

Borders & Southern Petroleum Plc

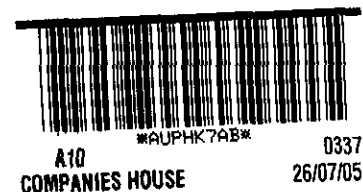
MINUTES of an extraordinary general meeting of the above-named Company

held at One Fleet Place, London, EC4M 7WS

on 16 May 2005 at 11 am

Present: Will Slack
Howard Obee
Peter Flemming

In attendance: Neil Vickers (Denton Wilde Sapte)
Bidhi Bhoma (Denton Wilde Sapte)



1 Chairman and Quorum

Howard Obee took the chair for the purposes of the meeting. A quorum being present, the meeting was declared open.

2 Notice

The notice convening the meeting was taken as read.

3 Ordinary Resolution

The chairman proposed the following resolution which was set out in the notice of the meeting as an ordinary resolution:

"THAT the Directors be authorised, to the exclusion of any such existing authority (but without prejudice to the exercise of any such authority prior to the date hereof), unconditionally for the purpose of Section 80 of the Companies Act 1985 (the "Act"), to allot relevant securities (as defined in Section 80(2) of the Act) up to a maximum aggregate nominal amount of £1,600,000,

PROVIDED THAT:

- (a) this authority shall expire at the commencement of the Annual General Meeting held next after the passing of this resolution; and
- (b) the Company may before such expiry make an offer or enter into an agreement or other arrangement which would or might require relevant securities to be allotted after the expiry of such authority and the Directors may allot relevant securities pursuant to any such offer, agreement or other arrangement as if the authority hereby conferred had not so expired."

On a show of hands the resolution was unanimously passed.

4 Special Resolutions

4.1 The chairman proposed the following resolution which was set out in the notice of the meeting as a special resolution:

"THAT, subject to Resolution 1 being passed, the Directors be empowered, pursuant to Section 95 of the Act (but without prejudice to the exercise of any such authority prior to

the date hereof), to allot equity securities (as defined in Section 94(2) of the Act) out of any relevant securities (as defined in Section 80(2) of the Act) which they are from time to time authorised to allot, as if Section 89(1) of the Act did not apply to such allotment as follows:

- (a) in connection with an issue by way of rights (including, without limitation, under a rights issue, open offer or similar arrangement) to holders of equity securities in proportion as nearly as may be to their respective holdings of such securities or in accordance with the rights attaching thereto (but with such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements, record dates or other legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory, or as regards shares held by an approved depository or in issue in uncertificated form); and
- (b) further in connection with the proposed placing of new ordinary shares by the Company and generally in connection with an issue of equity securities (other than pursuant to sub-paragraph (a) above) up to an aggregate nominal amount of £1,090,000;

PROVIDED THAT

- (1) this authority shall expire at the commencement of the Annual General Meeting held next after the passing of this resolution; and
- (2) the Company may before such expiry make an offer, agreement or other arrangement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer, agreement or other arrangement as if the authority hereby conferred had not so expired."

On a show of hands the resolution was unanimously passed.

- 4.2 The chairman proposed the following resolution which was set out in the notice of the meeting as a special resolution:

"THAT the Company's Memorandum of Association be and is hereby amended by the deletion of the existing paragraph 4(A), by the insertion of the following new paragraphs in its place and by the renumbering of paragraphs 4(B) to 4(X) as 4(E) to 4(A1):

- "(A) To carry on the business of exploring and searching for, prospecting, examining and developing in any and all ways, petroleum, natural gas and related hydrocarbons or any of them and in connection therewith to acquire by purchase, lease, assignment, participation arrangements, concessions, joint venture or otherwise howsoever oil, natural gas or related hydrocarbon permits, leases, rights and concessions of all kinds;
- (B) To carry on the business of drilling in any and all ways of petroleum, natural gas and related hydrocarbons or any of them and in connection therewith to acquire by purchase, lease, assignment, participation arrangement, concession, joint venture or otherwise howsoever oil, natural gas or related hydrocarbon permits, leases, rights and concessions of all kinds;
- (C) To carry on the business of producing, refining, processing, buying selling, importing, exporting, manufacturing, storing, preparing, transporting, supplying, marketing and generally dealing in all kinds of petroleum, petroleum products or natural gas; and
- (D) To carry on the business of operating pipelines and transmission systems for the transmission of oil and natural gas or any of them."

On a show of hands the resolution was unanimously passed.


- 4.3 The chairman proposed the following resolution which was set out in the notice of the meeting as a special resolution:

"That the articles of association in the form attached to the notice of this meeting be adopted as the Articles of Association of the Company in place of its existing Articles of Association."

On a show of hands the resolution was unanimously passed.

5 Close

There being no further business, the chairman declared the meeting closed.



Chairman

The Companies Acts 1985 and 1989

A public company limited by shares

**Memorandum and Articles of Association
of
Borders & Southern Petroleum plc**

The Companies Acts 1985 and 1989
PUBLIC COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
BORDERS & SOUTHERN PETROLEUM PLC

A10 *AUPHL/ZAC*
COMPANIES HOUSE

0336
26/07/05

-
- 1 The Company's name is "BORDERS & SOUTHERN PETROLEUM PLC".
 - 2 The Company is to be a public company.
 - 3 The Company's registered office is to be situated in England and Wales.
 - 4 The Company's objects are¹:
 - (A) To carry on the business of exploring and searching for, prospecting, examining and developing in any and all ways, petroleum, natural gas and related hydrocarbons or any of them and in connection therewith to acquire by purchase, lease, assignment, participation arrangements, concessions, joint venture or otherwise howsoever oil, natural gas or related hydrocarbon permits, leases, rights and concessions of all kinds;
 - (B) To carry on the business of drilling in any and all ways of petroleum, natural gas and related hydrocarbons or any of them and in connection therewith to acquire by purchase, lease, assignment, participation arrangement, concession, joint venture or otherwise howsoever oil, natural gas or related hydrocarbon permits, leases, rights and concessions of all kinds;
 - (C) To carry on the business of producing, refining, processing, buying selling, importing, exporting, manufacturing, storing, preparing, transporting, supplying, marketing and generally dealing in all kinds of petroleum, petroleum products or natural gas; and
 - (D) To carry on the business of operating pipelines and transmission systems for the transmission of oil and natural gas or any of them.
 - (E) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company.
 - (F) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.
 - (G) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets, d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.

¹ Objects as amended by Special Resolution passed at an Extraordinary General Meeting of the Company held on 16 May 2005.

- (H) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
- (I) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (J) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- (K) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any *holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with the Company*), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any *obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid)*.
- (L) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (M) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, *bills of lading*, warrants, debentures, and other negotiable or transferable instruments.
- (N) To apply for, promote, and obtain any Act of Parliament, order or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (O) To enter into any arrangement with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.
- (P) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.

- (Q) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial, and other services and facilities of any kind for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.
- (R) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (S) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (T) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (U) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (V) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- (W) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages; facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.
- (X) To distribute among the Members of the Company in kind any property of the Company of whatever nature.
- (Y) To procure the Company to be registered or recognised in any part of the world.
- (Z) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.
- (AA) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that:

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.
 - (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company.
 - (3) The word "Company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
- 5 The liability of the Members is limited.
- 6 The Company's share capital is £7,500,000 divided into 750,000,000 shares of 1 pence each.

We, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum and we agree to take the number of shares shown opposite our respective names.

| Names and addresses of Subscribers | Number of shares taken by each Subscriber |
|------------------------------------|---|
|------------------------------------|---|

| | |
|--|-----|
| William Tester 16 St John Street London EC1M 4NT | ONE |
|--|-----|

| | |
|---|-----|
| Howard Thomas 16 St John Street London EC1M 4NT | ONE |
|---|-----|

DATED this 8th day of June 2004

Witness to the above Signatures:

Susan Philbey
16 St John Street
London EC1M 4NT

The Companies Acts 1985 and 1989

A public company limited by shares

Articles of Association

of Borders & Southern Petroleum plc

(as adopted by a special resolution of the Company passed on the 16 day of May 2005)

Contents

| | | |
|----|--|----|
| 1 | The status of these Articles | 1 |
| 2 | Interpretation | 1 |
| 3 | Share capital of the Company | 3 |
| 4 | Variation of share class rights | 3 |
| 5 | Alteration of share capital | 4 |
| 6 | Purchase by the Company of shares | 4 |
| 7 | Shares | 5 |
| 8 | Warrants | 6 |
| 9 | Share certificates | 6 |
| 10 | Uncertificated securities | 7 |
| 11 | Lien | 8 |
| 12 | Calls on shares | 8 |
| 13 | Forfeiture and Surrender | 9 |
| 14 | Transfer of shares | 10 |
| 15 | Transmission of shares | 12 |
| 16 | Untraced Members | 12 |
| 17 | General meetings | 13 |
| 18 | Notice of general and class meetings | 14 |
| 19 | Proceedings at general meetings | 14 |
| 20 | Votes of members | 17 |
| 21 | Forms of proxy | 18 |
| 22 | Corporations acting by representatives at meetings | 19 |
| 23 | Disclosure of interests in shares | 19 |
| 24 | Directors | 21 |
| 25 | Appointment and retirement of directors | 21 |

| | | |
|----|--|----|
| 26 | Executive Directors | 23 |
| 27 | Directors' interests | 24 |
| 28 | Powers of the Board | 25 |
| 29 | Powers of borrowing and mortgaging | 27 |
| 30 | Meetings and proceedings of the Board | 28 |
| 31 | Alternate Directors | 30 |
| 32 | Secretary | 31 |
| 33 | The Seal | 32 |
| 34 | Authentication of documents | 32 |
| 35 | Dividends | 32 |
| 36 | Reserves | 36 |
| 37 | Capitalisation of profits and reserves | 36 |
| 38 | Record date | 37 |
| 39 | Accounts | 37 |
| 40 | Auditors | 38 |
| 41 | Notices | 38 |
| 42 | Winding up | 40 |
| 43 | Indemnity | 40 |

The Companies Acts 1985 and 1989
PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

(as adopted by a special resolution of the Company passed on the 16th day of May 2005)

OF

BORDERS & SOUTHERN PETROLEUM PLC

1 The status of these Articles

These Articles (as defined in Article 2.1) shall be the articles of association of the Company. The regulations in Table A of the Companies (Table A to F) Regulations 1985 (as amended from time to time) and in any Table A applicable to the Company under any former enactment relating to companies shall not apply to the Company.

2 Interpretation

2.1 In these Articles the following words and expressions shall have the following meanings:

the **Act**: the Companies Act 1985;

address: means a physical address and in relation to electronic communications includes any number or address used for the purposes of such communications;

AIM: the AIM Market of the London Stock Exchange;

AIM Rules: the rules of the London Stock Exchange governing admission to and operation of AIM;

these Articles: the articles of association of the Company contained herein;

the **Auditor(s)**: the auditor or the auditors of the Company at the relevant time;

the **Board**: the Directors or any of them present or deemed to be present at a meeting duly convened as a Board meeting at which a quorum shall be present or (unless the context otherwise requires or is inconsistent therewith) any Committee authorised by the Board to act on its behalf;

Business Day: means a day (other than a Saturday or Sunday) on which banks are open in London for the transaction of general business;

Committee: a committee of one or more of the Directors and any person or persons who may be co-opted by the Board, to which the Board shall have delegated all or any of its powers, authorities or discretions in accordance with these Articles;

communication: has the same meaning as given in the Electronic Communications Act 2000;

the Company: Borders & Southern Petroleum plc, registered in England and Wales with company registration number 5147938;

the Directors: the directors of the Company at the relevant time;

electronic communication: has the same meaning as given in the Electronic Communications Act 2000;

Executive Director: any Director appointed to hold an executive office or other employment with the Company pursuant to Article 26;

the Group: the Company and its subsidiary undertakings at the relevant time (if any);

the London Stock Exchange: London Stock Exchange plc;

member: a person whose name is entered in the register of members as the holder of shares in the Company;

Memorandum: the memorandum of association of the Company as amended at the relevant time;

Month: a calendar month;

the Office: the registered office of the Company at the relevant time;

Ordinary Share: an ordinary share of nominal value 1 pence in the capital of the Company having the rights and subject to the restrictions as set out in these Articles;

the Seal: the common seal of the Company;

the Secretary: the secretary of the Company at the relevant time, including any assistant secretary, deputy secretary, and any person appointed by the Board pursuant to these Articles to perform the duties of the Secretary and any joint secretary;

securities: shares, stock, debentures, debenture stock, loan stock, bonds, subscription warrants and any other securities of any description issuable or issued by the Company;

the Securities Seal: The official seal kept by the Company under section 40 of the Act;

separate class meeting: a meeting of the holders of any class of share(s) duly convened as such;

the Statutes: the Act and every other statute at the relevant time in force concerning companies and affecting the Company;

subsidiary: has the same meaning as given in section 736 of the Act;

UKLA 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 securities facility: has the same meaning as given in Article 10.1;

the Uncertificated Securities Regulations: the Uncertificated Securities Regulations 2001 (SI 2001 No 3775);

the United Kingdom: Great Britain and Northern Ireland; and

year: a consecutive twelve month period.

