issued or allotted share capital of the Company (including any preference shares but excluding any shares held by the Company in treasury); and
  - (B) the amount standing to the credit of the reserves of the Group (including, without limitation, the profit and loss account, any share premium account, capital redemption reserve, property revaluation reserve or retained earnings),

all as shown by the then Latest Balance Sheet but after deducting there from any debit balance on reserves subsisting at the date of the Latest Balance Sheet (except to the extent that such deduction has already been made) and after:

- (1) making such adjustments as may be appropriate to reflect the profit or loss of the Company since the Latest Balance Sheet;
- (2) making such adjustments as may be appropriate to reflect any variation in the amount of the paid up share capital or any reserves (other than the profit and loss account) since the date of the Latest Balance Sheet. For this purpose, if any issue or proposed issue of shares for cash has been underwritten or agreed to be subscribed or taken up such shares shall be deemed to have been issued and the amount of the subscription moneys (including any premium) or consideration payable shall be deemed to have been paid up on the date when such shares were underwritten or agreed to be subscribed for or taken (or in the case of a conditional undertaking, subscription or purchase on the date upon which it became unconditional) but so as to exclude any moneys payable later than six months from such date;
- (3) making such adjustments as may be appropriate to reflect any variations since the date of the Latest Balance Sheet in the interests of the Company in its subsidiary undertakings (including any undertaking which was not a subsidiary undertaking at that date but is one at the relevant time);



- (4) after deducting the relevant proportion of any amounts arising in a partly owned subsidiary undertaking of the Company;
- (5) making such adjustments as may be appropriate in respect of any distribution declared, recommended, made or paid by a Group Company (to a person other than another Group Company) out of profits earned up to and including the date of the Latest Balance Sheet to the extent that such distribution is not reflected in such balance sheet;
- (6) deducting any amounts attributable to intangible assets (including goodwill) shown in the Latest Balance Sheet; and
- (7) making such other adjustments (if any) as the auditors may consider appropriate.

41.4 "Borrowings" shall be deemed to include the following, except in so far as otherwise taken into account:

- (A) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company which is beneficially owned otherwise than by any member of the Group;
- (B) the nominal amount of any issued and paid up share capital and the principal amount of any debentures or borrowed moneys, the beneficial interest in which, or the right to repayment of which, is not for the time being owned by a member of the Group and the payment or repayment of which is the subject of a guarantee or indemnity by a member of the Group;
- (C) the principal amount for the time being outstanding of any debenture (whether secured or unsecured) of a member of the Group beneficially owned otherwise than by a member of the Group;
- (D) the amount outstanding raised by any member of the Group by acceptances under any acceptance credit opened by or on its behalf by any bank or accepting house, other than acceptances in respect of the purchase and sale of goods or the provision of services in the ordinary course of business which are outstanding for six months or less;
- (E) any fixed or minimum premium payable by any member of the Group on final redemption or repayment of any debentures, share capital or other borrowings or other sums to be treated as borrowings;
- (F) any amount in respect of a finance lease payable by any member of the Group which would be shown as being so payable in a balance sheet prepared in accordance with the accounting principles used in the preparation of the Latest Balance Sheet and for these purposes a "finance lease" means a contract between a lessor and a member of the Group as lessee or sub-lessee where substantially all the risks and rewards of ownership of the asset leased or sub-leased are to be borne by the lessee or sub-lessee;
- (G) any part of the purchase price of any asset acquired by any member of the Group, the payment of which has been deferred beyond the date of the transfer of the legal title to such assets, or for longer than six months after the date upon which the contract for such purchase is entered into or becomes unconditional.

