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THE COMPANIES ~~ACTS 1985 AND~~ACT 2006

PUBLIC LIMITED COMPANY

ARTICLES OF ASSOCIATION

Of

THE CHARACTER GROUP plc

(Adopted by a Special Resolution passed on 21
January 2009 and amended on [●] January 2021)

(Incorporated the 15th day of March 1995
Company registration number 3033333)

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THE COMPANIES ~~ACTS 1985 AND~~ ACT 2006

PUBLIC LIMITED COMPANY

NEW
ARTICLES OF ASSOCIATION
OF
THE CHARACTER GROUP plc

(Adopted by a Special Resolution passed on 21 January 2009)
and amended on [●] January 2021)

PRELIMINARY

1. ~~4.~~ No regulations set out in any statute or in any statutory instrument or other subordinate legislation made under any statute concerning companies shall apply as regulations or articles of association of the Company.

INTERPRETATION

2. ~~2.~~ In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column:

"1985 Act"	the Companies Act 1985 (as amended);
"2006 Act"	the Companies Act 2006;
"2001 Regulations"	the Uncertificated Securities Regulations 2001;
"Acts"	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 (whether or not called a Companies Act or within the statutory citation of the Acts);
"Address"	when used in relation to Electronic Communications, includes any number or address used for the purposes of such communications;

"these Articles"	these Articles of Association in their present form or as from time altered and the expression "Article" shall be construed accordingly;
"Auditors"	the auditors from time to time of the Company;
"Authenticated"	(subject to section 1146 the 2006 Act) authenticated in such manner as the Board may in its absolute discretion determine;
"Board"	the board of directors of the Company or the directors present at a meeting of directors at which a quorum is present;
"Certificated Share"	a share in the Company which is not for the time being an Uncertificated Share;
<u>"Chair"</u>	<u>the person who shall be the chair of the Board or (in the absence thereof) who shall be determined to be the chair of the relevant meeting in accordance with Article 88 or (as applicable) Article 173;</u>
"clear days"	in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Communication"	includes a communication comprising images and a communication effecting a payment;
"debenture" and "debenture holder"	include debenture stock and debenture stockholder respectively;
"Electronic Communication"	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"	shall bear the meanings given to those expressions in section 1168 the 2006 Act;
<u>"electronic facility"</u>	<u>includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a general meeting determined by the Board pursuant to Article 73;</u>
"Executive Director"	an Executive Chairman <u>Chair</u> , a Chief Executive Director, a Joint Chief Executive Director, an Assistant Chief Executive Director, a Managing Director, a Joint

Managing Director, or an Assistant Managing Director of the Company or a Director who is the holder of any other employment or executive office with the Company;

"the Group"	the Company and its subsidiaries from time to time;
"Hard Copy Form"	has the meaning given to it in section 1168 the 2006 Act;
"Member" "holder"	or in relation to a share in the Company, the member whose name is entered in the Register as the holder of such share <u>and "Membership" shall be construed accordingly;</u>

"Office"	the registered office for the time being and from time to time of the Company;
"Operator"	a person approved by the HM Treasury as the operator of a Relevant System;
"paid up"	paid up or credited as paid up;
"Register"	the Register of Members of the Company;
"Relevant System"	shall have the meaning given to it by the 2001 Regulations;
"Seal"	the common seal of the Company or any official seal that the Company may be permitted to have under the Acts;
"Secretary"	the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the Company and includes a temporary, deputy or assistant Secretary and any person appointed by the Board to perform any of the duties of the Secretary;
"Stock Exchange"	London Stock Exchange plc;
"UK Listing Authority"	The Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;
"Uncertificated Share"	a share in the Company title to which is recorded on a Relevant System as being held in uncertificated form.

References in these Articles to "writing" include any method or mode of representing or reproducing words in a legible and non-transitory form including (subject to the provisions of the Acts) in Electronic Form.

[References to a "meeting":](#)

(a) shall mean a meeting convened and held in any manner permitted by these Articles, including a general meeting at which some (but not all) those entitled to be present attend and participate by means of electronic facility or facilities, and such persons shall be deemed to be present at that meeting for all purposes of the 2006 Act and these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly; and

~~(b) References to 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.

References to a person being entitled to a share by "transmission" shall be references to a person becoming entitled to a share under the provisions of Articles ~~54-54-~~ 56~~56~~.

In these Articles, unless the context otherwise requires:

- (a) words in the singular number include the plural and vice versa;
- (b) words denoting any gender include all genders; and
- (c) a reference to a person shall include a reference to a corporation and to an unincorporated body of persons.

References to statutory provisions shall be construed as references to those provisions as amended or re-enacted 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); and terms or expressions used in these Articles that fall into disuse, or which are substituted with new terms or expressions, in any successor statutory provisions shall interpreted and construed in accordance with any substituted or analogous terms or expressions or otherwise their natural or ordinary meanings.

Save as aforesaid or unless the context otherwise requires, words and expressions defined in the Acts in force at the date when these Articles are adopted or in the 2001 Regulations will bear the same meanings in these Articles.

Where, for any purpose, an ordinary resolution of the Company is required a special resolution shall also be effective.

The headings are inserted for convenience only and shall not affect the construction of these Articles.

BUSINESS

3. ~~3.~~ Any branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Company at such time as the Board shall consider appropriate, and, further, may be suffered by them in abeyance, whether such branch or kind of business may have been actually commenced or not,

so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

~~SHARE CAPITAL~~CHANGE OF NAME

~~4. The share capital of the Company at the date of adoption of these Articles is £5,500,000 divided into 110,000,000 ordinary shares of 5p each. Save as otherwise provided in these Articles, every member shall have one vote for each ordinary share held by him.~~

4. [The Company may change its name by ordinary resolution.](#)

ALTERATION OF SHARE CAPITAL

5. ~~5.~~ The Company may from time to time by ordinary resolution:-

5.1 ~~5.1~~ increase its capital by such sum, to be divided into shares of such amounts, as the resolution prescribes;

5.2 ~~5.2~~ consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

5.3 ~~5.3~~ cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its issued capital by the amount of the shares so cancelled; and

5.4 ~~5.4~~ sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the Acts), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, nevertheless, to the Acts), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares.

6. ~~6.~~ The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under Article 5.2 and in particular may issue fractional certificates or arrange for the sale of the shares representing fractions to any person (including, subject to the Acts, the Company) and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may:

6.1 ~~6.1~~ in the case of any Certificated Share, authorise any person to execute an instrument of transfer of the shares representing fractions; and

6.2 ~~6.2~~ in the case of any Uncertificated Share, require the Operator to convert the share into certificated form and, after such conversion, may authorise any person to execute an instrument of transfer and/or take such other steps (including the giving of directions to or on behalf

of the holder, who shall be bound by them) as they think fit to effect the transfer.

A purchaser of any such shares will not be bound to see the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

7. ~~7.~~ The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its authorised and issued share capital or any capital redemption reserve fund or any share premium account in any manner.

8. ~~8.~~ Subject to the provisions of the Acts, the Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company, or the holder, on such terms and in such manner as may be set out in these Articles or (as to the date on or by which or the dates between which the shares are to be or may be redeemed) as may be determined by the directors prior to the date of issue.

SHARE RIGHTS

9. ~~9.~~ Subject to any special rights conferred on the holders of any shares or class of shares and the Acts, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or 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. The Company shall, if required in accordance with the provisions of the Acts, within one month after allotting shares deliver to the Registrar of Companies a statement in the prescribed form containing particulars of special rights.

10. ~~10.~~ Subject to the Acts, the Company may purchase in any manner the Board considers appropriate any of its own shares of any class (including redeemable shares) at any price and any shares to be so purchased may be selected by the Board in any manner whatever provided that the Company shall not exercise such powers without the sanction of a special resolution passed at a separate meeting of the holders of any shares in the capital of the Company which are convertible.

11. ~~11.~~ Save as expressly permitted by Acts the Company shall not give financial assistance, whether directly or indirectly, for the purposes of the acquisition of any shares in the Company or its holding company (if any) or for reducing or discharging any liability incurred for the purpose of any such acquisition.

MODIFICATION OF RIGHTS

12. ~~12.~~ Subject to the Acts and the special rights attaching to any class of shares, all or any of the special rights for the time being attached to any class of shares may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of such shares. To any such separate general meeting all the

provisions of these Articles as to general meetings of the Company shall, mutatis mutandis, apply, but so that:-

- 12.1 ~~42.4~~ the necessary quorum (other than at an adjourned meeting) shall be any two or more persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class and at any adjourned meeting of such holders one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum and for the purposes of this Article one holder present in person or by proxy may constitute a meeting;
- 12.2 ~~42.2~~ every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and
- 12.3 ~~42.3~~ any holder of shares of the class present in person or by proxy may demand a poll.
13. ~~43.~~ The special 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 altered by the creation or issue of further shares ranking pari passu therewith.
14. ~~44.~~ Subject to the Acts, any resolution of the Company and these Articles the unissued shares of the Company (whether forming part of the original or any increased capital) will 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 and for such consideration and upon such terms and conditions as the Board may determine.
15. ~~45.~~ The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Acts. Subject to the Acts, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.
16. ~~46.~~ Unless ordered by a Court of competent jurisdiction or required by law no person will be recognised by the Company as holding any share upon any trust and the Company will not be bound by or required in any way to recognise (even when having notice thereof) any interest in any share in or (except only as otherwise provided by these Articles or by law) any other right in respect of any share except an absolute right to the entirety thereof in the holder.
17. ~~47.~~ Subject to the Acts and these Articles, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

SHARE CERTIFICATES

18. ~~48.~~ 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 the

Register is entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines. 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. A Member (except such a nominee as aforesaid) who has transferred part of the shares is entitled to a certificate for the balance without charge. This Article ~~18-18~~ shall not apply if the Acts or the 2001 Regulations require or allow the Company not to issue a share certificate to any ~~member~~Member for so long as he has elected to hold any share as an Uncertificated Share

19. ~~19.~~ Every certificate will be:-

19.1 ~~19.1~~ issued (in the case of an issue of shares) within one month (or such longer period as the terms of the issue provide) after allotment or (in the case of a transfer of fully paid shares) within fourteen days after lodgment of a transfer with the Company, not being a transfer which the Company is for the time being entitled to refuse to register and does not register; and

19.2 ~~19.2~~ under the Seal and will specify the number and class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up thereon unless the Board shall resolve not to have a Seal pursuant to Article ~~174~~186, in which case such certificates shall be executed in accordance with Article ~~172~~187, having regard to the terms of issue and any listing requirements, or the Board shall resolve that any such certificates shall be authenticated by laser seal. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates need not be autographic but may be affixed to such certificate by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.

20. ~~20.~~ If a share certificate is worn out, defaced, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of 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 defaced or worn out certificates, on delivery of the old certificate to the Company.

21. ~~21.~~ Subject to the provisions of the Acts, the directors may issue share warrants, stating that the bearer is entitled to the shares therein specified, in respect of any fully paid shares and all shares while represented by warrants shall be transferable by delivery of the warrants relating thereto. The directors may determine and from time to time vary the conditions upon which share warrants may be issued. No new share warrant to bearer shall be issued to replace one that has been lost unless it is proved beyond reasonable doubt to the satisfaction of the Board that the original thereof has been destroyed.