- 2.2 The headings in these Articles are used for ease of reference only and shall not be taken into account in construing these Articles.
- 2.3 Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.
- 2.4 Where the context shall allow, the references in these Articles to "Articles" and paragraphs shall be read as references to those contained in these Articles.
- 2.5 Any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.
- 2.6 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required and a special resolution shall be effective for any purpose for which an extraordinary resolution is expressed to be required.
- 2.7 References to any statute or statutory provision shall be construed as relating to any re-enactment or modification thereof at the relevant time in force.
- 2.8 References to "writing" or "written" include printing, typewriting, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form.

3 Share capital of the Company

The authorised share capital of the Company at the date of the adoption of these Articles is £7,500,000 divided into 750,000,000 Ordinary Shares of 1 pence each.

4 Variation of share class rights

- 4.1 If the share capital of the Company shall from time to time be divided into more than one class of shares, the rights which shall attach to any such class of shares may, subject to the provisions of the Act, be varied either with the prior consent, in writing, of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class of shares or with the prior sanction of an extraordinary resolution passed at a separate class meeting of the holders of the shares of the relevant class of shares.
- 4.2 The provisions of these Articles relating to general meetings of the Company shall, with any necessary modifications, apply to any separate class meeting at which the variation of the rights attaching to such shares shall be considered, except that:
- (a) no member shall be entitled to notice of or to attend any separate class meeting unless he is a holder of shares of the relevant class;
 - (b) the necessary quorum for any such separate class meeting, other than an adjourned meeting, shall be two persons who shall hold or represent by proxy not less than one-third in nominal value of the issued shares of the relevant class of shares;
 - (c) the necessary quorum for any adjourned meeting of any such separate class meeting shall be one person present, in person or by proxy; and
 - (d) any holder of shares of the relevant class, who shall be present, in person or by proxy, may demand a poll (and any such holder shall be entitled on a poll to one vote for each share of the relevant class held by him).
- 4.3 The rights which shall, from time to time, be attached to any class of shares shall not be treated as varied by the creation or the issue of shares which shall rank, as regards participation in the profits or assets of the Company, in all respects *pari passu* with the shares

of the same class from time to time created or in issue, but shall in no respect rank in priority to such shares.

- 4.4 The foregoing provisions of this Article 4 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights of which are to be varied.

5 Alteration of share capital

- 5.1 The Company may, from time to time, by ordinary resolution in general meeting:

- (a) increase its share capital by creating such number of new shares of such nominal value and with such preferred, deferred or other rights or such restrictions as such ordinary resolution may prescribe;
- (b) consolidate and divide all or any of its existing share capital into shares of higher nominal value than such existing shares;
- (c) sub-divide all or any of its existing shares into shares of a lower nominal value than such existing shares provided that immediately following such sub-division the proportion between the amount paid up and the amount, if any, unpaid on each such sub-divided share shall be the same as the existing share from which it shall have been derived immediately prior to such sub-division, and may determine by such ordinary resolution that, as between the shares which shall result from the sub-division, any one or more of the shares may, as compared with the others, have any preferred, deferred or other special rights, or be subject to any restrictions as compared with the other shares as the Company has the power to attach to unissued or new shares; and
- (d) cancel any shares which, at the date of the passing of such ordinary resolution, have not been taken or agreed to be taken by any person and diminish the nominal value of its authorised share capital by an amount equal to the nominal value of the shares so cancelled.

- 5.2 Whenever as a result of a consolidation and division or sub-division of shares any member would become entitled to a fraction of a share, the Board may deal with such fractional entitlements in any manner they deem fit, and, in particular, may sell (for the best price reasonably obtainable) shares representing fractions to which any members would become entitled, to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale to the members entitled thereto pro-rata to their respective fractional entitlements (save that if the amount due to any person is less than £3.00, or such other sum as the Board shall decide, the Company may retain such sum for its own benefit. The Board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The person to whom any shares are transferred shall not be bound to see the application of the consideration nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.

- 5.3 The Company may in any manner (subject to the provisions of the Act), by special resolution reduce its share capital or the amount standing to the credit of its capital redemption reserve or any share premium account or any other undistributable reserve.

6 Purchase by the Company of shares

- 6.1 The Company may (subject to the provisions of the Act and any requirements imposed by the London Stock Exchange, AIM, or UK Listing Authority), from time to time, purchase or enter into a contract under which it will or may purchase any of its own shares (including any redeemable shares).

- 6.2 Subject to the provisions of the Act any shares purchased by the Company in accordance with this Article 6 may be held by the Company in treasury or cancelled, as the Board may decide.
- 6.3 No purchase by the Company of any of its own shares, the terms of the contract for which shall have been approved by the Company in accordance with the Act, shall be permitted until such purchase shall also be authorised by an extraordinary resolution passed at a separate general meeting of the holders of shares of each class of shares which, at the date on which the terms of the contract shall have been authorised in accordance with the Act, shall entitle such holders, either immediately on or at any time after that date, to convert all or any of the shares held by them into equity share capital (as defined by section 744 of the Act) of the Company.
- 6.4 Neither the Company, nor the Board, shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

7 Shares

- 7.1 Subject to the provisions of the Statutes and these Articles relating to authority, pre-emption rights and otherwise and of any resolutions of the Company in general meeting, all unissued shares shall be at the disposal of the Board and the Board may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms and conditions as the Board may determine.
- 7.2 Any shares held in treasury shall be held at the discretion of the Board who may dispose of them on such terms as it may decide or cancel them.
- 7.3 The Board may on the allotment of any share confer on the allottee the right (subject to any and such terms and conditions as the Board may determine) to renounce the allotment.
- 7.4 The Board may, at any time following the allotment of any share, but before the details of the allottee shall have been entered on the register of members, recognise a renunciation of the allotment by the allottee in favour of any other person, whether such renunciation shall be made pursuant to and exercised in accordance with any terms and conditions attaching to such a right to renounce conferred on the allotment or otherwise.
- 7.5 Subject to the provisions of the Act and without prejudice to any special rights previously conferred on the holders of any shares or class of shares which shall from time to time be in issue, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividends, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Board may determine).
- 7.6 Subject to the provisions of the Act, the Company may issue shares which are, or at the option of the Company or the holder are liable, to be redeemed on such terms and conditions and in such manner as shall be determined by the Board in accordance with the Act.
- 7.7 The Company may, from time to time, exercise all or any of the powers to pay commissions conferred and permitted by the Statutes. Subject to the provisions of the Act, any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares, the grant of options or warrants to call for an allotment of shares or any combination of such methods.
- 7.8 Except as ordered by a court of competent jurisdiction or as may be required by law, no person shall be recognised by the Company as holding any share upon any trust, and (except only as otherwise provided by these Articles or by law) the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, prospective or partial interest in

any share, or any interest in any fractional part of any share or any other right in respect of any share, other than an absolute right of a holder of a share to the entirety of that share.

8 Warrants

- 8.1 The Company may, in respect of any fully paid up share, issue a warrant (a **share warrant**) which shall entitle the bearer to the shares specified in the share warrant. The right to all the shares (but not some only) specified in a share warrant may be transferred by the delivery of the share warrant.
- 8.2 If any share warrant is worn out, defaced, or is alleged to have been destroyed, lost or stolen, a new share warrant may be issued upon receipt by the Company of a written request and delivery to the Company of such worn out or defaced share warrant or, if such share warrant is alleged to have been destroyed, lost or stolen, upon compliance with such conditions and delivery of any such indemnity and the payment of any out-of-pocket expenses of the Company as the Board may determine, provided that prior to the issue of any new share warrant the Company has satisfied itself beyond reasonable doubt that the original share warrant has been destroyed, lost or stolen.
- 8.3 The bearer of any share warrant shall be entitled, on surrendering such share warrant to the Company for cancellation, to have his name placed on the register of members.
- 8.4 The bearer of a share warrant shall be treated as a member and the bearer shall accordingly have the same rights as if the bearer actually held the shares specified in such share warrant provided he produces the warrant and states his name and address.

9 Share certificates

- 9.1 The Company shall:
- (a) subject to Article 10 and the Uncertificated Securities Regulations, be obliged to issue to every member (except a person to whom the Company is not required by law to issue a certificate), free of charge, one share certificate in respect of all the shares of that class of shares which shall be registered in the name of such member unless the terms of issue of the shares provide otherwise;
 - (b) not issue any share certificate which shall relate to shares of more than one class of shares. If a member holds shares of more than one class, that member is entitled free of charge to a separate share certificate for each class of shares held; and
 - (c) not be bound to issue more than one share certificate in respect of all the shares of each class of shares which shall be held jointly by several persons. The delivery of one share certificate to the first-named of the joint holders of a share shall constitute delivery to all such joint holders.
- 9.2 Every share certificate shall specify the number of shares, the class and any appropriate distinguishing numbers of the shares to which the share certificate relates and the amount paid up on such shares and shall state the name of any external registrars appointed by the company and the address at which transfers should be lodged.
- 9.3 Every share certificate shall be issued under the Seal or the Securities Seal or in such other manner as the Board may approve, having regard to the terms of issue and the requirements of the London Stock Exchange, AIM, and the UKLA.
- 9.4 Where some only of the shares comprised in a share certificate are transferred, the original share certificate to which the shares transferred relate shall be cancelled and a new share certificate shall be issued, without charge, for the balance of such shares not transferred.

- 9.5 If a member acquires additional shares of any class, that member is entitled, free of charge, to a share certificate in respect of the additional shares. If two or more share certificates relating to one class of shares have been issued to any member, such member may request in writing that the Company cancel all (but not some only) of such share certificates and issue a new share certificate relating to all the shares such member shall hold from time to time.
- 9.6 If any member surrenders for cancellation one share certificate relating to all of the shares of one class of shares held by such member and request, in writing, the Company to issue more than one share certificate representing such shares in such proportions as he may specify, the Board may, in its absolute discretion, refuse to comply with such request.
- 9.7 If any share certificate is be worn out, defaced, or is alleged to have been destroyed, lost or stolen, a new share certificate relating to the shares to which such share certificate related will be issued to the relevant member (free of charge) upon receipt by the Company of a request, in writing, and the delivery of the worn out or defaced share certificate or if the share certificate is alleged to have been destroyed, lost or stolen, upon compliance with such conditions and delivery of any indemnity as the Board may require and the payment of any out-of-pocket expenses of the Company as the Board may require.
- 9.8 Every share certificate shall be issued within:
- (a) one month after the allotment of a new share, or such longer period as may be specified in its terms of issue; or
 - (b) five business days after the lodgement with the Company of the transfer of the relevant shares, not being a transfer which the Company is for any reason entitled to refuse to register and does not register.

10 Uncertificated securities

- 10.1 Subject to the Act and this Article 10, the Board shall have the power to implement any procedures as the Board may determine for the recording and transferring of the title to securities in uncertificated form and for the regulation of those procedures and the persons responsible for or involved in their operation (an **uncertificated securities facility**).
- 10.2 The Board may change any securities or class of securities into uncertificated form (and then back to certificated form) in accordance with and subject to the Uncertificated Securities Regulations.
- 10.3 The Company may permit the holding of securities in uncertificated form and the transfer of title to such securities by means of a relevant system (as defined in the Uncertificated Securities Regulations).
- 10.4 Any securities held in uncertificated form shall not be treated as forming a class which is separate from certificated securities with the same rights.
- 10.5 Subject to the Act, the Board may issue shares as certificated shares or as uncertificated shares at its absolute discretion.
- 10.6 Notwithstanding any other provision in these Articles, if the Board has implemented an *uncertificated securities facility in accordance with this Article 10 the Company shall register a transfer of title to uncertificated shares on the register of members in accordance with an operator-instruction (as defined in the Uncertificated Securities Regulations), unless any of the exceptions referred to in the Uncertificated Securities Regulations apply.*
- 10.7 The provisions of these Articles shall not apply to any uncertificated securities to the extent that such provisions are inconsistent with:
- (a) the holding of shares in uncertificated form;

- (b) the transfer of title to shares by means of a relevant system (as defined in the Uncertificated Securities Regulations); or
- (c) any provision of the Uncertified Securities Regulations.