41.5 Borrowings shall not include and shall not be deemed not to include:

- (A) the relevant proportion of moneys borrowed by a partly-owned subsidiary undertaking and not owing to another member of the Group and the relevant proportion of moneys borrowed and owing to a partly-owned subsidiary undertaking by another member of the Group;
- (B) borrowings incurred by any member of the Group for the purpose of repaying, within six months of the borrowing, all or any part of any borrowing made by it or another member of the Group outstanding at the relevant time, pending their application for such repayment within such period.
- (C) borrowings incurred by any member of the Group for the purpose of financing any contract in respect of which any part of the price receivable under that contract by that or any member of the Group is guaranteed or insured by the Export Credits Guarantee Department, or by any other governmental department or agency fulfilling a similar function, up to an amount not exceeding that part of the price receivable under the contract which is so guaranteed or insured;
- (D) amounts borrowed or raised that are for the time being deposited with H.M. Revenue & Customs or any other body designated by any relevant legislation or order in connection with import deposits or any similar governmental scheme to the extent that a member of the Group retains its interest therein;
- (E) borrowings of, or amounts secured on assets of, an undertaking which became a subsidiary undertaking after the date of the Latest Balance Sheet, to the extent that the amount does not exceed the amount thereof immediately after it became such a subsidiary undertaking;
- (F) any guarantee, indemnity or security given by any member of the Group in respect of any amount or obligation deemed not to be borrowings for the purposes of this Article;
- (G) any amount payable under any hire purchase agreement, credit sale agreement, operating lease or similar agreement which is not a finance lease.

41.6 Where the aggregate principal amount of borrowings required to be taken into account on any particular date is being ascertained, any particular borrowing then outstanding which is denominated or repayable in a currency other than sterling shall be notionally converted into sterling at the rate of exchange prevailing in London on the last business day before that date or, if it would result in a lower figure, at the rate of exchange prevailing in London on the last business day six months before that date. For these purposes the rate of exchange shall be taken as the spot rate in London recommended by a London clearing bank, selected by the Board, as being the most appropriate rate for the purchase by the Company of the currency in question for sterling on the day in question.

41.7 For the purposes of the Article 41, if moneys are borrowed or debentures or shares are issued on terms that they may be repayable or redeemable (or that any member of the Group may be required to purchase them) earlier than their final maturity date (whether by the exercise of an option on the part of the issuer or the creditor (or a trustee for the creditor) or the shareholder, by reason of a default or for any other reason) at a premium or discount to their nominal or principal amount then there shall be taken into account the amount (or the greater or greatest of two or more alternative amounts) which would, if those circumstances occurred, be payable on such repayment, redemption or purchase at the date as at which the calculation is being made.

41.8 For the purposes of this Article 41:

- (A) “Latest Balance Sheet” means the audited balance sheet of the Company prepared for the purposes of the Companies Acts for a financial year at the time the calculation falls to be made unless an audited consolidated balance sheet dealing with the state of affairs of the Company and its subsidiary undertakings required to be dealt with in group accounts has been prepared for those purposes for the same financial year, in which case it means that audited consolidated balance sheet, and in that case all references to reserves shall be deemed to be references to consolidated reserves;
- (B) the Company may from time to time change the accounting convention on which the audited balance sheet is based, provided that any new convention adopted complies with the requirements of the Companies Acts. If the Company should prepare its main audited balance sheet on the basis of one convention, but a supplementary audited balance sheet on the basis of another, the main audited balance sheet shall be taken as the audited balance sheet for the purposes of this Article 41;
- (C) “Group” means the Company and its subsidiary undertakings (if any) and a member of the Group shall mean the Company and each of such undertakings;
- (D) “relevant proportion” means a proportion equal to the proportion of the issued equity share capital of a partly-owned subsidiary undertaking which is not attributable to the Company;
- (E) there shall be offset against the amount of any borrowings any amounts beneficially owned by a member of the Group which represent the value of cash deposited and would be shown as a current asset in a balance sheet prepared in accordance with the accounting principles used in the preparation of the Latest Balance Sheet, subject, in the case of any such amounts which are beneficially owned by a partly owned subsidiary undertaking, to the exclusion of a proportion thereof equal to the relevant proportion. For this purpose “cash deposited” means an amount equal to the aggregate for the time being of all cash deposits with any bank or other person (not being a Group company), the realisable value of any certificates issued by governments and companies and other readily realisable deposits;
- (F) the Company shall not be in breach of the borrowing limit where such limit is exceeded only as the result of any fluctuation or change in rates of exchange, provided that such excess does not continue for longer than six months after the Board became aware of such fluctuation or change;
- (G) if as a result of any change in legislation relating to or affecting taxation matters, any amount payable by any member of the Group in respect of any finance lease shall increase, and as a result the borrowing limit is exceeded, such excess shall be disregarded until the expiration of a period of six months after the date the Board becomes aware of such excess; and
- (H) a certificate or report by the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this Article. Nevertheless the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time. If, in consequence, the limit on borrowings set out in this Article is inadvertently exceeded, an amount of

borrowings equal to the excess may be disregarded for 90 days after the date on which, by reason of a determination of the Auditors or otherwise the Directors become aware that such a situation has or may have arisen.