UNCERTIFICATED SHARES

22. ~~22.~~ If the Acts allow, the Company may issue shares and other securities which do not have certificates, including Uncertificated Shares.
23. ~~23.~~ The Company may also allow any shares and other securities to be transferred without a transfer form by the use of a Relevant System, or such other systems as may hereafter become available.
24. ~~24.~~ The Board may allow, at its discretion, Certificated Shares to be converted into Uncertificated Shares and vice versa, but the Board shall comply with the 2001 Regulations and the requirements of the Relevant System, in relation to such conversion.
25. ~~25.~~ There shall be entered in the Register details of the number of Uncertificated Shares held by each ~~member~~Member. The Register must be compiled and kept up to date so as to meet the requirements of the 2001 Regulations and the Relevant System.
26. ~~26.~~ Certificated and Uncertificated Shares of the same class shall be treated as one class of shares, notwithstanding that these Articles or the 2001 Regulations require different treatment to be given to Certificated or Uncertificated Shares.
27. ~~27.~~ Upon any of the shares of the Company becoming Uncertificated Shares, these Articles will continue to apply to such Shares only so far as they are consistent with:
- 27.1 ~~27.1~~ holding those shares as Uncertificated Shares;
- 27.2 ~~27.2~~ transferring ownership of those shares by using a Relevant System; and
- 27.3 ~~27.3~~ the provisions of the 2001 Regulations.
28. ~~28.~~ The Board may make rules which:
- 28.1 ~~28.1~~ govern the issue, holding and transfer of shares and securities;
- 28.2 ~~28.2~~ where appropriate, the mechanics of conversion and redemption of such shares and securities;
- 28.3 ~~28.3~~ govern the mechanics for payments involving a Relevant System;
- 28.4 ~~28.4~~ make any other provisions which the Board considers to be necessary to ensure that these Articles are consistent with the 2001 Regulations and with any rules or guidance of an operator of a Relevant System under the 2001 Regulations.

Such rules may provide that they apply to the exclusion of all other provisions in these Articles relating to certificates and the transfer, conversion and redemption of shares and other securities, and any other provisions which are inconsistent with the 2001 Regulations. If any such rules are made, Article ~~27-27~~ will continue to apply but shall be subject to such rules.

29. ~~29.~~ Unless the ~~board~~Board otherwise determines or the 2001 Regulations or the rules of the Relevant System concerned otherwise require, any shares issued or created out of or in respect of any Uncertificated Shares shall be Uncertificated Shares and any shares issued or created out of or in respect of any Certificated Shares shall be Certificated Shares.

LIEN

30. ~~30.~~ The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable in respect of such share. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Article.

31. ~~31.~~ Subject to these Articles the Company may sell, in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen clear days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of the intention to sell in default, has been served on the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

32. ~~32.~~ The net proceeds of the sale 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 presently payable, and any residue shall (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. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser thereof and such transfer shall be as effective as if it had been effected by the holder of or person entitled by transmission to the relevant shares. If any forfeited share shall be an Uncertificated Share, the Board may do everything necessary to transfer the forfeited share under and in accordance with the 2001 Regulations and the requirements of the relevant system. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.

CALLS ON SHARES

33. ~~33.~~ Subject to these Articles and to the terms of allotment the Board may make calls upon the Members or persons entitled to a share by transmission in respect of any moneys unpaid on their shares (whether in respect of nominal amount or premium), and each Member or person entitled to a share by transmission shall (subject to being given at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by such notice the amount called on his shares. A call may be postponed or revoked in whole or in part as the Board determines.

34. ~~34.~~ 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.
35. ~~35.~~ A person upon whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
36. ~~36.~~ If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom it is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent. per annum) as the Board may agree to accept, but the Board may waive payment of such interest wholly or in part.
37. ~~37.~~ Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.
38. ~~38.~~ Subject to the terms of allotment, on the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
39. ~~39.~~ The Board may 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 the shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate, which (unless the Company by ordinary resolution otherwise directs) shall not exceed twelve per cent per annum, as the ~~member~~Member or person entitled to a share by transmission paying such sum and the Board agree but the Member or person entitled to a share by transmission shall not be entitled to participate in any dividend or other distribution by virtue of such advance.

FORFEITURE OF SHARES

40. ~~40.~~ If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen clear days' notice:-
- 40.1 ~~40.1~~ requiring payment of the amount unpaid together with any interest which may have accrued;
- 40.2 ~~40.2~~ stating a place at which payment is to be made; and
- 40.3 ~~40.3~~ stating that if the notice is not complied with the shares on which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been

made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends before the forfeiture declared but not actually paid on the forfeited shares.

41. ~~41.~~ When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share or person entitled thereto by transmission and an entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the Register opposite to 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.
42. ~~42.~~ The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture will include surrender.
43. ~~43.~~ A share so forfeited shall become the property of the Company and may within three years of such forfeiture be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the directors think fit. The Company shall not exercise any voting rights in respect of such a share. The directors may, if necessary, authorise some person to transfer a forfeited share to any such other person as aforesaid. Any share not disposed of in accordance with the foregoing provisions within a period of three years from the date of its forfeiture shall thereupon be cancelled in accordance with the provisions of the Acts.
44. ~~44.~~ A person whose share has been forfeited shall cease to be a Member in respect of it or (as appropriate) entitled thereto by transmission and shall surrender to the Company for cancellation the certificate for the shares forfeited but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the share, with interest thereon from the date of forfeiture until payment at such rate (not exceeding fifteen per cent. per annum) as the Board determines. The Board may enforce payment without any allowance for the value of the forfeited share or for any consideration received on its disposal or may waive payment in whole or in part.
45. ~~45.~~ A statutory declaration by a director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer or transfer of ownership of those shares by using a Relevant System if necessary) constitute a good title to the share, and the person to whom the share is sold, re-allotted or otherwise disposed shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, or disposal of the share. A person who becomes registered as the holder of any such share shall be discharged from all calls made before such sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

46. ~~46.~~ Subject to these Articles, any Member may transfer all or any of his Certificated Shares by an instrument of transfer in any usual form or in any other form approved by the Board. The transfer of an Uncertificated Share need not be in writing and shall comply with such rules as the Board may adopt under Article ~~28~~28.
47. ~~47.~~ The instrument of transfer of a Certificated Share shall be executed by or on behalf of the transferor and, in the case of a partly paid share, by the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the Register in respect thereof.
48. ~~48.~~ The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register:-
- 48.1 ~~48.1~~ a transfer of any share which is not a fully paid up share or on which the Company has a lien ~~provided that where such share shall have been admitted to the Official List of the UK Listing Authority such discretion shall not be exercised in such a way as to prevent dealings in the shares of the Company from taking place on an open and proper basis;~~
- 48.2 ~~48.2~~ a transfer in favour of more than four persons jointly;
- 48.3 ~~48.3~~ in the case of a Certificated Share, a transfer which relates to shares of more than one class; and
- 48.4 ~~48.4~~ in the case of a Certificated Share, a transfer which is not duly stamped, lodged at the Office, or at such other place as the Board may from time to time determine and (save in respect of a transfer by a Stock Exchange nominee, the lodgement of share certificates in relation to which will only be necessary if, and to the extent that, certificates have been issued in respect of the shares in question) 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.
49. ~~49.~~ If the share to be transferred is an Uncertificated Share, the Board may refuse to register a transfer if the 2001 Regulations allow it to do so and must do so where the 2001 Regulations so require.
50. ~~50.~~ If the Board refuses to register a transfer of a share, it shall:
- 50.1 in the case of a Certificated Share, by such time as shall be the earlier of:
- 50.1.1 the time required by the applicable rules of the Stock Exchange; or
- 50.1.2 within two months after the date on which the transfer was lodged with the Company

50.2 in the case of an Uncertificated Share, within two months of the date on which the Company's registrars received "dematerialised instructions" authenticated in accordance with the 2001 Regulations to update the Register to show the transferee as the holder thereof

send to the transferee notice of the refusal, in accordance with the applicable provisions of the Acts.

51. ~~51.~~ Subject to any applicable provisions of the Acts, the registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Board may in its absolute discretion determine. The Board must comply with the 2001 Regulations relating to the closing of the Register (which will require the Company to obtain the consent of the operator of the Relevant System).
52. ~~52.~~ No fee shall be charged for the registration of any transfer or other document relating to or affecting the title to any share, or for otherwise making any entry in the Register relating to any share.
53. ~~53.~~ All registered transfers will be retained by the Company but all others shall (except in any case of fraud) be returned to the person depositing them.

TRANSMISSION OF SHARES

54. ~~54.~~ If a Member dies, the survivor or survivors, where the deceased was a joint holder, and his executor(s), administrators or other personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Article will release the estate of a deceased Member from any liability in respect of any share which had been held by him alone or jointly with other persons.
55. ~~55.~~ Any person becoming entitled to a share in consequence of the death or bankruptcy or a Member or otherwise by operation of law may, upon such evidence as to his title or entitlement being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder, he shall notify the Company to that effect. If he elects to have another person registered, he shall execute a transfer of the share in favour of that person. The provisions of these Articles relating to the transfer of shares shall apply to the notice or 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 transfer were a transfer signed by such Member.
56. ~~56.~~ A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for all benefits arising or accruing on or in respect of the share but he shall not be entitled in respect of that share to receive notices of or to attend or vote at meetings of the Company, or, save as aforesaid, to exercise in respect of any share any of the rights or privileges of a Member until he shall have become a ~~member~~Member in respect of the Share. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not

complied with within sixty days the Board may thereafter withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the notice have been complied with.

UNTRACED MEMBERS

57. ~~57.~~ The Company may sell at the best price reasonably obtainable the shares of a Member or the shares to which a person is entitled by means of transmission if and provided that:

57.1 ~~57.1~~ ~~for~~ a period of twelve years (ending with the date of publication of the advertisements referred to in Article ~~57.3~~57.3 or (if published on different dates) on the earlier thereof) all warrants and cheques sent by the Company through the post in a prepaid letter addressed to the Member at his registered address or to the person entitled by transmission at the address shown in the Register as his address or the last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent have remained uncashed 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

57.2 ~~57.2~~ during such period of twelve years the Company has declared and paid at least three dividends (whether interim or final) to the Members in accordance with their rights and interests; and

57.3 ~~57.3~~ the Company shall, at the end of such period of twelve years, advertise both in a daily newspaper with national circulation and in a newspaper circulating in the area of the said address giving notice of its intention to sell the said shares; and

57.4 ~~57.4~~ during such period of twelve years and the period of three months following such advertisements the Company has had no indication that such ~~member~~Member or person can be traced; and

57.5 ~~57.5~~ in the case of a share admitted to listing by the UK Listing Authority or admitted to trading on AIM, notice is first given to the Stock Exchange of its intention so to do.

To give effect to any such sale of a Certificated Share the Company may appoint any person to execute as transferor an instrument of transfer of such shares or any of them and such instrument of transfer shall be as effective as if it has been executed by the registered holder of or person entitled by transmission to such shares. To give effect to any such sale of an Uncertificated Share, the Board may 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. A statutory declaration in writing that the declarant is a director or Secretary of the Company and that a share has been duly sold on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons

claiming to be entitled to the share. The Company shall account to the Member or other person entitled to such shares for the net proceeds of such sale and shall be deemed to be his debtor, and not a trustee for him in respect of the same. Any moneys not accounted for to the Member or other person entitled to such shares shall be carried to a separate account and shall be a permanent debt of the Company. Moneys carried 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~~Board may from time to time determine.