11 Lien

- 11.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether payable or not at the relevant time) payable at a fixed time or called in respect of that share. The Company shall also have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member, of his estate and any other person, whether a member of the Company or not.
- 11.2 The Board may waive any lien or declare any share to be wholly or partially exempt from the provisions of Article 11.1.
- 11.3 To enforce the Company's lien on a share, the Company may sell, in such manner as the Board may determine, a share on which the Company shall have a lien, if an amount in respect of which the lien exists shall be payable at the time in question but shall not have been paid within fourteen clear days immediately following the date of a notice (such notice specifying the amount payable, demanding payment of that amount and stating that the share shall be liable to be sold in default of the payment of that amount within fourteen clear days immediately following the date of the notice) to the holder or any joint holder of the share from time to time or the person entitled to the share as a consequence of the death or bankruptcy of the holder of the share or otherwise by operation of law.
- 11.4 To give effect to any sale pursuant to Article 11.3 the Board may authorise any person to transfer the share(s) to the purchaser. The net proceeds of the sale of any share pursuant to Article 11.3 shall, after payment of the costs of such sale, be applied in or towards the payment or satisfaction of the amount in respect of which the lien exists, so far as that amount shall, at the relevant time, be payable. Any balance of the net proceeds of the sale following the deduction of the amount in respect of the lien shall, upon the surrender to the Company for cancellation of the share certificate to which the share so sold shall relate and subject to any lien which the Company shall have for any other sums which shall not have been payable upon such share prior to the date of the sale, be paid to the person entitled to the share immediately prior to the sale.
- 11.5 A statutory declaration, in writing, that the declarant is the Secretary or a Director and that a share has been duly sold to satisfy a lien of the Company on the date stated in the statutory declaration shall be conclusive evidence of the facts stated in the statutory declaration as against all persons claiming to be entitled to the share. The statutory declaration shall (subject, if required by the purchaser of the share, to the execution of an instrument of transfer of the share) constitute a good title to the share and the person to whom the share is sold shall be registered as the holder of the share and shall not be bound to enquire as to the application of the consideration paid for the share nor shall the title of such person to the share be affected by any irregularity or invalidity in the proceedings relating to the sale of the share.

12 Calls on shares

- 12.1 The Board may, subject to these Articles and to the terms and conditions of allotment and issue from time to time, make such calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of a share or any premium payable on a share).

- 12.2 Every call shall be treated as having been made at the time when the resolution of the Board authorising the call was passed.
- 12.3 Any call may be required to be payable in one sum or by instalments.
- 12.4 Any call may be revoked or postponed in whole or in part as the Board may determine.
- 12.5 Each member shall (subject to having been sent a notice giving at least fourteen clear days' notice specifying the date, time or times, the place of payment and the amount payable pursuant to the call) pay to the Company, on the date at the time or times and at the place specified in the notice of the call, the amount specified in such notice of call.
- 12.6 A person upon whom a call is made shall remain liable for the amount of that call, notwithstanding the subsequent transfer of the shares in respect of which the call was made.
- 12.7 The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.
- 12.8 If the amount called in respect of a share has not been fully paid before or on the day specified in the notice of the call, the member from whom the amount of the call is due shall pay interest at a rate determined by the Board and specified in the notice of the call from the date specified in the notice of call as the date for the payment of the amount called to the date of actual payment, together with all costs, charges and expenses incurred by the Company. The Board may determine to waive the payment of any interest, costs, charges and expenses payable pursuant to this Article 12.8 in whole or in part.
- 12.9 Any amount (whether on account of the nominal value of a share or any premium payable on a share) which by the terms and conditions of the allotment or issue of a share shall become payable upon allotment or issue at any fixed date shall for the purposes of these Articles be treated as a call on the share duly made and payable on the date on which, by the terms and conditions of allotment or issue, the amount shall become payable. If a member shall not pay the amount which shall become payable pursuant to this Article 12.9, then in accordance with this Article 12.9 all the relevant provisions of these Articles shall apply as if such amount had become payable by virtue of a call on the share duly made and notified.
- 12.10 The Board may, from time to time, by the terms and conditions of any allotment of shares, differentiate between the holders of shares so allotted in the amount of calls to be paid and in the dates on which payments shall be made.
- 12.11 The Board may receive from any member willing to advance all or any part of the moneys (whether on account of the nominal value of a share or any premium payable on a share) uncalled and unpaid upon any share held by such member. Any payment made in advance of any call on a member's shares shall satisfy the amount payable by such member upon the share to the extent of that payment. The Company may pay interest upon the moneys, at a rate determined by the Board, to any member who shall advance moneys on account of any amount uncalled and unpaid on shares held by such member, such interest to be payable from the date the advance payment shall be received by the Company to the date on which the amount of such advance payment shall become payable.

13 Forfeiture and Surrender

- 13.1 If a member fails to pay in full any call or instalment of a call before or on the date specified in the notice of call served pursuant to Article 12 the Board may at any time after such specified date serve a notice on such member requiring him to pay a specified amount equal to so much of the call or instalment of the call as shall be unpaid together with any interest which may have accrued on the unpaid amount and any expenses incurred by the Company by reason of such non-payment.

- 13.2 Every notice served by the Board pursuant to Article 13.1 shall specify a further date (being a date not less than fourteen clear days after the date of such notice) before or on which, and the address where, the payment of the amount specified in such notice shall be paid and each such notice shall also state that if such payment is not made in accordance with the notice the share on which the call shall have been made will be liable to be forfeited.
- 13.3 If the requirements of any such notice have not been complied with by such further date specified in accordance with Article 13.2 such notice as shall have been given may, at any time thereafter, and so long as payment on all calls and interest in respect thereof has not been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all rights to dividends declared in respect of the forfeited share and not paid before forfeiture. The Board may accept a surrender of any share liable to be forfeited under these Articles in lieu of forfeiture and the provisions of these Articles shall apply to any share so surrendered as if such share had been forfeited.
- 13.4 Subject to the provisions of the Act, any forfeited or surrendered share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, immediately prior to such forfeiture or surrender, the holder of the share or entitled to the share, or to any other person, upon such terms and conditions as the Board shall determine. At any time before a sale, re-allotment or other disposal, the forfeiture or surrender of a share may be cancelled on such terms and conditions as the Board may determine. The Board may, if necessary, authorise any person to execute a transfer or, in the case of a share in uncertificated form, to take such other steps as may be necessary to effect a transfer of the forfeited or surrendered share.
- 13.5 When any share has been forfeited, notice of the forfeiture shall be served upon the person who was immediately prior to such forfeiture the holder of the share forfeited. No forfeiture shall be invalidated by any omission or neglect in sending or non-receipt of a forfeiture notice.
- 13.6 A member who forfeits or surrenders a share shall cease to be a member as regards the share and, if the shares are in certificated form, shall surrender to the Company for cancellation the Certificate for the Shares forfeited, but shall, notwithstanding forfeiture or surrender of the share, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender of the share shall have been payable by him to the Company in respect of the forfeited or surrendered share, together with interest on that amount at a rate determined by the Board and specified in the notice of forfeiture from the date of forfeiture or surrender of the share until that amount shall be paid, together with all costs, charges and expenses incurred by the Company. The Board may enforce payment of that amount without having regard to the value of the share at the time of forfeiture or surrender of the share or any consideration received on the sale, re-allotment or other disposal of the share, or the Board may waive payment in whole or in part.
- 13.7 A statutory declaration in writing that the declarant is the Secretary or a Director and that a share has been duly forfeited or surrendered on the date specified in the statutory declaration shall be conclusive evidence of the facts stated in the statutory declaration as against all persons claiming to be entitled to the share. The statutory declaration shall (subject, if required by the purchaser of the share, to the execution of an instrument of transfer of the share) constitute a good title to the share and the person to whom the share is sold, re-allotted or otherwise disposed of shall be registered as the holder of the share and shall not be bound to enquire as to the application of the consideration paid for the share nor shall the title of such person to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture or surrender, sale, re-allotment or other disposal, of the share.

14 Transfer of shares

Subject to the provisions of these Articles and the Uncertificated Securities Regulations:

- (a) any member may transfer all or any of the shares held by him by an instrument of transfer, in writing, in any usual or common form or in any other form which the Board

may accept. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid up shares) by or on behalf of the transferee;

- (b) the transferor shall remain the holder of the shares to which the instrument of transfer relates until the details of the transferee shall have been entered in the register of members in respect of the shares;
- (c) the Board may refuse to recognise any instrument of transfer unless the instrument of transfer shall be in respect of only one class of share and shall have been duly stamped (if required) and lodged at the Office accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to prove the right of the transferor to make the transfer (and, if the instrument of transfer is signed on behalf of the transferor, the authority of that person so to do), save that in the case of a transfer by a recognised clearing house (as defined in the Financial Services and Markets Act 2000) or a nominee of a recognised clearing house or of a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) the receipt of a share certificate will only be necessary if and to the extent that the share certificate shall have been issued in respect of the shares subject of the instrument of transfer;
- (d) the Board may, in its absolute discretion and without giving any reason for so doing, refuse to register the transfer of a share which is not fully paid up. The Board may also refuse to register the transfer of a share (whether fully paid up or not) to more than four persons as joint holders or the transfer of any share on which the Company shall have a lien;
- (e) if the Board shall refuse to register the transfer of a share, the Board shall, within two months, or earlier if so required by the Listing Rules or AIM Rules, immediately following (in the case of a share in certificated form) the date on which the transfer was received at the Office or (in the case of a share in uncertificated form) the date on which the Operator-instruction was received by the Company, send to the transferee of the share notice of the refusal;
- (f) any instrument of transfer which the Board refuses to register shall (except in case of fraud) be returned to the person depositing the same;
- (g) no fee shall be charged by the Company for registration of any instrument of transfer or other document relating to or affecting the title to any share or for making any recording in the register of members affecting the title to any share;
- (h) all instruments of transfer which are registered may be retained by the Company;
- (i) subject to the provisions of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may, from time to time, in its absolute discretion, determine provided that the register of members shall not be closed for more than thirty days in any year;
- (j) the Company may destroy all instruments of transfer and any other documents which shall have been registered or on the basis of which registration shall have been made at any time after the expiration of six years from the date of registration and all dividend mandates and any variation or cancellation thereof, any notification of changes of address or name at any time after the expiration of two years of the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof, and it shall conclusively be presumed in favour of the Company that every entry in the register of members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every share certificate so destroyed shall have been a valid share certificate

duly and properly cancelled and every other document mentioned in this paragraph so destroyed shall have been valid and effective and in accordance with the recorded particulars thereof in the books and records of the Company provided that these provisions shall apply only to the destruction of documents in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant. The Company shall have no liability whatsoever for any loss howsoever arising in respect of any document destroyed by the Company in accordance with this paragraph; and

- (k) references to the destruction of any document include references to the disposal thereof in any manner.

15 Transmission of shares

- 15.1 If a member shall die the survivor or survivors, where the deceased was a joint holder, and the personal representatives of the deceased, where the deceased member was a sole or the only surviving joint holder, shall be the only persons recognised by the Company as having any title to the interest of the deceased member in the shares held by the deceased member. Nothing in these Articles shall release the estate of a deceased member (whether a sole or joint holder of shares) from any liability to the Company in respect of any share which shall have been solely or jointly held by the deceased member.
- 15.2 *Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of the law may, upon receipt by the Company of such evidence as the Company may require to prove the title of such person to the share, elect either to be registered as the holder of the share by giving notice to the Company or to transfer the share to any other person by signing an instrument of transfer or by any other means permitted by the Board. All 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 operative event had not occurred and the notice or transfer were an instrument of transfer signed by such member.*
- 15.3 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall, upon receipt by the Company of such evidence as the Company may require to prove the title of such person to the share, be entitled to the rights to which such person would be entitled if such person were the registered holder of the share, except that such person shall not be entitled, in respect of the share, to exercise any right in relation to meetings of the Company or at a separate meeting of the holders of any class of shares in the Company nor to any of the rights or privileges of a member until such person shall have been registered in the Register of Members as the holder of the share.
- 15.4 The Board may give notice requiring a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law to notify the Company in writing that he wishes to be registered as the holder of the share or transfer such share to some other person. If no notification is received from such person within 60 days of the notice being issued by the Board, the Board may withhold payment of all dividends and other amounts payable in respect of the share until the notification has been received or the transfer has been made.