41.9 No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the limit imposed by this Article 41 is observed and no borrowing incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the borrowing was incurred or security given, express notice that the limit had been or would be exceeded.

## 42. **Proceedings of the Board**

42.1 Subject to the provisions of these Articles the Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time call a Board meeting.

42.2 Notice of a Board meeting may be given to a Director personally or by word of mouth or sent to him in hard copy form or in electronic form to his last known address or any other address given by him to the Company for this purpose. A Director absent, or intending to be absent, from the United Kingdom may require the Board to send notices of Board meetings during his absence to him in hard copy form or in electronic copy form to his last known address or to any other address given by him to the Company for this purpose. In the absence of any such requisition, it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively.

42.3 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Subject to these Articles, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the end of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

42.4 A Director shall be treated as present in person at a meeting of the Board or of any committee of the Board if he is able (directly or by electronic communication) to speak to and be heard by those present or deemed to be present simultaneously. A Director so treated as present shall be counted in the quorum of the meeting and shall be entitled to vote thereat. A meeting of the Directors or of any committee of the Board to which this Article applies shall be deemed to take place where the majority of those participating is assembled or, if there is no majority, at the place where the chairman of the meeting is present.

42.5 The continuing Directors, or a sole continuing Director, may act notwithstanding any vacancy in the Board but if the number of Directors falls below the number fixed as the quorum, the continuing Director or Director may act only for the purpose of filling vacancies in the Board or of calling general meetings of the Company. If there are no Directors able or willing to act, any two Members may summon a general meeting for the purpose of appointing Directors.

42.6 The Board may appoint a chairman and one or more deputy chairmen of its meetings and determine the period for which they are respectively to hold such offices and may at any time remove them from such offices. If no such chairman or deputy chairman is appointed, or if at any meeting neither the chairman nor any deputy chairman is present within five

minutes after the time fixed for holding the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

- 42.7 A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
- 42.8 The Board may delegate such of its powers, authorities or discretions (with power to sub-delegate) as it may think fit to any committee consisting of one or more members of the Board. The powers, authorities or discretions so delegated shall include, without limitation, all powers, authorities or discretions which relate, or may relate, to the payment of remuneration to or the conferring of any other benefit on, any member of the Board or any person co-opted to any committee of the Board, as hereinafter provided. Any committee so formed shall, in the exercise of the powers, authorities or discretions so delegated, conform to any regulations that may from time to time be imposed by the Board. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that:
- (A) the number of co-opted members shall be less than one-half of the total number of members of the committee;
  - (B) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors; and
  - (C) the chairman of each committee shall be a Director and in the case of any equality of votes the chairman of the committee shall have a second or casting vote.

Insofar as any power, authority or discretion is delegated to a committee in accordance with this Article, any reference in these Articles to the exercise by the Board of the power, authority or discretion so delegated shall be read and construed as if it were a reference to the exercise by such committee.

- 42.9 The meetings and proceedings of any committee consisting of two or more persons shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable.
- 42.10 A resolution in writing signed or otherwise Authenticated by all the Directors (or their duly appointed alternates) entitled to receive notice of and vote on the resolution (provided that number is sufficient to constitute a quorum) or by all the members of a committee (or the duly appointed alternate of a Director who is a member of such committee) (provided as aforesaid) shall be as valid and effective as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. The resolution may be contained in one document or in several documents in like form each signed or otherwise Authenticated by one or more of the Directors (or alternate Directors) or members of the committee concerned.
- 42.11 All acts done by the Board or by any committee or by any person acting as a Director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board, or such committee, or person acting as aforesaid, or that they, or any of them, were disqualified, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee and had been entitled to vote.