58. ~~58.~~ If during the period of 12 years referred to in Article ~~57.1~~57.1 or during the period of 3 months following the placing ~~fof~~ the first of the advertisements referred to in Article ~~57.3~~57.3 or during any intervening period further shares have been issued in right 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 ~~57.1~~57.1, ~~57.4~~57.4 and ~~57.5~~57.5 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 Article 57.2 shall not apply to such further shares, then the Company may also sell such further shares under Article ~~57~~57.

DISCLOSURE OF INTERESTS IN SHARES

59. ~~59.1~~ If a Member, or any other person appearing to be interested in shares held by that Member, has been given a notice under section 793 of the 2006 Act and has failed in relation to any shares (the "default shares") to give the Company the information thereby required within fourteen days from the date of giving the notice;

59.1 the following sanctions shall apply, unless the directors otherwise determine:

59.1.1 ~~59.1.1~~ the Member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by ~~membership~~ Membership in relation to any such meeting or poll; and

59.1.2 ~~59.1.2~~ where the default shares represent at least 0.25 per cent of their class:

59.1.2.1 any dividend payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the Member shall not be entitled to elect, pursuant to these Articles or other otherwise, to receive shares instead of that dividend;

59.1.2.2 no transfer, other than an excepted transfer, of any Certificated Shares held by the Member shall be registered unless:

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

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

59.1.2.3 for the purposes of Article 59.1.2.2, in the case of Uncertificated Shares held by the Member, the directors may, to enable the Company to deal with the shares in accordance with the provisions of this Article, require the Operator to convert the shares into certificated form.

59.2 ~~59.2~~ Where the sanctions under Article ~~59.1~~ 59.1 apply in relation to any shares, they shall cease to have effect at the end of the period of seven days (or such shorter period as the directors may determine) following the earlier of:

59.2.1 receipt by the Company of the information required by the notice mentioned in that Article; and

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

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

59.3 ~~59.3~~ Any new shares in the Company issued in right of default shares shall be subject to the same sanctions as apply to the default shares, and the directors may make any right to an allotment of the new shares subject to sanctions corresponding to those which will apply to those shares on issue provided that any sanctions applying to, or to a right to, new shares by virtue of this Article shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled) and provided further that Article ~~59.1~~59.1 shall apply to the exclusion of this Article if the Company gives a separate notice under section 793 of the 2006 Act in relation to the new shares.

59.4 ~~59.4~~ Where, on the basis of information obtained from a Member in respect of any share held by him, the Company gives a notice under section 793 of the 2006 Act to any other person, it shall at the same time send a copy of the notice to the Member, but the accidental omission to do so, or the non-receipt by the Member of the copy, shall not invalidate or otherwise affect the application of Article ~~59.4~~59.1.

59.5 ~~59.5~~ For the purposes of this Article:

59.5.1 a person, other than the Member holding a share, shall be treated as appearing to be interested in that share if the Member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the Member or, pursuant to a notice under section 793 of the 2006 Act, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;

59.5.2 "interested" shall be construed as it is for the purpose of section 793 of the 2006 Act;

59.5.3 reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes:

59.5.3.1 reference to his having failed or refused to give all or any part of it; and

59.5.3.2 reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular; and

59.5.4 an "excepted transfer" means, in relation to any shares held by a Member:

- 59.5.4.1 a transfer pursuant to acceptance of a takeover offer (within the meaning in Part 28 of the 2006 Act) in respect of shares in the Company; or
- 59.5.4.2 a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
- 59.5.4.3 a transfer which is shown to the satisfaction of the directors to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the Member and with any other person appearing to be interested in the shares.

59.6 ~~59.6~~ Nothing in this Article shall limit the powers of the Company under section 794 of the 2006 Act or any other powers of the Company whatsoever.

GENERAL MEETINGS

- 60. ~~60.~~ Each general meeting, other than an ~~Annual General Meeting~~annual general meeting, will be called ~~an Extraordinary General Meeting~~a "general meeting".
- 61. ~~61.~~ The Board may call ~~General Meetings~~general meetings and, on the requisition of Members pursuant to the provisions of the Acts, shall forthwith proceed to convene ~~an Extraordinary General Meeting~~a general meeting in accordance with the requirements of the Acts and if it shall fail to do so within the time allowed by the Acts, any of the requisitionists may do so.
- 62. If there are not, within the United Kingdom, sufficient directors to form a quorum, any director or any two Members may call ~~an Extraordinary General Meeting~~a general meeting.

NOTICE OF GENERAL MEETINGS

- 63. ~~62.~~ ~~An Annual General Meeting~~Subject to the provisions of the 2006 Act, an annual general meeting shall be called by not less than twenty-one clear days' notice in writing. All ~~Extraordinary General Meetings~~general meetings may be called by not less than fourteen clear days' notice in writing, but a ~~General Meeting~~general meeting may be called by shorter notice if it is so agreed:-
 - 63.1 ~~62.1~~ in the case of a meeting called as an ~~Annual General Meeting~~annual general meeting, by all the Members entitled to attend and vote thereat; and
 - 63.2 ~~62.2~~ in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than ~~ninety-five~~ninety-five per cent. in nominal value of the shares giving that right.

64. The notice shall specify the day, time and place of meeting (including any satellite meeting place or places determined pursuant Article 73), and the general nature of the business to be transacted. The notice convening an ~~Annual General Meeting~~annual general meeting shall specify the meeting as such. Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any ~~conditions or limitations~~condition(s) and/or limitation(s) specified in the relevant notice of meeting. There shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy or (if he or she has more than one share) proxies to exercise all or any of his or her rights to attend, speak and vote and that a proxy need not be a Member of the Company. Such notice shall also include the address of the website on which the information required by the Acts is published, state the procedures with which Members must comply in order to be able to attend and vote at the meeting (including the date by which they must comply), provide details of any forms to be used for the appointment of a proxy and state that a Member has the right to ask questions at the meeting in accordance with the Acts.
65. The directors shall determine in relation to each general meeting (including, an annual general meeting) the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be enabled to do so:
- 65.1 by physical meeting held and conducted by physical attendance by Members, corporate representatives and proxies at a particular place; and/or
- 65.2 by means of electronic facility or facilities pursuant to Article 73 (and for the avoidance of doubt, the Board shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances); and/or
- 65.3 by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world.
66. Unless otherwise specified in the notice of meeting or determined by the Chair, a general meeting is deemed to take place at the place where the Chair is at the time of the meeting.
67. Notice of every general meeting shall be given to all Members (other than such as, 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), to all persons entitled to a share in consequence of the death or bankruptcy of a Member in respect of whom the Company has received notice of such entitlement and to the directors and the Auditors. No notice need be given to the Company in respect of any shares held by it in treasury. In the case of shares which can be transferred using a Relevant System, the Company may, as provided in the 2001 Regulations, determine to give notice to Members on the relevant register of securities at the close of business on a day decided by the Company, not being more than 21 days prior to the day on which the notices are despatched. All other provisions of

the 2001 Regulations which relate to the rights of shareholders to attend meetings shall also apply.

68. If pursuant to Article 73 the Board determines that a general meeting shall be held partly by means of electronic facility or facilities, the notice shall:

68.1 include a statement to that effect;

68.2 specify the means, or all different means, of attendance and participation thereat, and any access, identification and security arrangements determined; and

68.3 state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.

69. Without prejudice to Article 73, the Board may resolve to enable persons entitled to attend and participate in a general meeting to do so by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the general meeting in question, and the meeting shall be duly constituted and its proceedings valid if the Chair is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting places are able to:

69.1 participate in the business for which the meeting has been convened;

69.2 hear all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and

69.3 be heard by all other persons attending and participating in the meeting,

as effectively as if they were present or represented in person and the meeting shall be deemed to take place at the place where the Chair presides (the principal meeting place, with any other location where that meeting takes place being referred in these Articles as a satellite meeting). The Chair shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the Chair shall apply equally to each satellite meeting place, including his or her power to adjourn the meeting.

70. ~~63.~~ All business transacted at a ~~General Meeting~~ general meeting shall be deemed special except the following business transacted at an ~~Annual General~~ annual general Meeting:-

70.1 ~~63.1~~ sanctioning or declaring dividends;

70.2 ~~63.2~~ receiving and considering the accounts, the reports of the directors and Auditors and other documents required to be attached or annexed to the accounts;

~~63.3~~ the approval of the directors' remuneration report if required under the Directors' Remuneration Report Regulations 2002;

70.3 ~~63.4~~ appointing (save where special notice of the resolution for such appointment is required under the Acts) Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and

70.4 ~~63.5~~ appointing, re-appointing, electing or re-electing directors in the place of those retiring by rotation or otherwise.

71. ~~64.~~ The accidental omission to give notice of a meeting or send any other notice or circular relating thereto or the failure to give notice or to send any other said notice or circular due to circumstances beyond the Company's control to, or (in cases where instruments of proxy are sent out with the notice) to send such instrument of proxy to, or the non-receipt of such notice, circular or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

72. ~~65.~~ 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 ~~65~~72, or adjourned, it may postpone the meeting to another date, time and/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 like manner as in the case of 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 business to be transacted at such postponed meeting. The arrangements made by the Board under Article ~~68-82~~ for such general meeting shall, unless varied, apply to the postponed meeting.

SIMULTANEOUS ATTENDANCE AND PARTICIPATION BY ELECTRONIC FACILITIES

73. The Board may resolve to enable persons entitled to attend and participate in a general meeting (including any postponed or adjourned meeting) to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The Members and corporate representatives present in person or by proxy by means of an electronic facility or facilities shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the Chair is satisfied that adequate facilities are available throughout the meeting to ensure that Members and corporate representatives attending the meeting by all means (including the means of an electronic facility or facilities) are able to:

73.1 participate in the business for which the meeting has been convened;

73.2 hear all persons who speak at the meeting; and

73.3 be heard by all other persons attending and participating in the meeting.

as effectively as if they were present or represented in person.

74. If, at any general meeting at which Members are entitled to participate by means of electronic facility or facilities, any document is required to be on display or to be available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.
75. If a general meeting is held by means of electronic facility or facilities, the Board (and the Chair) may make any arrangements and impose any requirement or restriction that is:
- 75.1 necessary to ensure the identification of those taking part and the security of the electronic communication; and
- 75.2 proportionate to the achievement of those objectives.
76. All persons seeking to attend and participate in a general meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Any inability of a person or persons to attend or participate in a general meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting. Nothing in these Articles authorises or allows a general meeting to be held exclusively on an electronic basis.