16 Untraced Members

- 16.1 The Company shall be entitled to sell any share held by a member or a person who is entitled to the share as a consequence of the death or bankruptcy of a member or otherwise by operation of law (for the purposes of this Article 16 each of whom is referred to as the **Member**), if:
 - (a) the share has been issued for not less than twelve years; and

- (b) during the period of twelve years immediately prior to the date of the publication of the first of the advertisements referred to in paragraph (c) no communication shall have been received by the Company from the Member and no cheque or warrant, sent by the Company through the post in a prepaid letter addressed to the Member at the address detailed in the register of members (or the last known address given by the Member) shall have been cashed and at least three dividends in respect of the share shall have become payable and no dividend in respect of the share shall have been claimed; and
 - (c) the Company shall have, on or after the expiry of such period of twelve years, placed advertisements in not less than one leading daily newspaper with a circulation throughout the United Kingdom and in a newspaper circulating in the area in which the address referred to in paragraph (b) shall be located giving notice of the Company's intention to sell the share; and
 - (d) during the period of three months following the publication of such advertisements the Company shall have received no communication from the Member; and
 - (e) if the shares of the class concerned are listed or dealt with on any stock exchange, the Company has given notice to that exchange of its intention to make such sale.
- 16.2 The Company shall also be entitled to sell, in the manner provided for in this Article 16, any share issued in respect of that share during the periods of twelve years and three months referred to in Article 16.1.
- 16.3 To give effect to any sale pursuant to this Article 16 the Company may appoint any person (in the case of a share in certificated form) to execute an instrument of transfer of the share or (in the case of a share in uncertificated form) to take such other steps as may be necessary to effect a transfer and the instrument of transfer or steps (as the case may be) shall be as effective as if the instrument of transfer had been executed or the steps had been taken (as the case may be) by the Member and the title of the transferee shall not be affected by an irregularity or invalidity in the procedures relating to the transfer.
- 16.4 The net proceeds of the sale of any share pursuant to this Article 16 shall belong to the Company which shall be obliged to account to the member for an amount equal to the proceeds of the sale of the share and shall enter the name of such former holder of the share or other person in the books of the Company as a creditor for such amount. The amount payable to the former holder of the share or other person shall be a permanent debt of the Company. No trust shall be created in respect of the debt and no interest shall be payable in respect of the debt and the Company shall not be required to account for any money earned on the net proceeds of the sale, which may be employed in the business of the Company or invested in such manner as the Board may, from time to time, determine.

17 General meetings

- 17.1 All general meetings of the Company other than annual general meetings shall be called extraordinary general meetings.
- 17.2 The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the Act.
- 17.3 Any Director may, from time to time, convene general meetings and on a members' requisition pursuant to the Act the Board shall forthwith convene an extraordinary general meeting.
- 17.4 The provisions of these Articles relating to general meetings shall apply, with the necessary modifications, to any separate class meeting of the holders of shares of a particular class which is convened otherwise than in connection with the variation or abrogation of the rights attached to shares of that class.

18 Notice of general and class meetings

- 18.1 Subject to Article 18.4, every annual general meeting and any extraordinary general meeting at which it shall be proposed to pass a special resolution or an extraordinary resolution shall be called on not less than twenty-one clear days' notice and any other extraordinary general meeting shall be called on at least fourteen clear days' notice.
- 18.2 Every notice convening a general meeting shall state the place, day and time of the meeting and the general nature of the business to be transacted at the meeting and in the case of an annual general meeting the notice shall state that the meeting is an annual general meeting. Notices shall be given as provided by these Articles to all the members (other than those who under the provisions of these Articles or the conditions of issue of the shares held by them are not entitled to receive the notice), to the Directors (including alternate directors) and to the Auditors and (where required by the Act) former auditors of the Company. Every notice shall also state, with reasonable prominence, that a member entitled to attend and vote at the meeting shall be entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member.
- 18.3 If a general meeting shall be convened for the consideration of and passing a special or extraordinary resolution, the notice convening the meeting shall also state the resolution in full and shall also state that it is intended to propose the resolution as a special or extraordinary resolution, as the case may be.
- 18.4 Any general meeting of the Company shall, notwithstanding that such meeting is called by shorter notice than that specified in Article 18.1, be treated as having been duly called if the calling of the meeting on shorter notice shall be agreed to:
- (a) in the case of a meeting called as an annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - (b) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at the meeting being a majority holding, in aggregate, not less than ninety-five per cent in nominal value of the shares giving a right to attend and vote at the meeting.
- 18.5 No accidental omission or failure in sending to, or non-receipt of notice of any general meeting by, any person entitled to be sent notice of that general meeting shall invalidate any resolution passed or any proceedings at such general meeting.
- 18.6 If the Board has implemented an uncertificated securities facility in accordance with Article 10, the provisions of the Uncertificated Securities Regulations shall apply for the purposes of determining which persons are entitled to receive notices of or attend or vote at general meetings of the Company, and how many votes such persons may cast.

19 Proceedings at general meetings

- 19.1 No business other than the appointment of a chairman shall be transacted at any general meeting or at any adjourned general meeting unless a quorum shall be present when the meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation or a corporation sole which is from time to time a member, shall be a quorum.
- 19.2 Each director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares in the Company. *The Chairman may invite any person to attend and speak at any general meeting of the Company whom the Chairman considers to be equipped with knowledge and experience of the company's business to assist in deliberating at the meeting.*

- 19.3 Each director shall take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the Chairman's decision on matters of procedure arising incidentally from the business of the meeting shall be final.
- 19.4 If within fifteen minutes following the time appointed for the holding of a general meeting a quorum is not present or shall at any time during the meeting cease to be present, the meeting, if convened on the requisition of the members, shall be dissolved. In any other case the general meeting shall stand adjourned to such time and place as the chairman of the meeting may determine. If at such adjourned meeting a quorum is not present within fifteen minutes after the time appointed for holding such adjourned meeting, the member or members (whatever their number) present in person or by proxy and entitled to vote at the general meeting shall be a quorum.
- 19.5 The chairman (if any) of the Board, failing whom the deputy chairman of the Board, shall preside as Chairman at every general meeting. If there is no such chairman of the Board or deputy chairman of the Board present and willing to preside at a meeting, or if neither the chairman nor the deputy chairman are present within fifteen minutes following the time appointed for holding the meeting the Directors present at the meeting shall choose one of their number or, if only one Director is present, such Director shall be the Chairman. If no Director is present or if all the Directors present at the meeting decline to take the chair, the members present, in person or by proxy, shall choose one of their number to be chairman of the meeting.
- 19.6 If the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone the general meeting to another date, time and place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be placed in at least two national newspapers in the United Kingdom. Notice of the business to be transacted at such postponed meeting shall not be required.
- 19.7 The chairman of any general meeting at which a quorum is present may, with the consent of the meeting, and shall, if so directed by the meeting, adjourn any meeting, from time to time, and from place to place or without fixing any time or place or places for the adjourned meeting.
- 19.8 The chairman of any general meeting may, if it appears to him that it is likely to be impracticable to hold or continue to hold the meeting because of the number of members and proxies wishing to attend who are not present, or the conduct of the persons present prevents or is likely to prevent the orderly continuation of business, adjourn to another time and place or places or without fixing any time or place for the adjourned meeting. In addition, the Chairman may at any time with the consent of the meeting at which a quorum is present (and it shall if so directed by the meeting) adjourn the meeting either without fixing any time for the meeting, the time and place for the meeting shall be fixed by the board.
- 19.9 Subject to Article 19.18, if a general meeting shall be adjourned for thirty days or more or without fixing any time or place or places, not less than seven clear days' notice shall be given of the date on which the adjourned meeting shall be reconvened. When a meeting is adjourned for three months or more, without stating any time or place, notice of the adjourned meeting shall be given in the same manner as the original meeting. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting adjourned.
- 19.10 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or upon the declaration of the result of the show of hands) a poll shall be demanded:
- (a) by the chairman of the meeting; or

- (b) by not less than five members present in person or by proxy and entitled to vote at the meeting; or
 - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) by a member or members present, in person or by proxy, and holding shares conferring a right to vote at the meeting being shares on which an aggregate sum shall have been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- 19.11 A demand for a poll may, before the poll is taken, be withdrawn but only with the approval of the chairman of the meeting. A demand so withdrawn shall not be taken to have invalidated any result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 19.12 Unless a poll shall be demanded a declaration by the chairman at any general meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost or not carried by a particular majority, and an entry to that effect made in the minute book of the Company shall be conclusive evidence of the fact declared by the chairman without proof of the number of votes recorded in favour of or against such resolution.
- 19.13 A poll demanded on the election of the Chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time (not less than thirty days from the date of the general meeting or the adjourned meeting at which such poll was demanded) and place and in such manner as the Chairman of the meeting shall direct (except where the poll is in respect of the election of the Chairman). The result of any poll shall be treated as the resolution of the meeting at which the poll was demanded.
- 19.14 No notice need be given of a poll taken immediately following the poll being demanded.
- 19.15 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- 19.16 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to the votes to which the chairman may be entitled as a member.
- 19.17 If any amendment shall be proposed to any resolution under consideration at a meeting and such amendment shall, in good faith, be ruled out of order by the chairman of the meeting, 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 an ordinary resolution, no amendment to such a resolution (other than by correcting grammatical or clerical errors which may be corrected as a matter of construction or by reducing the words to more formal language provided that the substance is identical) may be considered or voted upon unless written notice of the intention to move the amendment shall have been lodged at the Office no later than forty-eight hours prior to the date appointed for the holding of the relevant meeting (or adjourned meeting) or the chairman in his absolute discretion decides that it may be considered or voted upon. In case of a resolution duly proposed as a special or extraordinary resolution, no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon.
- 19.18 The provisions of this Article 19.18 shall apply if any general meeting shall be convened at, or shall be adjourned to, more than one place:
- (a) the notice of any general meeting which shall be convened at, or shall be adjourned to, more than one place shall state the place at which the chairman of the meeting shall preside (the **specified place**) and the Board shall make arrangements for simultaneous attendance and participation at the specified place and at other places

by members provided that persons attending at any particular place shall be able to see and hear and shall be able to be seen and heard by means of audio-visual links by the persons attending at the other place or places at which the meeting shall be held;

- (b) the Board may, from time to time, make such arrangements for the purpose of controlling the level of attendance at any such place (whether involving the issue of tickets or the imposition of some geographical or regional means of selection or otherwise) as they shall, in the absolute discretion of the Board, determine, and may, from time to time, vary any such arrangements or make new arrangements in place of them, provided that a member who is not entitled to attend, in person or by proxy, at any particular place shall be entitled to so attend at one of the other places provided that the entitlement of any member so to attend the meeting or adjourned meeting at such place shall be subject to any such arrangements as shall be, from time to time, in force and by the notice of meeting or adjourned meeting stated to apply to the meeting;
 - (c) for the purposes of all other provisions of these Articles any such meeting shall be treated as being held at the specified place; and
 - (d) if a meeting is adjourned to more than one place, notice of the adjourned meeting shall be given notwithstanding any other provision of these Articles.
- 19.19 Each Director shall take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such nature.
- 19.20 The Board may direct that members or proxies wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to, or eject from, such general meeting any member or proxy who fails to submit to such searches or otherwise comply with such security arrangements or restrictions.

20 Votes of members

- 20.1 Subject to any rights or restrictions as to voting attached to any shares, on a show of hands every member who is present in person (which expression shall, for the purposes of this Article 20.1, include a person present as the duly authorised representative of a corporate member acting in such capacity) or by proxy shall have one vote and on a poll every member present, in person or by proxy, and entitled to vote shall have one vote for each share of which he is, from time to time, the holder.
- 20.2 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 registered joint holders of the share and for this purpose seniority shall be determined by the order in which the names of the joint holders stand in the register of members in respect of the share.
- 20.3 A member in respect of whom an order has been made by any court having competent jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning legal incapacity may not vote either on a show of hands or on a poll but any person authorised in that behalf by such court may on a show of hands or on a poll vote by proxy on such member's behalf. Evidence to the satisfaction of the Board of the authority of the person claiming the right to vote on behalf of such a member shall be deposited at the Office not less than forty-eight hours before the time appointed for holding the general meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.

- 20.4 No member shall, unless the Directors otherwise determine, be entitled to attend, vote (either *in person or by proxy*) or exercise any other right in respect of any share at any general meeting if any call or other sum which shall then be payable by such member to the Company in respect of that share shall remain unpaid.
- 20.5 On a poll, votes may be given either personally or by proxy and a person entitled to cast more than one vote shall not be required to cast all his votes or cast all his votes in the same way.
- 20.6 No objection shall be raised as to the admissibility of any vote except at the general meeting or adjourned meeting at which the vote objected to shall be or may be cast. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive. Every vote not disallowed at such meeting shall be valid for all purposes and every vote disallowed shall be void for all purposes.