42.12 The Board shall cause minutes or records to be made in books or any computerised or other information retrieval system provided for the purpose:

- (A) of all appointments of officers made by the Board;
- (B) of the names of the Directors present at each meeting of the Board or committee of the Board; and
- (C) of all resolutions and proceedings at all meetings of the Company, of the holders of any class of shares in the Company, of the Board and of any committee of the Board.

43. **Secretary**

43.1 Subject to the provisions of the Companies Acts, the Secretary shall be appointed by the Board for such term, at such remuneration and on such conditions as it may think fit and any Secretary so appointed may be removed by the Board.

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

44. **The seals**

44.1 The Board shall provide for the safe custody of every Seal. A Seal shall only be used by the authority of a resolution of the Board. Subject as otherwise provided in these Articles, any instrument to which the common seal is affixed shall be signed by one or more Directors and either a person duly authorised in that behalf by the Board or the Secretary, or by two or more Directors, and any instrument to which an official seal is affixed need not, unless the Board for the time being otherwise determines or the law otherwise requires, be signed by any person.

44.2 Where the Companies Acts so permit, any instrument or document signed by one Director and the Secretary or by two Directors or by one Director in the presence of a witness who attests the signature and expressed (using any form of words) to be executed by the Company shall have the same effect as if executed under a Seal, provided that no instrument or document which makes it clear on its face that it is intended to have effect as a deed shall be so signed without the authority of the Directors or a duly authorised committee thereof.

44.3 An instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.

45. **Authentication of documents**

45.1 Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the holders of any class of shares of the Company or the Board and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof, or extracts therefrom, as true copies or extracts. A document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting of the Company, or the holders of any class of shares of the Company, or of the Board, that is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company on the faith thereof that such

resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

46. **Dividends and other payments**

- 46.1 Subject to the Companies Acts, the Company may by ordinary resolution declare dividends to be paid to the Members according to their rights and interests in the profits available for distribution but no dividend shall be declared in excess of the amount recommended by the Board.
- 46.2 The Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company. The Board may also pay any dividends on any class of shares payable at a fixed rate on dates determined by the Board whenever the financial position of the Company justifies payment. If the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred, or deferred, rights.
- 46.3 Unless, and to the extent that, the rights attached to any shares, or the terms of issue thereof, otherwise provide all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid up on a share in advance of calls shall be treated as paid up on the share.
- 46.4 No dividend shall be paid otherwise than out of profits available for that purpose in accordance with the provisions of the Companies Acts.
- 46.5 Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide, dividends may be declared or paid in any currency. The Board may agree with any Member that dividends which may, at any time or from time to time, be declared or become due on his shares in one currency shall be paid or satisfied in another and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.
- 46.6 Subject to the provisions of the Companies Acts, where any asset, business or property is acquired by the Company as from a past date, the profits and losses arising therefrom as from such date may, at the discretion of the Board, in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may, at the discretion of the Board, be treated as revenue and it shall not be obligatory to capitalise the same or any part thereof.
- 46.7 The Board may retain any dividend (or part of a dividend) or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 46.8 The Board may retain the dividends payable upon shares :
- (A) in respect of which any person is under the provisions as to the transmission of shares (herein before contained) entitled to become a Member; or
  - (B) that any person is (under the said provisions) entitled to transfer,

until either such person shall become a Member in respect of such shares or, as appropriate, shall transfer the same.