PROCEEDINGS AT GENERAL MEETINGS

77. ~~66.~~ No business shall be transacted at any general meeting unless a quorum is present, but the absence of a quorum shall not preclude the appointment, choice or election of a ~~chairman~~Chair which shall not be treated as part of the business of the meeting. Save as provided in relation to an adjourned meeting, two Members ~~entitled to vote and be~~ present in person or by proxy or (in the case of a corporation) if properly represented in accordance with the applicable provisions of the Acts , and entitled to attend and to vote on the business to be transacted shall be quorum.
78. ~~67.~~ If within thirty minutes (or such longer time not exceeding one hour as the ~~chairman of the meeting~~Chair may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place, with such means of attendance and participation, including partly (but not wholly) by means of electronic facility or facilities, as the Board may determine. If at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, one person entitled to be counted in a quorum present at the meeting shall be a quorum.
79. Two or more persons who may not be in the same place as each other are deemed to attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

80. In determining whether persons are attending or participating in a meeting, other than at a physical place or places, it is immaterial where any of them are or how they are able to communicate with each other.
81. A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
82. ~~68.~~ The Board may at any time prior to the appointed time of commencement of a general meeting or any separate meeting of the holders of any class of share of the Company, and the ~~chairman of any such meeting~~Chair, may at any time after the appointed time of commencement of such meeting, make or alter arrangements for the meeting as it ~~or~~, he or she shall in its ~~or~~, his or her absolute discretion consider to be appropriate for the purpose of ensuring the safety of those attending at any place specified for the holding of a general meeting or any separate meeting and/or 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~~Chair may alter the arrangements made by the Board.
83. ~~69.~~ The entitlement of any Member or his or her proxy (other than the ~~chairman of the meeting~~Chair) to attend a general meeting or any separate meeting of the holders of any class of share of the Company shall be subject to any such arrangements as provided by Article ~~68~~78.
84. ~~70.~~ Arrangements made under Article ~~68-82~~ may include arrangements for such Members, their proxies and representatives (in the case of corporate ~~members~~Members) 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~~Chair 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 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.
85. ~~71~~ The Board or the ~~chairman of the meeting~~Chair 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 think appropriate to which Members, their proxies and representatives (in the case of corporate ~~members~~Members) and other persons attending the meeting shall be subject. 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~~Chair shall be entitled to refuse entry to the meeting or eject from the meeting any such Member, proxy or representative who does not submit to such searches, fails to comply with such security arrangements or who disrupts the orderly conduct of the meeting.

86. ~~72.~~ Where a meeting is adjourned, any arrangements made in respect of that meeting under Articles ~~68 to 71~~ 82 to 85 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. An adjourned general meeting or postponed general meeting may be held as a physical meeting or by simultaneous attendance and participation by means of electronic facility or facilities irrespective of the form of general meeting which was adjourned or postponed.

87. ~~73.~~ Notwithstanding that he is not a Member each director may attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company. The ~~chairman of the meeting~~ Chair may invite any person (whether a Member or not) to attend the whole or any part of any such general meeting and to speak at the same if he considers such person able to assist in discussions at the meeting by reason of knowledge or experience of the Company's business.

88. ~~74.~~ The ~~chairman~~ Chair, if any, of the Board or, in his/her absence, a deputy ~~chairman~~ Chair, if any, shall preside as ~~chairman~~ Chair at every general meeting. If there is no such ~~chairman~~ Chair or deputy ~~chairman~~ Chair, or if at any meeting neither the ~~chairman~~ Chair nor a deputy ~~chairman~~ Chair is present within fifteen minutes after the time appointed for holding the meeting, or if neither of them is willing to act as ~~chairman~~ Chair, the directors present shall choose one of their number to act, or if one director only is present he shall preside as ~~chairman~~ Chair if willing to act. If no director is present, or if each of the directors' present declines to ~~take~~ be the ~~chair~~ Chair, the persons present and entitled to vote on a poll shall elect one of their number to be ~~chairman~~ Chair.

89. ~~75.~~ The ~~chairman~~ Chair may at any time:

89.1 ~~75.1~~ with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place;

89.2 ~~75.2~~ 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:

~~75.2.1~~ 89.2.1 the ~~members~~ Members wishing to attend cannot conveniently be accommodated in the place or places appointed for the meeting;

~~75.2.2~~ 89.2.2 the conduct of persons present prevents, or is likely to prevent, the orderly continuation of business; or

~~75.2.3~~ 89.2.3 an adjournment is otherwise necessary so that the business of the meeting may properly be conducted

but no business shall be transacted at any adjourned meeting other than business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen

days or more, at least seven clear days' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall be unnecessary to give notice of an adjournment.

90. ~~76.~~ If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the ~~chairman of the meeting~~Chair the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as:

90.1 ~~76.1~~ a special no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon;

90.2 ~~76.2~~ an ordinary resolution, no amendment, (other than a clerical amendment to correct a patent error) may in any event be considered or voted upon unless the ~~Chairman~~Chair in his or her absolute discretion so decides or unless 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.

91. ~~77.~~ The ~~chairman of the meeting~~Chair shall take such action as he thinks fit to promote the orderly conduct of the meeting. The decision of the ~~chairman of the meeting~~Chair 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/her determination, acting in good faith, as to whether any point or matter is of such a nature.

92. ~~78.~~ 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.

VOTING

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

94. ~~79.~~ Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, on a show of hands every Member present in person and every proxy present who has been duly appointed by a Member shall have one vote and on a poll every Member present in person or by proxy shall have one vote for every share of which he is the holder. A resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:-

- 94.1 ~~79.1~~ by the ~~chairman~~Chair; or
- 94.2 ~~79.2~~ by at least two Members entitled to vote at the meeting; or
- 94.3 ~~79.3~~ by a Member or Members representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- 94.4 ~~79.4~~ by a Member or Members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right;

and (subject to Article 116) a demand by a person as proxy for a ~~member~~Member shall be the same as a demand by the Member.

95. ~~80.~~ Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the ~~chairman~~Chair that a resolution has, been carried or carried unanimously, or by a particular majority, or not carried by a particular majority or lost 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 the resolution.
96. ~~81.~~ If a poll is duly demanded it shall be taken in such manner as the ~~chairman of the meeting~~Chair 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.
97. ~~82.~~ A poll demanded on the election of a ~~chairman~~Chair, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time (being not later than thirty days after the date of the demand) and place as the ~~chairman~~Chair directs. It shall not be necessary (unless the ~~chairman~~Chair otherwise directs) for notice to be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven days' notice shall be given specifying the time and place at which the poll is to be taken.
98. ~~83.~~ The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the ~~chairman~~Chair, it may be withdrawn 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.
99. ~~84.~~ On a poll votes may be given either personally or by proxy or (in the case of a corporate ~~member~~Member) a duly authorised representative.
100. ~~85.~~ A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
101. ~~86.~~ In the case of an equality of votes, whether on a show of hands or on a poll, the ~~chairman of such meeting~~Chair shall be entitled to a casting vote in addition to any other vote he may have.

102. ~~87.~~ 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, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.

103. ~~88.~~ A Member who is mentally disordered or a patient for any purpose of any law relating to mental health applying anywhere in the world, or in respect of whom an order has been made by any court or other authority having jurisdiction anywhere in the world for the control, protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by any such court or other authority or pursuant to any such law, and such receiver, committee, curator bonis or other person may vote on a poll 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) or shall be sent by an Electronic Communication to an Address specified in the notice of meeting or any document sent therewith not less than forty-eight 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.

104. ~~89.~~ In relation to shares which can be transferred using a Relevant System, the Company may specify in the notice of the meeting a time (not being earlier than 48 hours before the time fixed for the meeting) by which a person must be entered on the relevant register in order to have the right to attend and vote at the meeting (and to allow the number of votes which a person can cast to be calculated).

105. ~~90.~~ No Member shall, unless the Board otherwise determines, be entitled to be present or to vote, either personally or by proxy, or be reckoned in any 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.

106. ~~91.~~ If:-

106.1 ~~91.1~~ any objection shall be raised to the qualification of any voter; or

106.2 ~~91.2~~ any votes have been counted which ought not to have been counted or which might have been rejected; or

106.3 ~~91.3~~ any votes are not counted which 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 or error shall be referred to the ~~chairman of the meeting~~Chair and shall only vitiate the decision of the meeting on any resolution if the

~~chairman~~Chair decides that the same may have affected the decision of the meeting. The decision of the ~~chairman~~Chair on such matters shall be final and conclusive.

PROXIES

107. ~~92.~~ Subject to Article ~~97~~112, the instrument appointing a proxy shall:

107.1 ~~92.1~~ if in Hard Copy Form, be executed by or on behalf of the appointor or of his attorney authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same; or

107.2 ~~92.2~~ if in Electronic Form, submitted by or on behalf of the appointer and Authenticated by the appointor or his attorney authorised in writing.

108. ~~93.~~ A proxy need not be a Member.

109. ~~94.~~ Subject to Article ~~97~~112, the instrument appointing 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:

109.1 ~~94.1~~ in the case of an appointment contained in an instrument 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 or, in either case, in any document sent therewith); or

109.2 ~~94.2~~ in the case of an appointment in Electronic Form, where an Address has been 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, shall be delivered at that Address

in either case not less than:

- (a) forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, whether on a show of hands or a poll taken at or on the same day as the meeting or adjourned meeting; or
- (b) 24 hours before a poll which is taken after the day of the meeting or adjourned meeting.

and in default the instrument of proxy shall not be treated as valid.

110. ~~95.~~ Where two or more but differing appointments of a proxy are delivered in respect of the same share for use at the same meeting then:

110.1 ~~95.1~~ in the case of proxies contained in instruments in Hard Copy Form, the one which is last dated by the appointor (provided that date is or before the date of delivery but otherwise regardless of the actual date of execution or the date of delivery) shall be treated as replacing

and revoking the others as regards that share, and if not all such instruments or proxy are so dated, or if any date is illegible as written or falls after the date of delivery, the one which is last delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the others as regards that share;

110.2 ~~95.2~~ in the case of proxies delivered by Electronic Means, the one which is the last actually received (where applicable, determined in accordance with any method prescribed pursuant to Article ~~98~~113) shall be treated as replacing and revoking the others as regards that share; and

110.3 ~~95.3~~ in the case of two or more but differing appointments of a proxy in respect of a share delivered both by instrument in Hard Copy Form and by Electronic Means the one which is last delivered or actually received (determined as aforesaid) shall be treated as replacing and revoking the others as regards that share, except that where a proxy contained in an instrument in Hard Copy Form is dated prior to the day of actual receipt of a proxy delivered by Electronic Means, but is delivered afterwards, the latter shall be taken to replace and revoke the former.

111. ~~96.~~ No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution or delivery by Electronic Means.

112. ~~97.~~ Instruments of proxy shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit (but subject to the provisions of the Acts), send out with the notice of any meeting or adjourned meeting or, where an Address for the receipt of Electronic Communications has been specified by the relevant Member pursuant to Article ~~204–219~~ shall, subject to Article ~~98~~113, send by Electronic Means to that Address, forms of instrument of proxy for use at the meeting. The instrument of 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 instrument of 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.

113. ~~98.~~ Without limiting any other provision of these Articles, in relation to any Uncertificated Shares, the Board may from time to time permit appointments of a proxy to be made by means of an Electronic Communication in the form of a properly authenticated dematerialised instruction and/or other instruction or notification, which is sent by means of a Relevant System and received by such 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) (an “Uncertificated Proxy Instruction”) and may permit supplements to, or amendments or revocations of, any Uncertificated Proxy Instruction to be made by like means. The Board may in addition prescribe the method of determining the time at which any such Uncertificated Proxy Instruction and/or any said supplement, amendment or

revocation 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.