21 Forms of proxy

- 21.1 A proxy need not be a member of the Company.
- 21.2 The appointment of a proxy (whether made by an instrument in writing or by an electronic communication), shall be in any usual or common form, or in such form as the Board may approve, and in the case of an individual, shall be signed by the member or on behalf of the member by his attorney or, in the case of a corporate member, shall be either under its common seal or signed on behalf of such member by an attorney or another duly authorised person. It shall not be necessary to witness the signature on any appointment of a proxy.
- 21.3 The appointment of a proxy and any power of attorney or other authority under which a proxy shall be signed, or a notarially certified duplicate copy of such power of attorney or other authority shall:
- (a) in the case of an instrument in writing, be deposited at such place as may be specified for that purpose in the notice convening the meeting or in the instrument of proxy or if no place is so specified at the Office, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument of proxy proposes to vote; and
 - (b) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
 - (i) in the notice convening the meeting; or
 - (ii) in any instrument of proxy sent out by the Company in relation to the meeting; or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting;be received at such address not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; and
 - (c) in the case of a poll (other than a poll taken at or on the same day as the meeting or the adjourned meeting) be deposited or received as aforesaid not less than twenty-four hours before the time appointed for the taking of the poll;
- and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.
- 21.4 An appointment 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 provided that an appointment

of proxy relating to more than one meeting (including any adjournment thereof) once delivered for the purposes of any meeting shall not require it to be delivered again for the purposes of any subsequent meeting to which it relates. A validly appointed proxy shall have the right to demand or join in demanding a poll, but shall not otherwise confer any right to speak at the meeting.

- 21.5 A corporation may execute a form of proxy under the hand of a duly authorised officer. A vote cast or poll demanded by a proxy or by the duly authorised representative of a corporation or corporation sole shall be valid notwithstanding the previous determination of the authority of the person voting or demanding the poll unless notice of the determination shall have been received at the Office (or, where the appointment of proxy was contained in an electronic communication at the address at which such appointment was duly received) or at such other place at which it was required to be deposited, delivered or received under Article 21.3, at least three hours before the commencement of any general meeting or any adjournment of such meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 21.6 A vote cast or demand (made) for a poll shall not be invalidated by the previous death or insanity of the member who appointed the proxy or by the revocation of the appointment of the proxy or of the authority under which the appointment unless written notice of such death, insanity or revocation shall have been received by the Company at the Office (or, where the appointment of proxy was contained in an electronic communication at the address at which such appointment was duly received) or at such other place at which it was required to be deposited, delivered or received under Article 21.3, at least three hours before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

22 Corporations acting by representatives at meetings

Any corporation or corporation sole which is a member of the Company may (in the case of a corporation, by resolution of the board of directors or other governing body of the corporation or by authority to be executed as a deed or under hand of any officer or officers duly authorised by the corporation) authorise such person as such corporation or corporation sole shall determine to act as its representative at any meeting of the Company. A person so authorised shall be entitled to exercise the same rights on behalf of such member as that member would be entitled to exercise were such member to be an individual member of the Company, and such member shall for the purposes of these Articles be treated as present in person at any meeting if a person so authorised is present at such meeting.

23 Disclosure of interests in shares

- 23.1 If any member, or any other person appearing to be interested in shares held by such member, shall have been duly served with a notice under section 212 of the Act (**Section 212 Notice**) and shall have been in default for the prescribed period (as defined below in this Article 23) in supplying to the Company the information required by the Section 212 Notice, then (unless the Board shall otherwise determine) in respect of:

- (a) the shares in relation to which the default shall have occurred and any further shares which shall be issued in respect of such shares (**Default Shares**); or
- (b) any other shares held by the member;

the member shall (for so long as the default continues) not, nor shall any transferee to which any of such shares are transferred other than pursuant to an approved transfer within the meaning of paragraph (c) of Article 23.6 or pursuant to paragraph (b) of Article 23.2, be entitled to attend and vote either personally or by proxy at any general meeting of the

Company or to exercise any other right conferred by membership in relation to general meetings.

23.2 Where the Default Shares represent at least 0.25 per cent in nominal value of the issued shares of any class of shares, the Board may, in its absolute discretion, by notice (a **Direction Notice**) to such member direct that:

- (a) all or any part of any dividend or any other moneys which would otherwise be payable in respect of the Default Shares shall (in whole or any part thereof) be retained by the Company without any liability to pay interest thereon, and the member shall not be entitled to elect, pursuant to Article 35.19, to receive shares instead of any such dividend, but any dividend or other moneys withheld shall be paid to the member immediately following receipt by the Company of the information requested by the Section 212 Notice; and/or
- (b) no transfer of any of the shares held by such member shall be registered unless:
 - (i) the member is not himself in default as regards supplying the information requested and the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Board to the effect that after due and careful enquiry the member is, from time to time, satisfied that none of the shares the subject of the transfer are Default Shares; or
 - (ii) the transfer is an approved transfer.

23.3 The Company shall send to each other person appearing to be interested in the shares which shall be the subject of any Direction Notice a duplicate copy of the Direction Notice. No Direction Notice shall be invalidated by any omission or neglect in sending or non-receipt of a Direction Notice.

23.4 Any Direction Notice shall have effect in accordance with the terms of such Direction Notice for so long as the default in respect of which such Direction Notice shall be issued shall continue and shall cease to have effect only upon the Board so determining (such determination to be made within one week immediately following the default being duly remedied and notice of such determination shall be sent forthwith to the member).

23.5 Any Direction Notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with paragraph (b) (i) of Article 23.2.

23.6 For the purposes of this Article 23:

- (a) a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a Section 212 Notice and either:
 - (i) the member shall have named such person as being so interested; or
 - (ii) (after taking into account the response of the member to the Section 212 Notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
- (b) the **prescribed period** is the period of twenty-eight days immediately following the date of service of the Section 212 Notice except that if the Default Shares represent at least 0.25 per cent of the issued shares of any class of share at the time the Section 212 Notice shall be given, the prescribed period shall be the period of fourteen days immediately following the date of the service of the Section 212 Notice; and
- (c) a transfer of shares is an **approved transfer** if the Board is satisfied that:

- (i) the transfer is made pursuant to a sale, in good faith, of the whole of the *beneficial ownership of such shares to a party unconnected with the member*; or
- (ii) the transfer results from a sale made through the London Stock Exchange or a *recognised investment exchange (as defined in the Financial Services and Markets Act 2000)* on which the Company's shares are normally traded; or
- (iii) it is a transfer of shares to an offer or by way or in pursuance of acceptance of a *take-over offer for a company (as defined in section 428 of the Act)*.

23.7 The provisions of this Article 23 are in addition to and shall not limit the provisions of the Act.

24 Directors

- 24.1 Unless otherwise determined by an ordinary resolution of the Company in general meeting the number of Directors shall not be less than two.
- 24.2 A Director shall not be required to hold any share by way of qualification. A Director who is not a member shall be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
- 24.3 Unless otherwise determined by an ordinary resolution of the Company in general meeting the Company shall pay to the Directors such amount of aggregate fees as the Board decides (not exceeding £250,000 per annum or such larger amount as the Company may by ordinary resolution decide). The aggregate fees shall be divided among the Directors in such proportion and manner as they may agree or, failing agreement, equally, except that any Director holding the office of Director for part only of a year shall be entitled to remuneration only for that proportion of the year he has spent as a Director.
- 24.4 Each Director shall be repaid all travelling, hotel and other expenses properly and necessarily incurred by him in connection with the performance of his duties as a Director, as agreed with the Company.
- 24.5 The Board may, from time to time, determine that the Company pay remuneration by way of salary, commission or otherwise or provide other benefits in addition to that payable pursuant to Article 24.3, to any Director who shall hold any executive office or serve on any Committee or perform services to the Company which in the opinion of the Board shall be outside the scope of the ordinary duties of a Director.

25 Appointment and retirement of directors

- 25.1 Provided that the total number of Directors shall not at anytime exceed any maximum number determined by or in accordance with these Articles:
- (a) Subject to the other provisions of this Article 25, the Company may, from time to time, by ordinary resolution in general meeting appoint any person to be a Director, either to fill a casual vacancy or as an additional Director.
 - (b) The Board may appoint any person to be a Director, either to fill a casual vacancy or as an additional Director. Any Director appointed by the Board pursuant to this Article 25, shall hold office only until the next following annual general meeting and shall at such meeting be eligible for re-appointment, but shall not be taken into account in determining the number of Directors who shall be required to retire by rotation at such meeting.
- 25.2 Any provision of the Act which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office

as a Director on account of the Director having reached any age or of requiring special notice or any other special formality in connection with the appointment or re-appointment of any Director over any age shall not apply to the Company.

25.3 The office of Director shall be vacated if the Director:

- (a) by reason of any provision of the Act shall cease to be a Director or he shall become prohibited by law from being a Director;
- (b) shall have a receiving order made against him, become bankrupt or shall make any arrangement or composition with his creditors generally;
- (c) shall offer to resign the office of Director by notice addressed to the Board at the Office and the Board shall determine to accept such offer;
- (d) shall become legally incapable or otherwise incapacitated;
- (e) shall be absent without leave from Board meetings for six consecutive months and the Board shall have determined that his office as a Director be vacated;
- (f) is removed from the office of Director on notice signed by all the other Directors provided that if the Director, on being so removed, holds an executive office which terminates on his ceasing to be a Director, such removal shall be treated as an act of the Company and shall be effective, but without prejudice to any claim for damages for breach of any contract of service between the Director and the Company.

A resolution of the directors declaring that a director has vacated office under this article shall be conclusive as to the fact and as to the ground of vacation as stated in the resolution.

25.4 At each annual general meeting one third of the Directors shall be subject to retirement by rotation or if the number of Directors shall not be a multiple of three then the number nearest to but not exceeding one third of the Directors shall retire from office as Directors.

25.5 The Directors to retire by rotation at each annual general meeting shall include (so far as necessary to obtain the number required pursuant to Article 25.4) any Director who wishes to retire and not to offer himself for re-appointment. Any further Directors so required to retire shall be the Directors who shall have been longest in office since their appointment or last re-appointment and as between Directors of equal seniority the Directors to retire shall in the absence of agreement be determined by lot.

25.6 The number and identity of Directors to retire at each annual general meeting shall be determined by the Board before or on the date of the notice convening the relevant 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 the relevant notice but before the close of the relevant annual general meeting.

25.7 Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment and the Company, at the annual general meeting at which a Director shall retire, may by ordinary resolution re-appoint the Director who shall so retire or any other person eligible for appointment as a Director. If no such vote is taken the retiring Director shall, if offering himself for re-appointment, be treated as having been re-appointed, unless:

- (a) at the relevant annual general meeting it is expressly determined by ordinary resolution not to fill the office of Director so vacated; or
- (b) an ordinary resolution for the re-appointment of the Director was put to the meeting and lost; or
- (c) the Director has attained any retirement age by or pursuant to Article 25.2 or otherwise made applicable to him as a Director.

- 25.8 No retirement by rotation at an annual general meeting shall have effect until the end of that meeting, unless an ordinary resolution shall be passed to appoint some other person to fill the office of Director to be vacated by the retiring Director, or an ordinary resolution for the retiring Director's re-appointment shall be put to the meeting and lost. Accordingly, any retiring Director who shall be re-appointed, or shall be treated as having been re-appointed, shall continue in office as a Director without a break in the continuity of his appointment as a Director notwithstanding his retirement at the meeting.
- 25.9 No person not being a Director retiring at the meeting shall, unless recommended by the Board for election, be eligible for appointment to the office of Director at any general meeting unless, not less than seven nor more than twenty-eight days before the day appointed for the meeting there shall have been received by the Secretary notice from a member (other than the person to be proposed) entitled to attend and vote at the meeting for which such notice shall be given of the intention of such member to propose such person for appointment and notice, signed by the person to be proposed, of his willingness to be elected.
- 25.10 The Company may, subject to the provisions of the Act, by ordinary resolution in general meeting of which special notice has been given remove any Director from his office as Director (notwithstanding any provision of these Articles or of any contract between the Company and such Director, but without prejudice to any claim he may have for damages for breach of his service contract, if any) and by ordinary resolution at that meeting appoint any other person to the office of Director vacated by the Director so removed. Any person so appointed by the Company shall retire by rotation at the time the Director in whose place he shall have been appointed would have retired by rotation but for his removal. If the Company shall not appoint a person to fill any vacancy arising on the removal of a Director, the Board may appoint any person to the office of Director so vacated provided that no such appointment shall be considered an appointment to fill a casual vacancy or the appointment of an additional Director.
- 25.11 At a general meeting, a motion for the appointment of two or more persons as a Director of the Company by a single resolution shall not be made, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

26 Executive Directors

- 26.1 The Board may from time to time appoint one or more Directors to be the holder of any executive office on such terms and conditions and for such period as the Board may (subject to the provisions of the Act) determine and, without prejudice to the terms and conditions of any contract of service which the Company may enter into regarding any such appointment, may at any time revoke any such appointment. Any Director appointed to such office shall receive such remuneration (whether by way of salary, commission, participation in profits, provision for retirement or insurance benefit, or any combination of these, or otherwise) as the Directors may determine.
- 26.2 The appointment of any Executive Director shall terminate if such Executive Director ceases to be a Director but without prejudice to any claim such Executive Director may have for damages for breach of any contract of service between such Executive Director and the Company.
- 26.3 The Board may entrust to and confer upon an Executive Director any of the powers exercisable by the Board upon such terms and conditions and subject to such restrictions as the Board shall determine and either collaterally with, or to the exclusion of, the Board's own powers and may, from time to time, revoke, withdraw, alter or vary all or any of the powers so conferred by the Board.