- 46.9 No dividend or other moneys payable on, or in respect of, a share shall bear interest as against the Company, unless otherwise provided by the rights attaching to the shares.
- 46.10 The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the Member, or other person entitled on transmission, and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company.
- 46.11 That Company may, upon the recommendation of the Board, by ordinary resolution direct that payment of a dividend shall be satisfied in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Board shall give effect to such resolution. Where any difficulty arises in regard to such distribution the Board may settle the same as it thinks expedient. In particular the Board may issue fractional certificates (or ignore fractions), may fix the value for distribution of the specific assets or any part of them and may determine that cash payments shall be made to any Members on the basis of the value so fixed in order to adjust the rights of all parties and may vest any of the specific assets in trustees as may seem expedient to the Board or may exercise the powers conferred by Article 48.2.
- 46.12 The Board may, with the sanction of an ordinary resolution of the Company, offer Members the right to elect to receive shares, credited as fully paid, in instead of cash in respect of all or some part of the dividend specified in the resolution. In those circumstances the following provisions shall apply:
- (A) the Directors may in their absolute discretion suspend or terminate (whether temporarily or otherwise) such right to elect and may do such things and acts as are necessary or expedient with regard to, or in order to effect, any such suspension or termination;
  - (B) the entitlement of each Member to new shares shall be such that the relevant value of the shares shall be as nearly as possible equal to (but not in excess of) the cash amount (disregarding any tax credit) that such Members would have received by way of dividend. For this purpose the “relevant value” of each new share shall be equal to the average of the middle market quotation for a share of the Company on AIM, for the first five dealing days on which the shares are first quoted “ex” the relevant dividend 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 and, in giving such a certificate or report, the Auditors may rely on advice or information from brokers or other sources of information as they think fit;
  - (C) the basis of allotment shall be such that no Member may receive a fraction of a share;
  - (D) on, or as soon as practicable after, announcing that it is to declare or recommend any dividend, the Board, if it intends to offer an election in respect of the dividend, shall also announce that intention. After determining the basis of the allotment, if the Board decides to proceed with the offer, the Board shall notify Members in writing of the right of election offered to them and shall send forms of election with, or following, such notification and shall specify the procedure to be followed and place at which and the latest date and time by which (being at least 21 days after



the despatch of the notice), 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 in cash on shares in respect of which an election has been duly made (the "elected shares") and instead additional shares shall be allotted to the holder of the elected shares on the basis of allotment determined as aforesaid. For such purpose the Board shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on such basis and apply the same in paying up in full the appropriate number of new shares for allotment and distribution to and amongst the holders of the elected shares on such basis;
- (F) the additional shares so allotted shall rank pari passu in all respects with the fully paid shares then in issue save only as regards participation in the relevant dividend;
- (G) the Board shall not proceed with any election unless the Board has sufficient authority to allot shares and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;
- (H) the Board may exclude from any offer any holders of shares where the Board believes that the making of the offer to them would or might involve the contravention of the laws of any territory, or that for any other reason the offer should not be made to them; and
- (I) the Board may also from time to time establish or vary a procedure for election mandates under which a Member may elect, in respect of future rights to elect offered to that Member under this Article, until the election mandate is revoked in accordance with the procedure.

46.13 Any dividend or other moneys payable in respect of a share may be paid (subject to any lien of the Company):

- (A) by cheque or dividend warrant payable to the Member (or, in the case of joint holders, the holder whose name stands first in the Register in respect of the relevant share) or to such other person as the Member (or, in the case of joint holders, all the joint holders) may notify to the Company for the purpose; or
- (B) by any bank or other funds transfer system or by such other electronic means (including, in the case of an uncertificated share, a relevant system) to such account as the Member (or, in the case of joint holders, all the joint holders) may notify to the Company for the purpose; or
- (C) in such other manner as may be agreed between the Company and the Member (or, in the case of joint holders, all such holders).

46.14 Any such cheque or dividend warrant shall be sent through the post to the registered address of the Member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto on transmission, to the registered address of the person who is named first in the Register) or to such other address as such Member or person or persons may in writing direct.

- 46.15 Every such cheque or dividend warrant shall be sent, and payment in any other manner shall be made, at the risk of the person entitled to the money represented by it. Payment of the cheque or dividend warrant by the bank on which it is drawn or the payment of any money by any other method permitted by this Article 46 shall be a good discharge to the Company.
- 46.16 If any such dividend or other sum is payable in respect of a share in uncertificated form and payment is to be made using a relevant system, the Company shall comply with the requirements of, and shall make payment by means of, the relevant system. The Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions or made payment by the correct use of a relevant system.
- 46.17 If two or more persons are registered as joint holders of any share, or are entitled jointly to a share on transmission, any one of them may give an effective receipt for any dividend or other monies payable or property distributable on or in respect of the share.
- 46.18 Any resolution declaring, paying or making a dividend, distribution, allotment or issue in respect of shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify 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 can be on or at any time before or after the date on which the resolution is passed. If no record date is fixed, entitlement to the dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend, distribution, allotment or issue is made.
- 46.19 The Company may cease to send any cheque or warrant through the post or employ any other means of payment for any dividend payable on any shares, if in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed or any other means of payment has failed but, subject to the provisions of these Articles, the Company shall recommence sending cheques or warrants or employing such other means in respect of dividends payable on those shares if the holder of the shares requests such recommencement in writing.
- 46.20 Any dividend unclaimed after a period of 12 years from the date on which such dividend is payable shall be forfeited and shall revert to the Company. The Board may pay any unclaimed dividend or other moneys payable on or in respect of a share into a separate account but this shall not constitute the Company a trustee in respect of those dividends or monies.