114. ~~99.~~ A vote given or poll demanded in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or 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) one hour at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

115. ~~400.~~ Any body corporate which is a Member may, in accordance with the Acts, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such body corporate as the body corporate could exercise if it were an individual Member, and such body corporate shall for the purposes of these Articles be deemed to be present in person at any such meeting (or adjournment thereof) if a person so authorised is present thereat and all references to attendance and voting in person shall be construed accordingly. A director or the Secretary or some person authorised for such purpose by the directors or the Secretary may require the representative to produce an Authenticated copy of the resolution so authorising him before permitting him to exercise his powers.

116. ~~401.~~ A demand for a poll made by a person as proxy for a Member or as the duly authorised representative of a ~~member~~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 ~~7994~~ are met, ~~the~~ The voting rights to be taken into account for the purposes of Article 94.3 and 94.4 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.

PROCEEDINGS AT CLASS MEETINGS

117. ~~402.~~ All the provisions of these Articles as to general meetings shall mutatis mutandis apply to a separate general meeting of the holders of any class of share (including the proceedings thereat) of the Company, but so that the necessary quorum shall be two or more persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (excluding any treasury shares), that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum.

NUMBER OF DIRECTORS

118. ~~403.~~ Unless and until otherwise determined by an ordinary resolution of the Company, the number of directors (other than alternate directors) will not be subject to any maximum but will not be less than three in number.

APPOINTMENT AND RETIREMENT OF DIRECTORS

119. ~~404.~~ A director will not require a share qualification.

120. ~~405.~~ Subject to these Articles, the Company may by ordinary resolution elect any person to be a director, either to fill a casual vacancy or as an addition to the existing Board.

121. ~~406~~ Without prejudice to the power of the Company in general meeting in pursuance of any of these Articles to appoint any person to be a director, the Board may at any time and from time to time 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~~annual general meeting and shall then be eligible for re-election 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.

122. ~~407.~~ The Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with the Acts, remove any director before the expiration of his period of office and may (subject to 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 elected a director.

123. ~~408.~~ No person other than a director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of director at any general meeting unless, not less than seven and not more than forty-two days before the day appointed for the meeting, there has been given to the Secretary notice by some Member (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice signed by the person to be proposed of his willingness to be elected.

DISQUALIFICATIONS OF DIRECTORS

124. ~~409.~~ The office of a director shall be vacated if:-

124.1 ~~409.1~~ he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board; or

124.2 ~~409.2.~~ the Board resolves that he is through physical or mental incapacity or mental disorder no longer able to perform the functions of a director

124.3 ~~409.3~~ without leave, he is absent from meetings of the Board (whether or not an alternate director appointed by him attends) for six

consecutive months, and the Board resolves that his office be vacated;
or

124.4 ~~409.4~~ he presents a petition for his own bankruptcy, he is adjudged bankrupt, he issues proposals to creditors for any arrangement or composition (whether as a voluntary arrangement under the Insolvency Act 1986 or otherwise) he makes any other arrangement or composition with creditors or he applies for an order for protection from his creditors; or

124.5 ~~409.5~~ he is prohibited by law from being a director; or

124.6 ~~409.6~~ he ceases to be a director by virtue of the Acts or is removed from office pursuant to these Articles; or

124.7 ~~409.7~~ 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; or

124.8 ~~409.8~~ being a director holding an executive office, he is dismissed from such office; or

124.9 ~~409.9~~ he is convicted of an indictable offence and the directors shall resolve that it is undesirable in the interests of the Company that he remains a director.

125. ~~410.~~ No person shall be disqualified from being appointed a director and no director shall be required to vacate that office by reason only of the fact that he has attained the age of 70 years, or any other age.

ROTATION OF DIRECTORS

126. ~~411.~~ At every ~~Annual General Meeting~~annual general meeting one-third of the directors for the time being or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third shall retire from office. A director retiring at a meeting shall retain office until the close of the meeting. Notwithstanding any other provision of these Articles, an executive director of the Company shall not whilst holding office as such be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year.

127. ~~412.~~ The directors to retire on each occasion include so far as necessary to obtain the number required any director who wishes to retire and not offer himself for re-election and any further directors to retire shall be those who have been longest in office since their last election. As between persons who became or were re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the directors after the date of such notice but before the close of the meeting.

128. ~~413.~~ A retiring director shall be eligible for re-election.

129. ~~414.~~ Subject to these Articles, the Company at the meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto and in default the retiring director shall, if willing to continue to act, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director shall have been put to the meeting and lost.

EXECUTIVE DIRECTORS

130. ~~415.~~ The Board may from time to time appoint one or more of its body to be a Managing Director, Joint Managing Director or Assistant Managing Director or to hold any other employment or executive office with the Company for such period (subject to the Acts) and upon such terms as the Board may determine and may revoke or terminate any of such appointments. 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 which may be involved in such revocation or termination.

131. ~~416.~~ An executive director 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 in lieu of his remuneration as a director.

ALTERNATE DIRECTORS

132. ~~417.~~ Any director (other than an alternate director) may appoint any person~~other director~~ to be his alternate director and may at his discretion remove such alternate director. ~~If such alternate director is not another director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved.~~—Any appointment or removal of an alternate director shall be effected by notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board. An alternate director shall, if his appointer so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the director appointing him and shall be entitled to such extent 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.

133. ~~418.~~ 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 mutatis mutandis as if he were a director but shall not be entitled to receive from the Company any

fee or other remuneration in his capacity as an alternate director except only such part (if any) of the fee or other remuneration otherwise payable to the director appointing him as such director may direct by notice in writing to the Company from time to time.

134. ~~419.~~ 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 or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.

135. ~~420.~~ An alternate director shall automatically cease to be an alternate director if he ceases to be a director or his appointor ceases for any reason to be a director provided that, if at any meeting any director retires by rotation or otherwise but is re-elected 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.

DIRECTORS' FEES AND EXPENSES

136. ~~421.~~ Each of the directors will be paid a fee at such rate as may from time to time be determined by the Board provided that the aggregate of all such fees so paid to directors (excluding amounts payable under any other Article and for the avoidance of doubt remuneration paid to any executive director) will not exceed ~~£100,000~~300,000 per annum, or such higher amount as may from time to time be determined by ordinary resolution of the Company.

137. ~~422.~~ Each director may be paid all travelling, hotel and incidental expenses properly incurred by him in attending meetings of the Board or committees of the ~~board~~Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a director. 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) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

DIRECTORS' INTERESTS

138. ~~423.~~ A director may:-

138.1 ~~423.1~~ 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 subject to the provisions of the Acts upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Article;

- 138.2 ~~423.2~~ act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a director;
- 138.3 ~~423.3~~ be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
139. ~~424.~~ A director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).
140. ~~425.~~ Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution shall be put in relation to each director and in such case each of the directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the director owns one per cent. or more.
141. ~~426.~~ Subject to the Acts and to Article ~~130-145~~, no director or proposed or intending director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any director is in any way interested be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relationship thereby established.
142. ~~427.~~ A director who to his knowledge is in any way, whether directly or indirectly, interested in a transaction or arrangement or proposed transaction or arrangement with the Company shall declare the nature and extent of his interest at the meeting of the Board at which the question of entering into the transaction or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the

purposes of this Article, a general notice to the Board by a director to the effect that:-

142.1 ~~127.4~~ he is a member of a specified company or firm, stipulating his direct and indirect interest(s) therein and that he is to be regarded as interested in any transaction or arrangement which may after the date of the notice be made with that company or firm; or

142.2 ~~127.2~~ the nature of his connection with a specified person and that he is to be regarded as interested in any transaction or arrangement which may after the date of the notice be made with a specified person who is connected with him,

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such transaction or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

143. ~~128.~~ Save as otherwise provided by these Articles, a director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any transaction or arrangement or other proposal in which he is to his knowledge materially interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any of the following matters namely:-

143.1 ~~128.1~~ any transaction or arrangement for giving to such director any security or indemnity in respect of money lent by him or obligations incurred by him at the request or for the benefit of the Company or any other company within the Group;

143.2 ~~128.2~~ any transaction or arrangement for the giving by the Company or any other company within the Group of any security to a third party in respect of a debt or obligation of the Company or any other company within the Group which the director has himself given an indemnity or guaranteed or secured in whole or in part;

143.3 ~~128.3~~ any transaction or arrangement by a director to subscribe for shares, debentures or other securities of the Company or any other company within the Group 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 to underwrite or sub- underwrite any shares debentures or other securities of the Company or any other company within the Group;

143.4 ~~128.4~~ any transaction or arrangement in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;

143.5 ~~128.5~~ any transaction or arrangement concerning any other company (not being a company in which the director owns one per cent. or more within the meaning of Article ~~129.1~~144.1) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;

143.6 ~~128.6~~ any proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or arrangements for the benefit of employees, including employees' share scheme of the Group (whether or not the same has been approved by H.M. Revenue and Customs or is conditional upon such approval) and which does not provide in respect of any director, any privilege or benefit not generally provided to employees of the Group to whom such scheme relates;

143.7 ~~128.7~~ any contract, transaction, arrangement or proposal concerning any insurance against liability which the Company is empowered to purchase and/or maintain for or for the benefit of any directors or any group of persons which includes directors provided that for the purposes of this sub-paragraph insurance shall mean only insurance which the Company is empowered to purchase and/or maintain for or for the benefit of a director or any group of persons consisting of or including directors of the Company pursuant to these Articles.

144. ~~129.~~ For the purposes of Articles ~~100 to 105~~138 to 143 inclusive:-

144.1 ~~129.1~~ a company will be deemed to be a company in which a director owns one per cent. or more if and so long as (but only if and so long as) he is (either directly or indirectly) the holder of or beneficially interested in or he and any person with whom he is connected within the meaning of the Acts (a "connected person") is the holder of or is beneficially interested in one per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this Article there shall be disregarded any shares held by a director as bare or custodian trustee and in which he has no beneficial interest, and shares comprised in a trust in which the director's interest 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 is interested only as a unit holder;

144.2 ~~129.2~~ where a company in which a director holds one per cent. or more is materially interested in a transaction, then that director shall also be deemed materially interested in such transaction;

144.3 ~~129.3~~ if any question shall arise at any meeting of the Board as to the materiality of the interest of a director (other than the ~~chairman of the meeting~~Chair) or as to the entitlement of any director (other than ~~such chairman~~the Chair) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the ~~chairman of the meeting~~Chair and his/her ruling in relation to such other director shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned as known to such director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the ~~chairman of the meeting~~Chair such question shall be decided by a resolution of the Board (for which purpose ~~such chairman~~the Chair shall be counted in the quorum but shall not vote thereon) and such

resolution shall be final and conclusive except in a case where the nature or extent of the interest of ~~such chairman~~the Chair as known to ~~such chairman~~the Chair has not been fairly disclosed to the Board;

144.4 ~~129.4~~ An interest of a person who is connected (within the meaning of the Acts) with a director shall 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 which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his;

144.5 ~~129.5~~ the word "transaction" shall include any actual or proposed transaction, contract, arrangement or agreement.

145. ~~130.~~ Subject to the provisions of the Acts, the Company may by ordinary resolution suspend or relax the provisions of Article ~~128-143~~ to any extent or ratify any transaction not duly authorised by reason of a contravention of Articles ~~124 to 128~~ 139 to 143 inclusive.

CONFLICTS OF INTEREST REQUIRING BOARD AUTHORISATION

146. ~~131.~~ The Board may, subject to the quorum and voting requirements set out in this Article, authorise any matter which would otherwise involve a director breaching his duty under the Acts to avoid conflicts of interest ("Conflict").