27 Directors' interests

- 27.1 Subject to the Act, a Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company shall be party or in which the Company shall in any way be interested and a Director may hold and be remunerated in respect of any office (other than the office of Auditor) or employment in the Company, or any other company in which the Company is in any way interested, and a Director (or any firm in which he is a partner) may act in a professional capacity for the Company or any such other company, and may be remunerated therefor and in any such case a Director (or his firm) may retain for his (or his firm's) absolute benefit all profits accruing to him (or his firm) thereunder.
- 27.2 No contract or arrangement entered into by or on behalf of the company in which any Director is in any way, whether directly or indirectly, interested, shall be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the company for any profit realised by any such contract or arrangement, by reason of such Director holding that office or of the fiduciary relationship thereby established.
- 27.3 A Director who is in any way interested directly or indirectly, or deemed by the Act to be interested in a contract, transaction or arrangement or a proposed contract, transaction or arrangement with the Company shall declare the nature of this interest at a meeting of the Directors in accordance with section 317 of the Act.
- 27.4 Save as provided below in this Article 27, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in connection with which the Director has an interest which (together with any interest of any person connected with him) is to his knowledge a material interest other than a material interest arising as a consequence only of the Director's holding of shares or debentures or other securities of, or otherwise in or through, the Company. A Director shall not be counted in the quorum at a Board meeting in relation to any resolution of the Board in respect of which the Director shall be so precluded from voting.
- 27.5 Notwithstanding the provisions of this Article 27 but subject to the provisions of the Act, a Director shall (provided that he has no other material interest) be entitled to vote (and be counted in the quorum of a Board meeting) in respect of any resolution of the Board which concerns the following matters:
- (a) the giving of any security, guarantee or indemnity in respect of:
 - (i) money lent or obligations incurred by him or by any other person at the request of or for the benefit of any member of the Group; or
 - (ii) a debt or obligation of any member of the Group for which he himself has assumed responsibility in whole or part under a guarantee or indemnity or by the giving of security;
 - (b) where any member of the Group is offering shares or debentures or other securities in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;
 - (c) any contract, arrangement or proposal relating to another company in which he and any persons connected with him do not to his knowledge hold an interest in shares representing one per cent or more of either any class of the equity share capital, or the voting rights, in such company;
 - (d) any contract, arrangement or proposal relating to an arrangement for the benefit of the employees of any member of the Group which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
 - (e) any contract, arrangement or proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including Directors.

- 27.6 Where proposals are under consideration concerning the appointment (including, but without limitation, fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any member of the Group such proposals may be considered in relation to each Director separately and each of the Directors concerned (subject to the other provisions in this Article 27) shall be entitled to vote (and be counted in the quorum of the Board meeting) in respect of each resolution of the Board, except that concerning the Director's own appointment.
- 27.7 If any question shall arise at any Board meeting as to the materiality of a Director's interest, or as to the entitlement of any Director to vote or be counted in a quorum and any such question shall not be resolved by the Director voluntarily agreeing to abstain from voting, any such question shall be determined by the Board (other than the Director the materiality of whose interest or the entitlement of whom to vote shall be in issue) present at the Board meeting and in the case of an equality of votes the chairman of the meeting (unless the chairman shall be the Director the materiality of whose interest or the entitlement of whom to vote shall be in issue) shall have a second and casting vote and the determination of the Board shall be final and conclusive, except where the nature or extent of the interests of the Director concerned have not been fairly disclosed. Pending any ruling under this Article 27.7, Article 27.4 shall apply to the Director in question. Where the question which has arisen concerns the materiality of the chairman's interest or his entitlement to vote, the Directors present at the meeting shall appoint by majority vote, one of their number (other than the Chairman) who shall act as Chairman of the meeting for the purposes of such question.
- 27.8 A general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any contract, transaction, arrangement or proposal in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such contract, transaction, arrangement or proposal of the nature and extent so specified.
- 27.9 An interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 27.10 The interest of any person connected with a Director (within the meaning of section 346(2) of the Act) shall be taken to be the interest of that Director.

28 Powers of the Board

- 28.1 The business of the Company shall be managed by the Board, which may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercisable and done by the Company, and as shall not be required by the Act, the Memorandum or these Articles, to be exercised or done by the Company in general meeting. The exercise of all such powers by the Board shall be subject to these Articles, to the provisions of the Act, and any directions, from time to time, of the Company by special resolution in general meeting. No direction so resolved on by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such resolution had not been passed.
- 28.2 Subject to Article 28.1 but without prejudice to the provisions of these Articles, the Board may at any time seek the views of all or any of the shareholders of the Company (or any class thereof) on any matter in such manner as the Board shall think fit. In particular, without limitation, the Board may organise postal ballots and determine all matters relating to the conduct of such ballots.
- 28.3 The Board may, from time to time, establish any local boards or agencies for managing any of the business of the Company (either in the United Kingdom or elsewhere), and may appoint any persons to be members of such local boards or agencies and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions as shall vest in the Board, with or without power to sub-delegate, and may authorise members of any local board to fill any vacancies on that local board, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such

terms and subject to such conditions as the Board may determine. The Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing with any local board or agency in good faith and without notice of any such annulment or variation, shall be affected thereby. No person so appointed to any local board or agency shall by reason only of that appointment be treated as a Director.

- 28.4 The Board may, from time to time, and at any time by power of attorney, under the Seal or otherwise, or otherwise appoint any company, firm or person or any body of persons (the number of whom may vary), whether nominated directly or indirectly by the Board to be the agent, agents, 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 or by the Act) and for such period and subject to such terms and conditions as the Board may determine and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney and for sub-delegation of all or any of the powers, authorities and discretions vested in such attorney.
- 28.5 The Board may establish, maintain, participate in or contribute to or procure the establishment, maintenance of, participation in and contribution to any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to, any persons who are from time to time or shall have been in the employment or service of any member of the Group or any of their predecessors in business (any **Predecessor**), who shall be or shall have been Directors or officers of any member of the Group or any Predecessor or who shall hold or shall have held executive positions or contracts for service with any member of the Group or any Predecessor, and the wives, husbands, widows, widowers, families, dependants and beneficiaries of any such persons. The Board may also establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds considered to be for the benefit of or to advance the interests and well-being of the Company, or of any such person as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid. Any Director who shall hold or shall have held any such executive position or had a contract for service shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance, benefit or emolument.
- 28.6 The Board may also establish and maintain any employees' share scheme or other share option, share incentive or profit sharing scheme approved by ordinary resolution of the Company in general meeting whereby selected employees of the Company are given the opportunity to acquire shares on the terms and subject to the conditions detailed in such scheme and establish and (if any such scheme so provides) contribute for the purchase by or transfer, allotment or issue to trustees of shares to be held for the benefit of employees (including, but subject to the provisions of the Statutes, any Directors and officers) of the Company and subject to the Act lend money to such trustees or employees to enable them to purchase such shares provided that if any shares are to be issued to employees or trustees under the provisions of any such scheme then such scheme shall be approved by a special resolution of the Company in general meeting and these Articles shall be treated as being altered so far as appropriate by the special resolution of the Company in general meeting approving such scheme.
- 28.7 Without prejudice to the provisions of Article 42, the Board shall have power to purchase and maintain insurance for or for the benefit of any persons who shall be or shall have been Directors, officers, employees or Auditors of the Company, any holding company of the Company or of any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or has had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other body (together **Relevant Company**), or who are or were at any time trustees of any pension fund or employees' share scheme in which any employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability

incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company or any such pension fund or employees' share scheme.

- 28.8 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed, or otherwise executed as the case may be in such manner as the Board shall from time to time determine.
- 28.9 Subject to and to the extent permitted by the Statutes, the Company, or the Board on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory, and the Board may make and vary such regulations as they may think fit respecting the keeping of such register.

29 Powers of borrowing and mortgaging

- 29.1 Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets and uncalled capital, and (subject to the Statutes) to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any of its subsidiary undertakings or of any third party.
- 29.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control or rights of influence exercisable by the Company in relation to its subsidiary undertakings (if any) so as to ensure (as regards subsidiary undertakings so far as by such exercise the Company can ensure) that the aggregate of the moneys borrowed by the Group and remaining outstanding at any time (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to four times the aggregate of:
- (a) the nominal amount of the share capital of the Company issued and paid up; and
 - (b) the amounts shown as standing to the credit of capital and revenue reserves of the Group, including any share premium account, capital redemption reserve, revaluation reserve and profit and loss account (but deducting therefrom the amount, if any, standing to the debit of the profit and loss account);

all as shown in a consolidation of the then latest audited balance sheets of the Company and its subsidiary undertakings; but

- (i) adjusted in respect of any variations in the issued and paid up share capital, share premium account or capital redemption reserve fund effected or any distributions made (otherwise than within the Group) since the date of such balance sheets except insofar as provided for therein; and
 - (ii) excluding therefrom any amounts set aside for taxation and, to the extent included, any amounts attributable to outside shareholdings in subsidiary undertakings; and
 - (iii) excluding therefrom a sum equal to the book value of goodwill other than goodwill arising out of such consolidation; and
 - (iv) adjusted in such other manner as the Auditors shall consider appropriate.
- 29.3 For the purpose of this Article 29:
- (a) share capital allotted shall be treated as issued and any share capital already called up or payable at any future date within the following twelve months shall be treated as

already paid up and if the Company proposes to issue any shares for cash and the issue of such shares has been underwritten then such shares shall be deemed to have been issued and the subscription moneys (including any premium) payable in respect thereof within the following twelve months shall be deemed to have been paid up;

- (b) any company which it is proposed shall become a subsidiary undertaking contemporaneously with any relevant transaction shall be treated as if it had already become a subsidiary undertaking;
- (c) the following shall (unless otherwise taken into account) be deemed to be included in moneys borrowed (1) debentures issued in whole or in part for a consideration other than cash, (2) amounts outstanding under acceptance credits (other than in respect of the purchase of goods in the ordinary course of trading) and (3) the nominal amount of any share capital issued and the principal amount of any moneys borrowed the redemption or repayment whereof is guaranteed by the Company or by any subsidiary undertaking except insofar as such share capital is from time to time held by or such moneys are from time to time owing to, and the beneficial interest therein is vested within, the Group;
- (d) any fixed premium payable on final redemption or repayment of any debentures or other borrowed moneys or share capital shall be taken into account as an addition to the principal or nominal amount thereof;
- (e) moneys borrowed shall be deemed not to include borrowings for the purposes of repaying the whole or any part of moneys borrowed by a member of the Group from time to time outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period; and
- (f) when the aggregate principal amount of moneys borrowed required to be taken into account for the purposes of this Article 29 on any particular date is being ascertained, (1) any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the spot rate of exchange of any bank approved by the Auditors prevailing on such date in London at 11.00 a.m. on the date on which the calculation is made and (2) where under the terms of any borrowing the amount of money that would be required to discharge the principal amount of such borrowing in full if it fell to be repaid (at the option of the Company or by reason of default) on such date is less than the amount that would otherwise be taken into account in respect of such borrowing for the purpose of this Article 29, the amount of such borrowing to be taken into account for the purpose of this Article 29 shall be such lesser amount.

29.4 No person dealing with the Company or any of its subsidiary undertakings shall by reason of this Article 29 be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or the security given express notice that the said limit had been or would thereby be exceeded.

29.5 A certificate or report by the Auditors as to the amount of the moneys borrowed or to the effect that the limit imposed by this Article 29 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 29.

30 Meetings and proceedings of the Board

30.1 Subject to the provisions of the Act and these Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate such meetings as the Board shall determine. Board meetings may take place in any part of the world and may take place by means of telephonic, conference telephone, video link or any other audio or audio-visual communication

notwithstanding that the Board members present by any such means of communication may not all be meeting in the same place provided that each Director shall be able to speak to each of the other Directors and to be heard by each of the other Directors simultaneously. 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 then is.