47. **Reserves**

- 47.1 The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also, without placing the same to reserve, carry forward any profits that it may think it prudent not to distribute.

48. **Capitalisation of reserves and profits**

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

- (A) resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution;
  - (B) appropriate that amount as capital to the Members (on the Register on the date specified in, or determined as provided in, the resolution of the general meeting granting authority for such capitalisation) in proportion to the nominal amount of the ordinary share capital held by them respectively at such date; and
  - (C) apply that sum on their behalf in paying up in full any shares or debentures of the Company of a nominal amount equal to that amount and allot the shares or debentures credited as fully paid to those Members, or as they may direct, in those proportions or in paying up the whole or part of any amounts which are unpaid in respect of any issued shares in the Company held by them respectively, or otherwise deal with such amount as directed by the resolution provided that the share premium account, the capital redemption reserve, any redenomination reserve and any amount not available for distribution in accordance with the Companies Acts may only be applied in paying up shares to be allotted credited as fully paid up.
- 48.2 Where any difficulty arises with regard to any distribution under Article 48.1 or under Article 46.11 or 46.12 the Board may settle the same as it thinks fit and, in particular, may issue fractional certificates or authorise any person to sell and transfer any fractional entitlements and arrange for the distribution of the net proceeds of sale in due proportion among the Members who would have been entitled to the fractions or, if permitted, for the retention of such net proceeds for the benefit of the Company, or may resolve that the distribution should be made as nearly as may be practicable in the correct proportion but not exactly so or may resolve to ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties.
- 48.3 The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.
49. **Avoidance of discounts on exercise of employees' share options**
- 49.1 Without prejudice to Article 48.2, where, pursuant to an employees' share scheme, the Company has granted options to subscribe in cash for shares at a subscription price which is less than their nominal value or on terms which provide for adjustments to the subscription price payable on the exercise of such options or the number of shares to be allotted upon such exercise, so that the subscription price for any share is less than its nominal value, the Board shall transfer to a reserve account a sum equal to the amount by which the subscription price is less than the nominal value of the shares from the profits or reserves of the Company which are available for distribution and not required for the payment of any preferential dividend. The Board shall apply such reserve account for the purpose of paying up the deficiency on the nominal amount of such shares and for no other purpose.
- 49.2 If any options to which Article 49.1 applies cease to be exercisable the reserve account shall be reduced accordingly by retransferring an amount equivalent to the deficiency on the nominal amount of the shares concerned to the profits or reserves available for distribution.
- 49.3 No right shall be granted under any employees' share scheme and no action shall be taken leading to any adjustment which in either case will require the issue of shares at a

discount unless there are sufficient profits or reserves of the Company available for distribution and not required for the payment of any preferential dividend to permit the transfer to a reserve account of the amount required by Article 49.1.

50. **Books, records and registers**

50.1 The Board shall cause the Company to comply with the requirements of the Companies Act with regard to the keeping of any registers and the inspection and production and furnishing of copies of such registers. The Board shall be entitled to charge such fee as is from time to time permitted under the Companies Acts for inspections and the production and furnishing of copies of such registers.

50.2 Subject to the provisions of the Companies Acts, the Board can require the Company to keep an overseas or local or other register in any place and the Board may make and vary such requirement as it may think fit in respect of the keeping of any such register.

50.3 Any company records required by these Articles or the Companies Acts to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Board shall take adequate precautions for guarding against falsification and for facilitating the discovery of falsification.

51. **Accounting records**

51.1 The Board shall ensure accounting records are kept in accordance with the Companies Acts. The accounting records shall be kept at the Office or, subject to the provisions of the Companies Acts, at such other place or places as the Board may think fit and shall always be open to inspection by the officers of the Company. No Member (other than an officer of the Company) shall have any right to inspect any accounting records except as conferred by law or authorised by the Board or by ordinary resolution of the Company.