147. ~~132.~~ A director seeking authorisation in respect of a Conflict (the "relevant director") shall declare to the Board the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The relevant director shall provide the Board with such details of the relevant matter as are necessary for the Board to decide how to address the Conflict, together with such additional information as may be requested by the Board.

148. ~~133.~~ Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter which is the subject of a Conflict. Such proposal and any authority given by the Board shall be effected in the same way that any other matter may be proposed to and resolved upon by the Board under the provisions of these Articles save that:

148.1 ~~133.1~~ the relevant director and any other director with a similar interest shall not count towards the quorum nor vote on any resolution giving such authority; and

148.2 ~~133.2~~ the relevant director and any other director with a similar interest may, if the other members of the Board so decide, be excluded from any Board meeting while the Conflict is under consideration.

149. ~~134.~~ where the Board gives authority in relation to a Conflict:

149.1 ~~134.1~~ the Board may (whether at the time of giving the authority or subsequently):

~~134.1.1~~149.1.1 require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at

meetings of the Board or otherwise related to the Conflict; and

~~134.1.2~~149.1.2 impose upon the relevant director such other terms for the purpose of dealing with the Conflict as it may determine;

149.2 ~~134.2~~ the relevant director will be obliged to conduct himself in accordance with any terms or conditions imposed by the Board in relation to the Conflict;

149.3 ~~134.3~~ where the relevant director obtains (otherwise than through his position as a director of the Company) 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 or business, where to do so would amount to a breach of that confidence. However, to the extent that the director's relationship with that third party gives rise to a conflict of interests or a possible conflict of interests, this Article only applies if the existence of that relationship has been authorised by the Board pursuant to Article ~~131~~146;

149.4 ~~134.4~~ the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded);

149.5 ~~134.5~~ the Board may revoke or vary such authority at any time but this will not affect anything done by the relevant director in accordance with the terms of such authority prior to such revocation being notified to him; and

149.6 ~~134.6~~ where the relevant director's Conflict has been authorised by the Board, the director shall not be in breach of the general duties he owes to the Company because he takes such additional steps as he considers desirable for the purpose of managing his Conflict including:

~~134.6.1~~149.6.1 absenting himself from meetings of the Board at which the Conflict will or may be discussed; and

~~134.6.2~~149.6.2 requesting the Board to make arrangements for him not to receive documents and information relating to the Conflict and/or requesting that the Board provide such documents to an independent professional adviser approved by the Board for review to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

GENERAL POWERS OF THE DIRECTORS

150. ~~135.~~ The business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Acts or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Acts, the

memorandum of association of the Company and of these Articles and to such regulations or directions, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations or directions made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

151. ~~136.~~ The directors may establish any councils, committees, 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 directors may delegate to any council, committee, local or divisional board, manager or agent any of the powers, duties, authorities and discretions vested in the directors, with power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such condition as the directors may think fit, and the directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such removal, annulment or variation shall be affected thereby Provided Always that if the powers of the directors are delegated to a committee which includes persons other than directors the number of such persons shall always be less than half the total number of members of the committee and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are directors. If the powers of the directors are delegated to a committee which consists wholly of directors no resolution of the committee shall be effective unless at least two directors are present at the meeting.

152. ~~137.~~ The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or 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 these Articles) and for such period and subject to such conditions 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 ~~137-~~ 152 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.

153. ~~138.~~ 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 ~~138-153~~ 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.

154. ~~139.~~ Subject to the Acts, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such regulations as it determines respecting the keeping of any such register.

155. ~~140.~~ 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.

PENSIONS

156. ~~141.~~ On behalf of the Company the Board may 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, connections or dependants of any director or former director and shall have power to contribute to any scheme or fund or to pay premiums in respect thereof provided that no pension, annuity or other allowance or benefit (except such as may be provided for by any other Article) shall be granted to a director or former director who has not been an Executive director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of such a director or former director without the approval of an ordinary resolution of the Company. 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.

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

BORROWING POWERS

158. ~~143.~~ Subject to Article ~~144-159~~ and to the provisions of the Acts, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Acts, to issue debentures and other securities, whether outright or as

collateral security for any debt, liability or obligation of the Company or of any third party.

159. ~~144.~~ 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 subsidiaries (if any) so as to secure (but as regards subsidiaries only in so far as by the exercise of such rights or powers of control the Board can secure) that the aggregate 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 at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to four half times the Adjusted Capital and Reserves.

160. ~~145.~~ For the purpose of Article ~~144~~159:-

160.1 ~~145.1~~ "the Adjusted Capital and Reserves" means at any time a sum equal to the aggregate of:-

~~145.1.1~~160.1.1 the amount paid up or credited as paid up on the issued share capital of the Company (including any preference shares and any shares held by the Company in treasury or by the trustees of any trust established by the Company for the benefit of any employees, former employees or their respective spouses, dependants and/or issue) and on any such share capital that has been unconditionally allotted but not issued; and

~~145.1.2~~160.1.2 the amount standing to the credit of the reserves (including any share premium account, capital redemption reserve, property revaluation reserve and any credit balance on profit and loss account); and

~~145.1.3~~160.1.3 the amounts standing to the credit of government grants deferred revenue account or other accounts of a similar nature of the Group.

all as shown in a consolidation by the then latest audited balance sheets of the Group but after:-

~~(1)~~160.1.3.1 deducting any debit balance on profit and loss account (except to the extent that such deduction has already been made);

~~(2)~~160.1.3.2 making any adjustments as may be appropriate to reflect any variation in the amount of such reserves or paid up share capital, since the date of the latest audited balance sheet for which purpose any issue or proposed issue of shares by the Company for cash which has been underwritten or agreed to be subscribed for or taken up shall be deemed to have been allotted and issued and the amount (including any premium) of the subscription moneys payable in respect

thereof (not being moneys payable later than six months after the date of allotment) shall to the extent so underwritten, subscribed for or taken up be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting, subscription for or purchase was conditional, on the date when it became unconditional);

~~(3)~~[160.1.3.3](#) making such adjustments as may be appropriate in respect of any distributions declared, recommended or made by the Company or its subsidiaries (to a person other than another company in the Group) out of profits earned up to and including the date of the latest audited balance sheet to the extent that such distributions are not provided for therein;

~~(4)~~[160.1.3.4](#) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiaries since the date of the latest audited balance sheet (including any undertaking which was not a subsidiary undertaking at that date but is one at the relevant time and excluding any undertaking which was a subsidiary undertaking at that date but is one at the relevant time and excluding any undertaking which was a subsidiary undertaking but is no longer .one at the relevant time);

~~(5)~~[160.1.3.5](#) excluding third party minority interests in subsidiaries and any sums set aside for taxation (other than in respect of taxation equalisation or deferred taxation);

~~(6)~~[160.1.3.6](#) taking into account any revaluation of the property or assets of any member for the time being of the Group made by an independent professional valuer;

~~(7)~~[160.1.3.7](#) making such adjustments as are necessary (apart from the foregoing) to reflect any variation in the share premium account or capital redemption reserve since the date of the latest audited balance sheet;

~~(8)~~[160.1.3.8](#) if the calculation is required for the purposes of a transaction under or in connection with which any company is to become or cease to be a subsidiary, making all such adjustments as would be appropriate

if such transaction had been carried into effect; and

~~(9)~~160.1.3.9 making such other adjustments (if any) as the Auditors may consider appropriate;

160.2 ~~145.2~~ "borrowings" shall be deemed to include not only borrowings but also the following (except insofar as otherwise taken into account):-

~~145.2.1~~160.2.1 the nominal amount of any share capital (other than equity share capital) of any subsidiary owned otherwise than by a member of the Group;

~~145.2.2~~160.2.2 the principal amount of any debenture (whether secured or unsecured) of a member of the Group owned otherwise than by a member of the Group;

~~145.2.3~~160.2.3 the nominal amount of any share capital and the principal amount of any debenture or borrowings of any person to the extent that the payment, redemption or repayment thereof is the subject of a guarantee, indemnity or security given by a member of the Group but excluding any share capital which is for the time being beneficially owned by, or any such borrowings which are for the time being owed to, a member of the Group or which any such member may be required to purchase;

~~145.2.4~~160.2.4 the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group, 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;

~~145.2.5~~160.2.5 any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowings or other sums to be treated as borrowings;

~~145.2.6~~160.2.6 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 audited 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; and

~~145.2.7~~160.2.7 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.

160.3 ~~445.3~~ "borrowings" shall be deemed to exclude:-

~~445.3.1~~160.3.1 the amount of any advances to or drawings made by any member of the Group under or in respect of non-recourse facilities granted to such member of the Group secured by way of an assignment of trade receivables of the relevant member of the Group to the relevant facility provider;

~~445.3.2~~160.3.2 borrowings for the purpose of repaying or redeeming (with or without premium) within six months of being so borrowed in whole or in part any borrowings by a member of the Group for the time being outstanding pending their application for such purpose within such period;

~~445.3.3~~160.3.3 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by a member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade or by any other Governmental department, agency or body fulfilling a similar function or by a person (other than a member of the Group) carrying on the business of providing credit insurance,, to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured;

~~445.3.4~~160.3.4 amounts contingently due under or in respect of letters of credit issued for or on behalf of any member of the Group;

~~445.3.5~~160.3.5 amounts borrowed or raised that are for the time being deposited with H.M. Revenue and 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;

~~445.3.6~~160.3.6 until six months after the acquisition of a subsidiary undertaking by the Company after the date of the latest audited balance sheet the borrowings of that undertaking, to the extent that the amount of those borrowings do not exceed the amount thereof immediately after it became such a subsidiary undertaking;

~~445.3.7~~160.3.7 for the period of six months after the acquisition by any member of the Group of any asset, the borrowings secured on the asset at the time of such acquisition;

~~145.3.8~~160.3.8 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; and

~~145.3.9~~160.3.9 any amount payable under any hire purchase agreement, credit sale agreement, operating lease or similar agreement which is not a finance lease.