- 30.2 A Director who shall be able to take part in any Board meeting which shall take place pursuant to Article 30.1 shall be treated as being present at the Board meeting and accordingly shall subject to the other provisions of these Articles be entitled to vote and be counted towards a quorum.
- 30.3 The quorum necessary for the transaction of business at a meeting of the Board may be fixed, from time to time, by the Board and unless so fixed shall be two Directors. Any meeting of the Board at which a quorum is present shall be competent to exercise all the powers and discretions exercisable from time to time by the Board. For the purposes of this Article, a person who holds office only as an alternate Director (Article 31) shall, if his appointor is not present, be counted in a quorum but so that not less than two individuals shall constitute the quorum.
- 30.4 The continuing Directors may act notwithstanding any vacancies, 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 may act for the purpose of filling up such vacancies or of summoning general meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.
- 30.5 A Director may, and on the request of a Director the Secretary shall, at any time convene a Board meeting. Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be sent in writing to him at an address or electronic mail address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and if no request is made to the Board it shall not be necessary to give notice of a Board meeting to any Director who is from time to time absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively.
- 30.6 Matters arising at any Board meeting shall be determined by a simple majority of votes. If there shall be an equality of votes the Chairman of the meeting shall have a second and casting vote.
- 30.7 The Board may from time to time appoint any Directors to be chairman and a deputy chairman (or two or more deputy chairmen) and determine the period for which each shall hold such office. The chairman, or in his absence any deputy chairman, shall preside at Board meetings.
- 30.8 If there shall be more than one deputy chairman from time to time the right to preside at a Board meeting in the absence of the chairman shall be determined, as between the deputy chairmen present, by seniority in length of continuous appointment as a Director or as the Board shall otherwise determine.
- 30.9 If no chairman or deputy chairman shall be appointed from time to time or if at any Board meeting the chairman or any deputy chairman shall not be present within five minutes after the time appointed for holding the meeting, the Board shall choose one of the Directors present to be chairman of that meeting.
- 30.10 The Board may delegate all or any of its powers, authorities or discretions to Committees consisting of two or more Directors and (if so determined) two or more other persons co-opted as provided in Article 30.11. Insofar as any such power, authority or discretion is or shall be delegated to a Committee, any reference in these Articles to the exercise by the Board of the

power, authority or discretions so delegated shall be read and construed as if such reference were a reference to the exercise thereof by such Committee. Any Committee so formed shall, in the exercise of the powers and discretions so delegated, conform to any regulations that may, from time to time, be imposed upon such Committee by the Board. The meetings and proceedings of such Committees shall be governed by the provisions of these Articles regulating Board meetings and proceedings so far as the same are not superseded by any regulation made by the Board from time to time. Accordingly the provisions of these Articles relating to and regulating the Board meetings shall, with any necessary modifications, apply to the meetings of each Committee. The power to delegate contained in this Article 30.10 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 may be made to particular powers, authorities or discretions being exercised by the Board or by a Committee authorised by the Board.

- 30.11 Any Committee shall have the power, unless the Board shall otherwise determine, to co-opt as a member or members of the Committee for a specific purpose any person(s) who shall not be member(s) of the Board or of the Company provided that no person shall be so co-opted if as a consequence of that person being co-opted the number of persons so co-opted would be equal to or greater than the number of members of such Committee who are Directors and no determination of a Committee shall be effective unless a majority of the members of such Committee present at the meeting shall be Directors.
- 30.12 Without limitation to any other Article, the Board may delegate to a Committee all of its powers, authorities and discretions regarding the remuneration of the Directors.
- 30.13 All acts done by or pursuant to any Board or Committee meeting or by any person acting as a Director or as a member of a Committee, shall, as regards all persons dealing in good faith with the Company, and notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of any Director or member of a Committee acting as aforesaid, or that the Directors or any of the Directors were disqualified or had ceased to be Directors or a Director, be as valid as if every such person had been duly appointed and was qualified to be and had continued to be a Director or member of the Committee and had been entitled to vote.
- 30.14 The Board shall ensure that proper minutes shall be made of all general meetings, all appointments of Directors and other officers, all proceedings at Board and Committee meetings and of the attendances at such meetings and all business transacted at such meetings. Minutes of any meeting, if purporting to be signed by the chairman of the meeting, shall be conclusive evidence of the facts stated in those minutes.
- 30.15 A resolution in writing signed by all the Directors or by all the members of the Committee in each case or all the Directors or Committee members entitled to vote on the relevant issue(s) shall be valid and effective for the purposes of determining any matters which may be dealt with at a Board meeting or Committee meeting and shall be treated as if the resolution had been passed unanimously at a duly convened Board or Committee meeting and may consist of several documents in the same form each signed by one or more of the relevant Directors or Committee members. The documents may be facsimile copies of the resolution or sent by means of electronic communication and the resolution shall be effective upon receipt by the Secretary of the final document whether it is an original, facsimile or electronic communication.

31 Alternate Directors

- 31.1 Any Director (other than an alternate Director) may, from time to time, by written notice under his hand and received at the Office, or delivered to a meeting of the Board, appoint or revoke the appointment of any person (including, but without limitation, another Director) to be his alternate Director but failure or delay in doing so shall not prejudice the validity of the appointment. The appointment of any person as an alternate Director (not being a Director) shall be conditional upon and only effective upon being approved by the Board.

- 31.2 Any alternate Director shall (unless he shall be absent from the United Kingdom) be entitled to be sent notices of meetings of the Board or of any Committees of which the Director is a member and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him shall not be present and generally at such meeting shall have and be able to exercise all the functions of the Director appointing him.
- 31.3 If a Director ceases to be a Director the appointment by the Director of any alternate Director shall terminate provided that if any Director retires at any general meeting (whether by rotation or otherwise) but shall be re-appointed, any appointment of an alternate made by him pursuant to this Article 31 which shall have been in force immediately prior to his retirement shall continue to be operative after his re-appointment as if he had not so retired. An alternate Director shall cease to be an alternate Director on the happening of any event which if he were a Director, would cause him to vacate such office.
- 31.4 If an alternate shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative but he shall not be counted more than once for the purposes of a quorum.
- 31.5 If the Director for whom an alternate is appointed is from time to time absent from the United Kingdom or temporarily unable to act through ill-health or disability the alternate's signature to any resolution in writing of the Directors shall be as effective as the signature of the Director for whom he is appointed an alternate.
- 31.6 Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director of the company and shall alone be responsible to the company for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to the Director for whom he is appointed an alternate as such Director may by notice in writing to the Company from time to time direct.

32 Secretary

- 32.1 Subject to the Act, the Board may, from time to time, appoint a person or persons as the Secretary on such terms and conditions and for such period as the Board may determine. Any Secretary so appointed may, at any time, be removed from the office of Secretary by the Board provided that any such removal shall be without prejudice to any claim for damages for breach of any contract of service between the Secretary and the Company. The Board may appoint two or more persons as joint secretaries. The Board may also appoint assistant secretaries and deputy secretaries.
- 32.2 Anything which the Act or these Articles require or authorise to be done by or to the Secretary may if the office of Secretary is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board provided that where any provision of the Act or these Articles requires or authorises a thing to be done by or to a Director and the Secretary it shall not be satisfied by that thing being done by or to one and the same person acting both as Director and as, or in the place of, the Secretary. A signature or attestation or certification of or on any document by an assistant or deputy secretary in that capacity shall in favour of any person dealing with the Company on the faith thereof be as effective as if it were the signature or attestation or certification of or on such document by the Secretary.

33 The Seal

- 33.1 The Board shall provide for the safe custody of the Seal and of any Securities Seal adopted pursuant to this Article 33 and neither shall be used without the prior authority and in accordance with such authority of the Board or a Committee authorised by the Board on behalf of the Board.
- 33.2 Every instrument with which the Seal shall be impressed shall be autographically signed by two Directors or by one Director and the Secretary or any other person or persons appointed by the Board provided that as regards share certificates or certificates for other securities, the Board may determine that the presence of such persons and their signatures or of either of them shall be dispensed with and/or that their signatures shall be affixed by some method or system of mechanical signature.
- 33.3 Where the Act so permits any instrument signed by two Directors or by one Director and the Secretary and expressed to be executed by the Company shall have the same effect as if executed under the Seal provided that no instrument shall be signed pursuant to this Article 33.3 which shall make it clear on the face of such instrument that the instrument is intended by the person or persons making the instrument to have effect as a deed without the prior authority in writing of the Board or a Committee authorised by the Board on behalf of the Board.
- 33.4 The Securities Seal shall only be used for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents impressed with the Securities Seal shall not be required to be signed.
- 33.5 The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Board.

34 Authentication of documents

Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company, and any resolutions passed by the Company or the 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. 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 certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in good faith and in reliance thereon that such resolution shall have been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

35 Dividends

- 35.1 The Company may, from time to time, by ordinary resolution in general meeting, declare dividends in accordance with the respective rights of the members provided that no dividend shall exceed the amount which shall be recommended by the Board.
- 35.2 Unless and to the extent that the rights which attach to any shares or the terms of issue of any shares shall otherwise provide, all dividends shall be apportioned and paid pro rata according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend shall be paid. For the purposes of this Article 35.2, no amount paid on a share in advance of any call on that share shall be treated as paid up on the share.
- 35.3 No dividend shall be paid otherwise than out of profits available for distribution in accordance with the Act.

- 35.4 Subject to the Act, the Board may, from time to time, authorise the payment of interim dividends if the Board determines that the payment of an interim dividend is justified by the level of profits of the Company available for distribution.
- 35.5 If at the time the Board shall determine to pay an interim dividend the Company shall have more than one class of shares in issue, the Board may pay interim dividends on shares which confer on the holders of those shares deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend provided that no interim dividend shall be paid on any share carrying deferred or non-preferred rights, if at the time of payment, any preferential dividend shall be in arrears.
- 35.6 If the Directors act in good faith they shall not incur any liabilities to the holders of shares conferring any preferred rights for any loss that they may suffer by the proper payment of an interim dividend on any shares having deferred or non-preferred rights.
- 35.7 The Board may, from time to time, authorise the payment, at intervals which shall be determined by the Board, of any dividend which may be payable at a fixed rate if the Board shall determine, provided that the payment of a dividend at a fixed rate shall be justified by the level of the profits of the Company available for distribution.
- 35.8 The Company may, from time to time, upon the recommendation of the Board, by ordinary resolution in general meeting, direct payment of any dividend in whole or in part by the distribution of specific assets of the Company. The Board shall give effect to any such ordinary resolution. In effecting any such ordinary resolution, the Board may issue fractional share certificates, authorise any person to sell and transfer any fractional share entitlement, disregard any fractional share entitlement, fix the value for distribution of any such specific asset or any part of any such asset, determine that cash payments shall be made to any members on the basis of any value so fixed in order to adjust the rights of those persons who shall be entitled to participate in the dividend and vest any such specific assets in trustees as it shall determine expedient.
- 35.9 Any dividend or other moneys payable in cash on or in respect of any share may be paid:
- (a) by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or if two or more persons are registered as joint holders of a share or are entitled to the dividend or other moneys in consequence of the death or bankruptcy of the holder of the share or otherwise by operation of law to any one of such joint holders or person) or to such other address as such member or other person or persons may by notice in writing direct; or
 - (b) by inter-bank transfer to such account as the payee or payees may in writing direct; or
 - (c) by such other method of payment as the member (or in the case of joint holders of a share, all of them) may agree with the Company.
- 35.10 Every such cheque or warrant shall be made payable to the order of the person to whom such cheque or warrant shall be sent or to such person as the holder of or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder of the share or otherwise entitled to the share by operation of law may direct and the payment of the cheque or warrant by the banker upon whom such cheque or warrant shall be drawn shall be good discharge to the Company. If any such cheque or warrant has or is alleged to have been lost, stolen or destroyed, the Board may, on the request of the person entitled thereto, issue a replacement cheque or warrant subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Board may think fit. Every such cheque or warrant shall be sent at the risk of the person entitled to the moneys represented thereby. Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the Board may determine.