51.2 A copy of the Company's annual accounts and report shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts.

51.3 Where permitted by the Companies Acts, the Company may send a strategic report and supplementary material, prepared in accordance with the Companies Acts, to the persons referred to in Article 51.2 instead of the Company's annual accounts and reports.

52. **Service of documents and other information**

52.1 Any document or information may be sent or supplied to any Member by the Company in hard copy form either by handing it to the Member or by sending it through the post addressed to such Member at his registered address set out in the Register, or (if he has no registered address within the United Kingdom) to the postal address, if any, within the United Kingdom supplied by him to the Company as his address for service of documents and other information, or by delivering it to such address.

52.2 The Company may also, subject to the provisions of the Companies Acts, send or supply any document or information to any Member:

- (A) in electronic form to such address (or to one of such addresses if more than one) as may for the time being be notified by the Member to the Company for that purpose; or

- (B) by making such document or other information available on a website if the Company and that Member have agreed to or, in accordance with the Companies Acts, that Member is deemed to have agreed to, any document or other information being sent to the Member in that way and the Member is notified in accordance with the Companies Acts that it has been made available.
- 52.3 Any Member who (having no registered address within the United Kingdom for the service or delivery of documents or other information) has not supplied to the Company a postal address within the United Kingdom for the service of documents or other information or an address for the service of documents or other information by electronic means, shall not be entitled to receive documents or other information from the Company.
- 52.4 A document or other information sent or supplied by first class post, shall be deemed to have been received at the expiration of 24 hours after the time of posting or, if sent by second class post, at the expiration of 48 hours after the time of posting and, in proving such service or delivery, it shall be sufficient to show that the document or other information was properly addressed, prepaid and posted. Any document or other information delivered or left at a registered address or an address for the service of documents or other information otherwise than by post, shall be deemed to have been received on the day it was so delivered or left. If on three consecutive occasions, documents or other information have been sent through the post to any Member at his registered address or his address for the service of documents or other information but have been returned undelivered, such Member shall not thereafter be entitled to receive documents or other information from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of documents or other information or an address to which documents and other information may be sent by electronic means.
- 52.5 A document or other information sent or supplied by electronic means shall be deemed to have been received at the expiration of two hours after the time that it was sent and in proving that it was received it shall be sufficient to show that the document or other information was properly addressed unless the Company is aware immediately that there has been a failure of delivery of such document or other information following at least two attempts, in which case such document or other information shall be sent to the Member, within 48 hours of the original attempt to send the document or other information by electronic means, to his registered address or address for service in the United Kingdom (if any) whereupon the document or other information will be deemed to have been served or delivered two hours from the despatch of the original electronic communication in accordance with this Article.
- 52.6 A document or other information given or sent to a Member by making it available on a website shall be deemed to have been received when the material was first made available on the website or, if later, when the Member is deemed to have received notice that the document or other information was available on the website in accordance with Article 52.2 or Article 52.5 (as applicable).
- 52.7 In the case of joint holders of a share, service or delivery of any document or other information on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.
- 52.8 A person entitled to a share in consequence of the death or bankruptcy of a Member shall have any document or other information sent to him as if he were the registered holder and his address noted in the register were his registered address. Save as aforesaid any document or other information delivered or sent to a Member in accordance with these Articles shall, notwithstanding that such Member is then dead or bankrupt or in liquidation,

and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall at the time of the service or delivery have been removed from the Register as the holder of the share.