161. ~~146.~~ when the aggregate amount of borrowings required to be taken into account for the purposes of Article ~~143–159~~ and this Article on any particular date is being ascertained:-

161.1 ~~146.1~~ any such moneys denominated or repayable, or any cash deposited, in a currency other than sterling shall:

161.1.1 ~~146.1.1~~ with the exception of borrowings denominated or repayable in a currency other than sterling which have the benefit of an HM Treasury Exchange cover scheme, forward currency contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in exchange rates (“excepted foreign currency borrowings”), be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on such date in London provided that any such moneys shall be converted at the rate of exchange prevailing in London six months before such date if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the spot rate quoted by a London clearing bank selected by the Board for the conversion into sterling of the amount of foreign currency concerned); and

161.1.2 ~~146.1.2~~ in the case of any excepted foreign currency borrowings, be converted into sterling at the rate of exchange applicable to such borrowings on their repayment to the extent that such rate is fixed under the scheme, contract or arrangement under which the borrowing arises, provided that to the extent that it is not possible to determine such rate, such borrowings shall be converted into sterling on such basis as may be agreed with, or determined by, the Auditors;

161.2 ~~146.2~~ 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;

161.3 ~~146.3~~ moneys borrowed by a partly-owned subsidiary undertaking and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the “relevant proportion” and moneys borrowed and owing to a partly-owned

subsidiary undertaking by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the "relevant proportion"; for the purposes of this paragraph "relevant proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary undertaking which is not attributable (directly or indirectly) to the Company;

162. ~~147.~~ For the purposes of Articles ~~143~~159 and ~~144~~160:

162.1 ~~147.1~~ no amount to be included in the Adjusted Capital and Reserves shall be included in Borrowings; and

162.2 ~~147.2~~ no amount shall be taken into account more than once in any calculation of moneys borrowed;

163. ~~148.~~ For the purposes of Article ~~144~~160:

163.1 ~~148.1~~ "audited balance sheet" shall mean the audited balance sheet of the Company prepared for the purposes of the Acts unless at the date of the then latest such balance sheet there shall have been prepared for such purposes and audited a consolidated balance sheet of the Company and its subsidiaries (with such exceptions as may be permitted in the case of a consolidated balance sheet prepared for the purposes of the Acts) and in the latter event "audited balance sheet" shall mean such audited consolidated balance sheet of the Company and such subsidiaries, the references to reserves and profit and loss account shall be deemed to be references to consolidated reserves and consolidated profit and loss account respectively and there shall be excluded any amounts attributable to outside interests in subsidiaries;

163.2 ~~148.2~~ the Company may from time to time change the accounting policies and principles employed for the purposes of preparing the audited balance sheet, provided that any new policy or principle adopted complies with the requirements of the Acts: if the Company should prepare its main audited balance sheet on the basis of one such policy or and principle, but a supplementary audited balance sheet or statement on the basis of another, the main audited balance sheet shall be taken as the audited balance sheet for the purposes of this Article;

163.3 ~~148.3~~ 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 policies and/or principles used in the preparation of the audited 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" (as defined in Article ~~146.3~~161.3). 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;

164. ~~149.~~ 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

165. ~~150.~~ 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.
166. ~~151.~~ 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 Article ~~144-159~~ 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. For the purposes of Article ~~144-159~~ the Board may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit contained in Article ~~144-159~~ is inadvertently exceeded an amount of borrowings equal to the excess may be disregarded until the expiration of three months after the date on which by reason of a certificate of the Auditors or otherwise the Board becomes aware that such a situation has or may have arisen.
167. ~~152.~~ No lender or other person dealing with the Company shall be concerned to see or inquire whether the limit imposed by Article ~~144-159~~ is observed and no borrowing incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the borrowing was incurred or security given that the limit hereby imposed had been or was thereby exceeded.
168. ~~153.~~ If any uncalled capital of the Company is included in or charged by any mortgage or other security, the directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the Members in respect of such uncalled capital, and to sue in the name of the company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of directors, and shall be assignable if expressed so to be.

PROCEEDINGS OF THE DIRECTORS

169. ~~154.~~ Subject to the provisions of these Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the ~~chairman of the meeting~~Chair shall have an additional or casting vote. A director may, and the Secretary on the requisition of a director shall, at any time summon a Board meeting.
170. ~~155.~~ Notice of a Board meeting shall be deemed to be duly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose or, if in Electronic Form, to any Address given by him to the Company for that purpose. A director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, or by Electronic Communication to an Address specified by him for the purpose, but such notices of meeting need not be given any earlier than notices given to directors not so absent. In the absence of any such request 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.
171. ~~156.~~ 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 the provisions of 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 termination of the Board meeting if no other director objects and if otherwise a quorum of directors would not be present.
172. ~~157.~~ The continuing directors or a sole continuing director may act notwithstanding any vacancy in the Board but, if and so long as the number of directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing directors or director, notwithstanding that the number of directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose. If there are no directors able or willing to act, any two Members may summon a general meeting for the purpose of appointing directors.
173. ~~158.~~ The Board may elect a ~~chairman~~Chair and one or more deputy ~~chairmen~~Chair(s) of its meetings and determine the period for which they are respectively to hold such office. If no ~~chairman~~Chair or deputy ~~chairman~~Chair is elected, or if at any meeting neither the ~~chairman~~Chair nor any deputy ~~chairman~~Chair is present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be ~~chairman of the meeting~~Chair.

174. ~~159.~~ 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.

175. ~~160.~~ The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) as it may think fit to committees, consisting of one or more members of the Board and (if thought fit) one or more other persons co-opted as hereinafter provided. 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 persons 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:

~~160.1~~175.1 the number of co-opted members shall be less than one-half of the total number of members of the committee;

~~160.2~~175.2 no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are directors; and

~~160.3~~175.3 the ~~chairman~~Chair of each committee shall be a ~~director~~determined in accordance with Article 173 by the Board or (in default thereof) the directors that are members of the committee and, in the case of any equality of votes, the ~~chairman~~Chair 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.

176. ~~161.~~ The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally. It 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 by a committee authorised by the Board.

177. ~~162.~~ The meetings and proceedings of any committee consisting of two or more members 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 and are not superseded by any regulations imposed by the Board under Article ~~160~~175.

178. ~~163.~~ A resolution in writing signed or otherwise Authenticated by all the directors (or their duly appointed alternates) for the time being in the United Kingdom entitled to receive notice of a meeting of the Board (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) for the time being in the United Kingdom shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such 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 members of the committee concerned (or their duly appointed alternates).

179. ~~164.~~ Any director or his alternate may validly participate in a meeting of the directors or a committee of the directors through the medium of conference telephone or similar forms of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and entitled to vote. Subject to the Acts, all business transacted in such manner by the directors or a committee of the directors shall for the purposes of these Articles be deemed to be valid and effectively transacted at a meeting of the directors or a committee notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the ~~chairman of the meeting~~Chair then is.

180. ~~165.~~ 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, 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.

MINUTES

181. ~~166.~~ The Board shall cause minutes to be made:-

~~166.1~~181.1 of all appointments of officers made by the Board;

~~166.2~~181.2 of the names of the directors present at each meeting of the Board or committee of the Board; and

~~166.3~~181.3 of all resolutions and proceedings at all meetings of the Company, of any class of shares in the Company, of the Board and of any committee of the Board.

Any such minute as aforesaid, if purporting to be signed by the ~~Chairman of the meeting~~Chair at which the proceedings were held, or by the ~~Chairman~~Chair of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minute without any further proof.

SECRETARY

182. ~~167.~~ Subject to the provisions of the Acts, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such

conditions as it determines, and any Secretary so appointed may be removed by the Board.

183. ~~168.~~ A provision of the 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.

SEAL

184. ~~169.~~ The Board shall provide for the custody of every Seal. A Seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf. 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 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.

185. ~~170.~~ The Company may exercise all the powers conferred by the Acts with regard to having official seals, and such powers shall be vested in the Board.

186. ~~171.~~ The Board may resolve that the Company shall not have a Seal.

187. ~~172.~~ Where the Acts so permit, any instrument or document signed by one director and the Secretary or by two directors 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. Any such instrument or document to be executed by the Company may have signatures affixed autographically.

188. ~~173.~~ 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.

AUTHENTICATION OF DOCUMENTS

189. ~~174.~~ Any director or the Secretary or any person appointed by the Board for the purpose may authenticate any document affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon 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.

DIVIDENDS AND OTHER PAYMENTS

190. ~~475.~~ Subject to the Acts, the Company in general meeting may from time to time 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 payable in respect of shares held by the Company in treasury or declared in excess of the amount recommended by the Board.
191. ~~476.~~ Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:-
- 191.1 ~~476.1~~ all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share; and
- 191.2 ~~476.2~~ 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.
192. ~~477.~~ Subject to the provisions of the Acts, the Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the position of the Company and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such position, in the opinion of the Board justifies such 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.
193. ~~478.~~ The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares (including any share over which the Company has a lien) all sums of money (if any) presently payable by him to the Company on account of calls or in or towards satisfaction of the debts, liabilities of the Member or otherwise arising in respect of shares of the Company.
194. ~~479.~~ No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.
195. ~~480.~~ No dividend shall be paid otherwise than out of profits available for that purpose in accordance with the provisions of the Acts.
196. ~~481.~~ 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.
197. ~~482.~~ Subject to the provisions of the 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.

198. ~~183.~~ The Board may (without imposing any obligation) retain the dividends payable upon shares:

198.1 ~~183.1~~ 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

198.2 ~~183.2~~ 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.

199. ~~184.~~ 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.

200. ~~185.~~ The Company may, upon the recommendation of the Board, by ordinary resolution direct payment of a dividend 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 and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Board or may exercise the powers conferred by Article ~~194~~209.

201. ~~186.~~ Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of the joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

202. ~~187.~~ Any such dividend or other sum due to be paid to Members by the Company may be paid by any bank or other funds transfer system or such other means and to or through such person as the holder or joint holders may in writing direct. In respect of any Uncertificated Shares, where the Company is authorised to do so by or on behalf of the holders or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may pay any such dividend or other moneys by means of a Relevant System. If any such dividend or other sum is payable in respect of an Uncertificated Share 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.
203. ~~188.~~ 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, which is normally paid in that manner on those 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 that means of payment has failed but, subject to the provisions of these Articles, the Company shall recommence sending cheques or warrants or employing such means in respect of dividends payable on those shares if the holder of the shares requests such recommencement in writing.
204. ~~189.~~ Any dividend unclaimed after a period of twelve years from the due date for payment of such dividend shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
205. ~~190.~~ Any general meeting declaring a dividend may by ordinary resolution, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly 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 direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board.
206. ~~191.~~ Subject to the provisions of the Acts, the directors may, if authorised by an ordinary resolution of the Company, offer the holders of ordinary shares (subject to such exclusions or other arrangements as the directors may consider necessary or expedient in relation to any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange) the right to elect to receive new ordinary shares credited as fully paid instead of cash, in respect of all or part of any dividend and in any such case the following provisions shall apply:

- [206.1](#) ~~191.1~~ the said ordinary resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period;
- [206.2](#) ~~191.2~~ the holders of ordinary shares shall not be entitled to elect to take the whole amount of any particular dividend in new ordinary shares and shall be obliged to take at least such amount thereof on each ordinary share in any calendar year as the directors shall in their absolute discretion determine as necessary to ensure the status of the ordinary shares as a [status of the ordinary shares as a wider range investment under the Trustee Investment Act ~~1964~~2000 \(as amended, consolidated and restated from time to time\)](#), in so far as applicable to the Company;
- [206.3](#) ~~191.3~~ the basis of allotment to each holder shall be such number of ordinary shares credited as fully paid as have a value as nearly as possible equal to (but not greater than) the amount of the dividend (disregarding any tax credit) which he has elected to forego. For this purpose the "value" of an ordinary share shall be deemed to be whichever is the greater of its nominal value and the average of the middle market quotations of an ordinary share as derived from the Daily Official List of the Stock Exchange on the day on which the shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the Auditor as to the amount of the value in respect of any dividend shall be conclusive evidence of that amount;
- [206.4](#) ~~191.4~~ no fraction of an ordinary share shall be allotted and if any holder would otherwise be entitled to fractions of a share, the directors may deal with the fractions as they think fit including (without limitation) provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any shareholder and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such shareholder of fully paid ordinary shares;
- [206.5](#) ~~191.5~~ the directors, after determining the basis of allotment, shall notify the holders of ordinary shares in writing of the right of election offered to them in exercising the right of election;
- [206.6](#) ~~191.6~~ the net cash amount of the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be paid on ordinary shares in respect of which an election has been duly made (the "elected shares") and instead additional ordinary shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose the directors may (i) apply the said net cash amount in subscribing, in full or by instalments, for such number of unissued ordinary shares calculated on the basis of allotment determined as aforesaid; or (ii) capitalise, out of any amount standing to the credit of any reserves or fund (including the profit and loss account, any share premium account or capital redemption reserve), whether or not the same is available for

distribution, as the directors may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected shares on such basis; or (iii) give effect to any such election in such other manner as the directors in their absolute discretion may determine;

206.7 ~~191.7~~ the additional ordinary shares so allotted shall be allotted as of the record date for the dividend in respect of which the right of election has been offered and shall rank pari passu in all respects and form one uniform class with the fully paid ordinary shares then in issue except that they will not rank for any dividend or other distribution or other entitlement which has been declared, made, paid or is payable by reference to such record date.