- 52.9 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same day in at least two leading national daily newspapers and such notice shall be deemed to have been duly served on all Members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
- 52.10 Subject to the Companies Acts and except where otherwise expressly stated, any document or information to be sent or supplied to the Company (whether or not such document or information is required or authorised under the Companies Acts) may be sent or supplied in hard copy form or, subject to Article 52.11, in electronic form. Any document or information can be sent to the Company in hard copy form by delivering it by hand or sending it by post to the Office or to any other address notified by the Company for that purpose.
- 52.11 Subject to the Companies Acts, any document or information may be given to the Company in electronic form only if it is given in such form and manner and to such address as may have been specified by the Board from time to time for the receipt of documents in electronic form. The Board may prescribe such procedures as it thinks fit for verifying the authenticity or integrity of any such document or information given to it in electronic form.
- 52.12 Any document or other information may be sent or supplied by the Company by reference to the Register as it stands at any time not more than 15 days before the date of despatch by the Company. No change in the Register after that time shall invalidate that. Where any document or other information is sent or supplied to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further document or other information and shall be bound by such document or other information.
- 52.13 Where a document or other information is sent or supplied to the Company by a person on behalf of another, the Company may require reasonable evidence of the authority of the former to act on behalf of the latter.
- 52.14 Any amendment or revocation of a notification given to the Company under this Article shall only take effect if in writing, signed or otherwise Authenticated by the Member and on actual receipt by the Company thereof.
- 52.15 In calculating a period of hours for the purposes of this Article, no account shall be taken of any part of a day that is not a working day (as defined in section 1173 the 2006 Act) unless the Board decide otherwise.
- 52.16 A communication in electronic form shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.
- 52.17 Nothing in any of the preceding Articles shall affect any requirement of the Companies Acts that any document or other information be served in any particular manner.

53. **Destruction of documents**

53.1 The Company may destroy:

- (A) any share certificate that has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (B) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate, variation, cancellation or notification is recorded by the Company;
- (C) any instrument of transfer of shares that has been registered at any time after the expiry of six years from the date of registration; and
- (D) any other document on the basis of which any entry in the Register is made at any time after the expiry of six years from the date on which an entry in the Register was first made in respect of it.

53.2 It shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled; that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered; and that every other document so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company.

53.3 Article 53.2 shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim.

53.4 Nothing in this Article 53 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as set out above or in any case where the conditions of Article 53.3 are not fulfilled.

53.5 References in this Article 53 to the destruction of any document include references to its disposal in any manner.

53.6 If the documents relate to shares in uncertificated form, the Company must comply with the Uncertificated Securities Regulations.

54. **Secrecy**

54.1 No Member or general meeting or other meeting of Members shall be entitled to require discovery of or any information respecting any detail of the Company's trading, or any matter that is or may be in the nature of a trade secret, mystery of trade or secret process, or that may relate to the conduct of the business of the Company that in the opinion of the Board it would be inexpedient in the interest of the Company to communicate to the public.

55. **Employees**

55.1 The Board may by resolution exercise any power conferred by the Companies Acts to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any subsidiary.

56. **Winding up**

56.1 Subject to any particular rights or limitations for the time being attached to any shares, if the Company is wound up the assets available for distribution among the members will be distributed to the Members pro rata to the number of shares held by them and to the amounts paid up on the shares at the time of commencement of the liquidation.

56.2 If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may, with the authority of a special resolution and subject to any sanction required by the Companies Acts,

(A) divide among the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any assets and determine how the division shall be carried out as between the Members or different classes of Members;

(B) vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator, with the like sanction, shall think fit

but so that no Member shall be compelled to accept any asset on which there is a liability.

57. **Indemnity**

57.1 Subject to the Companies Acts, but without prejudice to any indemnity to which any person referred to in this Article 57.1 may otherwise be entitled, the Company may indemnify a relevant director or other officer (excluding any auditor) of the Company or of an associated company out of the Company's assets against:

(A) any liability incurred by such a person in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

(B) any liability incurred by such a person in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act); and

(C) any other liability incurred by such a person as an officer of the Company or of an associated company.

57.2 Subject to the Companies Acts, the Company may provide any relevant director or other officer (excluding any auditor) of the Company or of an associated company with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application relating to a liability referred to in Article 57.1 and otherwise may take any action to enable any such person to avoid incurring such expenditure.

57.3 In this Article 57 and in Article 58:

(A) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

(B) a 'relevant director' means any director, alternate director or former director of the Company or of an associated company.



58. **Insurance**

- 58.1 The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director or other officer (excluding any auditor) of the Company or of an associated company in respect of any relevant loss.
- 58.2 In this Article 58, 'relevant loss' means any loss or liability which has been or may be incurred by a relevant director or other officer (excluding any auditor) in connection with that person's duties, powers or office in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or of any associated company.