RESERVES

207. ~~192.~~ Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines 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 which it may think it prudent not to distribute.

CAPITALISATION

208. ~~193.~~ The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable 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 and accordingly that such amount be set free for distribution among the Members or any class of Members or the Company (in the case of any shares held by it in treasury) who would be entitled thereto if it were distributed by way of dividend and such shares held in treasury ranked for dividend on the same basis as would have applied had they not been purchased by the Company and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, a share premium account and a capital redemption reserve, and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.

209. ~~194.~~ The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under Articles ~~185~~200, ~~191-206~~ or

~~193~~208 and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. 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.

RECORD DATES

210. ~~195.~~ Notwithstanding any other provision of these Articles the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

ACCOUNTING AND OTHER RECORDS

211. ~~196.~~ Any register, index, minute book, or other book or accounting records required by these Articles or the 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 directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

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

213. ~~198.~~ The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Acts.

214. ~~199.~~ The accounting records shall be kept at the Office or, subject to the Acts, at such other place or places as the Board decides 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 of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or by ordinary resolution of the Company.

215. ~~200.~~ A copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be annexed thereto) together with a copy of the Auditors' report and directors' report shall be sent . to each person entitled thereto in accordance with the requirements of the Acts and the terms of any regulations or arrangements for the time being binding on the Company. This Article shall not require a copy of these documents to be sent to any person to whom copies need not be sent under the Acts. The requirements of this Article shall be deemed satisfied in relation to ~~members~~Members by sending to each ~~member~~Member instead of the documents referred to above, where permitted by the Acts, a summary

financial statement derived from the Company's annual accounts and the directors' report and prepared in the form and containing the information prescribed by the Acts and any regulations made thereunder.

AUDITORS

216. ~~201.~~ Auditors shall be appointed and their duties regulated in accordance with the Acts. An Auditor shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any ~~member~~Member is entitled to receive and to be heard at any general meeting or upon any part of the business of the meeting which concerns him as Auditor.

NOTICES

217. ~~202.~~ Any notice or document (including a share certificate or other document of title) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover (in such form as any director or the Secretary may determine) addressed to such Member at his registered address as appearing 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 notices, or by delivering it to such address addressed as aforesaid. In the case of a Member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Any Member who (having no registered address within the United Kingdom for the service or delivery of notices and documents) has not supplied to the Company a postal address within the United Kingdom for the service of notices or an Address for the service of notices by Electronic Means, shall not be entitled to receive notices or other documents from the Company.

218. ~~203.~~ Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Any notice or other document delivered or left at a registered address or an address for the service of notices otherwise than by post, shall be deemed to have been served or delivered on the day it was so delivered or left. If on three consecutive occasions, notices or other documents have been sent through the post to any Member at his registered address or his address for the service of notices but have been returned undelivered, such Member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices or an Address to which notices may be sent by Electronic Means.

219. ~~204.~~ The Company may also, subject to the provisions of the Acts, give or send to any Members any notice or other document (excluding a share certificate or other document of title):

- 219.1 ~~204.4~~ in Electronic Form where the Company and that Member have agreed to the use of Electronic Form for sending copies of documents to the Member and:

219.1.1 ~~204.1.1~~ the documents are documents to which the agreement applies; and

219.1.2 ~~204.1.2~~ copies of the documents, if sent by Electronic Means, are sent 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

219.2 ~~204.2~~ by making such notice or other document available on a website where the Company and that Member have agreed or in accordance with the Acts, that Member is deemed to have agreed to any notice or other document being sent to the Member in that way and:

~~204.2.1~~219.2.1 the documents are documents to which the agreement applies; and

~~204.2.2~~219.2.2 the Member is notified in accordance with the provisions of the Acts of:

~~204.2.2.1~~219.2.2.1 the presence of the documents on the website;

~~204.2.2.2~~219.2.2.2 the address of that website; and

~~204.2.2.3~~219.2.2.3 the place on the website where the documents may be accessed and how they may be accessed.

~~204.2.3~~219.2.3 Subject to the Acts, a Member will be deemed to have agreed to any notice or other document being sent to the Member by making it available on a website if:

~~204.2.3.1~~219.2.3.1 the Member has been asked individually by the Company to agree that the Company may send or supply documents or information generally, or the documents or information in question, to him by means of a website; and

~~204.2.3.2~~219.2.3.2 the Company has not received a response within the period of 28 days beginning with the date on which the company's request was sent.

220. ~~205.~~ Where a notice or other document is given or sent by Electronic Means, it shall be deemed to have been given or sent at the expiration of two hours from the time it was sent to an Address supplied by the Member for that purpose. Proof that a notice or other document given or sent by Electronic Means was given or sent in accordance with current guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice or document was given or sent unless the Company is aware that there has been a failure of delivery of such notice or document following at least two attempts, in which case such notice or document shall be sent to the Member within forty-eight hours of the original attempt to send the notice or other document by Electronic

Means at his registered address or address for service in the United Kingdom (if any) whereupon the notice or other document will be deemed to have been served or delivered two hours from the despatch of the original Electronic Communication in accordance with this Article.

221. ~~206.~~ A notice or document given or sent to a Member by making it available on a website shall be deemed to have been given or sent when the material was first made available on the website, or if later, when notice of availability of the document was given or sent (or deemed to have been given or sent) in accordance with Article ~~203-218~~ or Article ~~205-220~~ (as applicable).
222. ~~207.~~ In the case of joint holders of a share, service or delivery of any notice or other document 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.
223. ~~208.~~ A person entitled to a share in consequence of the death or bankruptcy of a Member upon supplying to the Company such evidence as the directors may reasonably require to show his title to the share, and upon supplying also a postal address within the United Kingdom for the service and delivery of notices and documents, and, if he wishes, an Address for the service and delivery of Electronic Communications, shall be entitled to have served upon or delivered to him at any address given by him any notice or document to which the Member but for his death or bankruptcy would have been entitled, and any such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent to a Member in accordance with these Articles shall, notwithstanding that such Member be 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 of the notice or document, have been removed from the Register as the holder of the share.
224. ~~209.~~ 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.
225. ~~210.~~ Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid letter addressed to the Company, or to such officer, at the Office,

or may be given by Electronic Means to an Address for the time being notified by the Company for that purpose to the person giving the notice.

226. ~~241.~~ Any notice or other document may be served or delivered 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 service or delivery. Where any notice or other document is served on, or delivered 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 service or delivery of that notice or document and shall be bound by such notice or document.
227. ~~242.~~ Where a document or information is sent or supplied to the Company by a person on behalf of another, the Company may require reasonable evidence of the authority of the former to act on behalf of the latter.
228. ~~243.~~ 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.
229. ~~244.~~ 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).
230. ~~245.~~ An Electronic Communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.
231. ~~246.~~ Nothing in any of the preceding Articles shall affect any requirement of the Acts that any particular offer, notice or other document be served in any particular manner.

DESTRUCTION OF DOCUMENTS

232. ~~247.~~ The Company may destroy:-
- 232.1 ~~247.1~~ any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- 232.2 ~~247.2~~ 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 was recorded by the Company;
- 232.3 ~~247.3~~ any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
- 232.4 ~~247.4~~ 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 an entry in the Register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly

cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided always that:-

- (4a) the foregoing provisions of this Article 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;
- (2b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (4a) above are not fulfilled; and
- (3c) references in this Article to the destruction of any document include references to its disposal in any manner.

SECRECY

233. ~~218.~~ 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.

EMPLOYEES

234. ~~219.~~ The Board may by resolution exercise any power conferred by the 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 that subsidiary.

WINDING UP

235. ~~220.~~ If the Company is wound up (whether the liquidation is voluntary, under supervision or by the Court), the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Acts and subject to any provisions sanctioned in accordance with the Acts, divide amongst 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 values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction or authority, vest the whole or any part of such assets in trustees upon such trusts for the benefit of Members as the liquidator, with the like authority, shall think fit and the liquidation of the Company may be closed and the Company dissolved but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability and the liquidator may make

any provision referred to in and sanctioned in accordance with the provisions of the Acts.

INDEMNITY

236. ~~221.~~ Without prejudice to any indemnity to which any person referred to in this Article ~~221~~236 may otherwise be entitled, every present and former director, alternate director, Secretary or other officer or employee of the Company (excluding any present or former Auditors) (an "Indemnified Person") may at the discretion of the Company be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the execution and discharge of his duties to the Company and any associated company of the Company (within the meaning of the Acts ("Associated Company")), including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that such indemnity shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person (or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled) and no Indemnified Person shall be entitled to be indemnified for:

236.1 ~~221.1~~ any liability incurred by him to the Company or any Associated Company of the Company (as defined by the Acts for these purposes);

236.2 ~~221.2~~ any fine imposed in any criminal proceedings;

236.3 ~~221.3~~ any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;

236.4 ~~221.4~~ any amount for which he has become liable in defending any criminal proceedings in which he is convicted, and such conviction has become final;

236.5 ~~221.5~~ any amount for which he has become liable in defending any civil proceedings brought by the Company or any Associated Company in which a final judgment has been given against him; and

236.6 ~~221.6~~ any amount for which he has become liable in connection with any application under sections 661(3) or (4) or 1157 of the 2006 Act in which the court refuses to grant him relief and such refusal has become final.

237. ~~222~~ The Company may provide funds (either directly or indirectly) to any Indemnified Person to meet expenditure incurred or to be incurred by him in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company or any Associated Company, provided that he will be obliged to repay such amount no later than:

237.1 ~~222.1~~ in the event that he is convicted in proceedings, the date when the conviction becomes final;

237.2 ~~222.2~~ in the event of judgment being given against him in proceedings, the date when the judgment becomes final (except that such amount need not be repaid to the extent that the expenditure is recoverable under a valid indemnity given to him by the Company); or

237.3 ~~222.3~~ in the event that the court refuses to grant him relief on any application under sections 661(3) or (4) or 1157 of the 2006 Act the date when the refusal becomes final.

238. ~~223.~~ The Company shall have power to purchase and maintain for any Indemnified Person and for any director, secretary or other officer or employee of an Associated Company insurance against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company or otherwise in connection with his duties, powers or office.

Summary report: Litera® Change-Pro for Word 10.8.2.11 Document comparison done on 22/12/2020 15:56:37	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: The Character Group plc - Articles of Association (21.1.09).doc	
Modified filename: The Character Group plc - amended Articles of Association (clean).doc	
Changes:	
Add	778
Delete	694
Move From	0
Move To	0
Table Insert	2
Table Delete	3
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1477