- 35.11 The Company shall be entitled to cease sending dividend cheques, warrants or orders to a member or person entitled thereto if on two or more consecutive occasions, such cheques, warrants or orders shall have been returned to the Company or shall remain uncashed provided that if the member or person entitled to any cheque, warrant or order notifies the Company (by supplying in writing to the Office a postal address for the purpose) of such entitlement the Company shall send such cheque, warrant or order to such member or person.
- 35.12 If two or more persons are registered as joint holders of any share or are entitled to a share in consequence of the death or bankruptcy of the holder of a share or otherwise by operation of law, any such persons may give a receipt for any dividend or other moneys payable or property distributable on or in respect of the share.
- 35.13 The Board may deduct from any dividend or other moneys payable to any member, whether alone or jointly with any other member, on or in respect of a share all such sums of money (if any) as may be due and payable by such member, whether alone or jointly with any other member, to the Company on account of calls on or otherwise in respect of the share.
- 35.14 The Board may retain any dividend or other moneys payable on or in respect of any share on which the Company shall have a lien, and may apply such retained dividend or other moneys in or towards the satisfaction of moneys payable to the Company in respect of which the lien shall exist.
- 35.15 The waiver, in whole or in part, of any dividend payable on any share contained in any notice shall be effective if the waiver is signed by the holder or any joint holder of the share (or the person or persons entitled to the share in consequence of the death or bankruptcy of the holder of the share or otherwise by operation of law) and is received by the Company and to the extent of the waiver contained in the notice shall be acted upon by the Company.
- 35.16 All dividends or other moneys payable on, or in respect of, any share which shall not be claimed after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. The payment of any such unclaimed dividend or other moneys into a separate account or the investment of such dividend shall not constitute the Company a trustee in respect thereof.
- 35.17 Any dividend which shall remain unclaimed for twelve years or more from the date of declaration of such dividend shall be forfeited and shall on such forfeiture belong to the Company.
- 35.18 No dividends or other moneys payable on or in respect of a share shall bear interest.
- 35.19 (a) The Board may at their discretion and subject to the provisions of this Article 35.19 decide at the same time as they resolve to announce the intention to pay or resolve to recommend any dividend that each member shall have the option to elect not to participate in such dividend and to receive instead an issue of shares credited as fully paid to the extent and within the limits and on the terms and conditions set out below.
- (b) If the Board resolve to make such option available in relation to any dividend each member may, by notice in writing to the Company (a **Notice of Election**) given in such form and within such period as the Board may from time to time decide (which for the avoidance of doubt may include a perpetual election subject to revocation), elect not to receive (subject as provided in paragraph (c) of this Article 35.19) the dividend which otherwise would have been paid to him in cash as such dividend on all or so many of his shares as he shall specify in the Notice of Election and to receive in place thereof additional shares to be issued and allotted to him, credited as fully paid, so that the number of shares so issued and allotted shall be the whole number (fractions of a share being treated in accordance with paragraph (e) of this Article 35.19) determined by means of the formula:

$$\frac{A \times B}{C}$$

where:

- A equals the number of shares in respect of which such election has been made;
- B equals the amount of the cash dividend without tax credit payable on one share as if no such election had been made (expressed in terms of pence and fractions of a penny) less any amount (the **non-electable amount**) of such dividend (if any) per share to which the Board have pursuant to paragraph (c) of this Sub-Article resolved that the right of election conferred on holders of shares by the provisions of this paragraph (b) shall not apply; and
- C equals the greater of:
- the nominal value of a share (expressed in terms of pence); and
 - the arithmetical average of the middle market quotations of one share (expressed in terms of pence and fractions of a penny) as shown in the Daily Official List published by the London Stock Exchange for the five business days in respect of which such list is published beginning with the business day on which the shares are first shown in such list as quoted on the London Stock Exchange excluding the relevant dividend (or, if the Board think fit, beginning with the first such business day following the day on which the Board announce an intention to pay or a recommendation of the relevant dividend on the shares but adjusted (except in respect of any such day on which the shares are quoted on the London Stock Exchange excluding the relevant dividend) in arriving at each such daily middle market quotation by deducting the cash amount (including any non-electable amount) of such dividend per share).
- (c) The right of election conferred on holders of shares by the provisions of paragraph (b) of this Article 35.19 shall not apply to any amount of dividend per share as the Board in their sole discretion may resolve. Without prejudice to the foregoing, if the Board so determine, a Notice of Election shall provide that in the event of the relevant dividend, or if more than one then any one or more of them, being paid in an amount less than that which the Board have announced an intention to pay or recommend for payment such Notice of Election shall be invalid, and upon the happening of any such event (the Board having determined as aforesaid and the Notice of Election providing as aforesaid) such Notice shall be treated as if the same had never been given and was of no effect.
- (d) Following the receipt of a Notice or Notices of Election pursuant to paragraph (b) of this Article 35.19 the Board shall appropriate out of the undistributed profits or reserves of the Company (including share premium account, capital redemption reserve or other undistributable reserve) an amount equal to the aggregate nominal amount of the number of shares determined pursuant to paragraph (b) of this Article 35.19 to be allotted and issued credited as fully paid to those holders of shares who shall have given Notices of Election as aforesaid (the **Electing Shareholders**) and shall capitalise such amount and apply the same in paying up in full at par the number of shares required to be allotted and issued to the Electing Shareholders, such shares to be allotted and issued and distributed credited as fully paid to the Electing Shareholders in the proportions provided for by this Article 35.19. The shares so allotted and issued to the Electing Shareholders shall rank in full for all dividends on the shares of the same class declared after the date of such allotments and issue (other than in respect of the dividend or dividends in place of which they were allotted) and in all other respects shall form one uniform class with the fully paid shares of the Company of the same class in issue at the time of such allotment and issue and the Board shall have power to authorise any person on behalf of the Electing Shareholders to enter into an agreement with the Company providing for the allotment

and issue to them of the shares to which the Electing Shareholders are entitled in place of the dividend in which they have elected not to participate and any agreement made under such authority shall be effective and binding on all members. The powers given to the Board by this Article 35 are additional to the provisions for capitalisation of profits or reserves provided for by Article 37.

- (e) No fraction of any share shall be allotted pursuant to this Article 35.19. The Board may make such provisions as they think fit for any fractional entitlements including provisions whereby (a) in whole or in part, the benefit thereof accrues to the Company and/or (b) fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any member and such accruals or retentions are applied to the allotments by way of bonus to or cash subscription on his behalf of fully paid shares.
- (f) The Board shall not exercise the power conferred on them by this Article 35.19 unless the Company has or, at the time when shares would fall to be issued pursuant to any elections which could be made under the terms of this Article 35, in the opinion of the Board will have, sufficient unissued share capital and undistributed profits or reserves to give effect to any such elections.
- (g) The Board shall not exercise the power conferred on them by this Article 35.19 in respect of any dividend which they announce their intention to pay or to recommend unless the Company shall by ordinary resolution have approved the use of that power.
- (h) Any Notice of Election completed in part or whole prior to the coming into effect of this Article 35 but otherwise valid and effective shall be treated as valid and effective.
- (i) The Board may, from time to time, determine that rights of election shall be subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to legal or practical problems under the laws of or the requirements of any recognised regulatory body or any stock exchange in any territory and in such event the provisions aforesaid shall be read and construed subject to such determination. In addition the Board may, in their absolute discretion and at any time, suspend or terminate the right to exercise any option or any election already made notwithstanding that a Notice of Election may have been received by the Company.

36 Reserves

The Board may, from time to time, set aside out of the profits of the Company available for distribution such sums, as the Board shall determine proper, as a reserve which at the discretion of the Board may be applied for any purpose for which the distributable profits of the Company may properly be applied, and pending any such application the Board may employ, from time to time, the sums so set aside in the business of the Company or invest the same as the Board may determine. The Board may also, from time to time, carry forward such amount in the reserve as the Board may determine expedient in the interests of the Company. The Board may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Board may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same, the Board shall comply with the provisions of the Statutes.

37 Capitalisation of profits and reserves

- 37.1** The Company may, upon the recommendation of the Board, by ordinary resolution in general meeting, resolve to capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of the Company's profit and loss account (provided that any such sum shall not be required for paying any preferential

dividend). Accordingly, by any such ordinary resolution the Board shall be authorised and directed to appropriate any sum resolved to be capitalised to the holders of shares on the Register of Members at the close of business on the date of the resolution in the proportions in which such sum would have been divisible amongst them had an amount equal to such sum been applied or been applicable in paying dividends and to apply such sum on their behalf for allotment and issue and credit as fully paid up to the holders of shares as bonus shares or to apply such sum on behalf of the holders of shares in or towards paying up any amount payable on any shares held by such holders of shares.

- 37.2 The Board may do all acts and things it determines necessary or expedient to give effect to any capitalisation, or paying up with full power to the Board to make such provisions as the Board shall determine for any fractional entitlements which may arise or by payment in cash or otherwise. The Board may authorise any person to enter into on behalf of all the holders of shares interested, an agreement with the Company providing for any such capitalisation or paying up and matters incidental to any such capitalisation or paying up and any agreement made under such authority shall be effective and binding on the Company and all concerned.
- 37.3 Where, pursuant to an employees' share scheme the Company shall have granted options to subscribe for shares on terms which provide, inter alia, for adjustments to the subscription price payable on the exercise of such options or to the number of shares to be allotted upon such exercise in the event of any increase or reduction in or other reorganisation of the Company's issued shares and an otherwise appropriate adjustment would result in the subscription price for any share being less than its nominal value, then, subject to the provisions of the Act, the Board may, on the exercise of any of the options concerned and payment of the subscription price which would have applied had such adjustment been made, capitalise any such profits or other sum as is mentioned above in this Article 37 to the extent necessary to pay up the unpaid balance of the nominal value of the shares which fall to be allotted on the exercise of such options and apply such amount in paying up such balance and allot shares fully paid accordingly.

38 Record date

Notwithstanding any other provision of these Articles but subject always to the Act, the Board may from time to time determine that any date (the **record date**) shall be the date at the close of business on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular, and any record date may be on, or at any time before, the date on which any of the aforesaid shall be paid or made or, in the case of any dividend, distribution, interest, allotment or issue, at any time after the same shall be recommended, resolved, declared or announced.

39 Accounts

- 39.1 The Board shall ensure that the Company shall keep accounting records (in compliance with the Act) which shall be sufficient to show and explain the Company's transactions.
- 39.2 The Company's accounting records shall be kept at the Office or, subject to the Act, at such other place as the Board shall determine.
- 39.3 The accounting records of the Company shall at all times be available and open for inspection by the Company's officers and the Auditors only. Except as may be required or conferred by law, ordered by a court of competent jurisdiction or authorised by the Board, no other person shall have any right to inspect the accounting records of the Company.
- 39.4 The Board shall, from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, Group accounts (if any) and reports as are referred to in the Act.

- 39.5 A copy of every balance sheet and profit and loss account (including every document required by law to be comprised therein or annexed thereto) which is laid before the Company in general meeting and of the Directors' and Auditors' reports shall, not less than twenty-one days before the date of the relevant general meeting, be sent to every member and to every holder of debentures of the Company and to every other person who is entitled to receive notice of meetings of the Company under the provisions of the Act or these Articles provided that:
- (a) this Article 39 shall not require copies of such documents to be sent to any person to whom, by virtue of the Act, the Company is not required to send the same, nor to any person of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures, but any member or holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Office; and
 - (b) if the Statutes so permit, the Company need not send copies of these documents to those members or holders of debentures who do not wish to receive them but may instead send them copies of such summary financial statements or other documents as may be authorised by the Statutes.
- 39.6 If all or any of the securities shall, from time to time, be listed or dealt in on the London Stock Exchange or on any other recognised investment exchange (as defined in the Financial Services and Markets Act 2000), the Board shall ensure that there shall be forwarded to the appropriate officer of such listing authority or stock exchange such number of duplicate copies of such documents as shall from time to time be required under the regulations or practice of such listing authority or stock exchange.

40 Auditors

- 40.1 Subject to the provisions of the Act, all acts done by the Auditors shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there shall have been a defect in the Auditors' appointment or that the Auditors shall not at the time of their appointment be qualified for appointment or shall subsequently have become disqualified.
- 40.2 *The Auditors shall be entitled to attend any general meeting and to receive notices of, and other communications relating to, any general meeting which any member shall be entitled to receive, and to be heard at any general meeting on any part of the business of the meeting which concerns them as Auditors.*

41 Notices

- 41.1 Any notice to be given to or by any person pursuant to or in accordance with these Articles (other than a notice convening a meeting of the Board) shall be in writing or shall be given using electronic communications to an address from time to time notified for that purpose to the person giving the notice.
- 41.2 A notice or other document may be served on or sent to any member by the Company either personally or by sending the notice or other document by first class post in a prepaid cover addressed to such member at his registered address (being an address within the United Kingdom) or by giving it using electronic communications to an address from time to time notified to the Company by the member.
- 41.3 A member who shall have no registered address within the United Kingdom shall not be entitled to receive any notice or other document unless such member has supplied to the Company an address within the United Kingdom as his address for the service of notices or an address to which notices may be sent using electronic communications. If on two or more consecutive occasions a notice to a member has been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have

communicated with the Company and supplied in writing to the Office a new registered address, or postal address within the United Kingdom for the service of notices, or shall have informed the Company, in such manner as may be specified by the Company, of an address for the service of notices by electronic communication. For these purposes, a notice sent by post shall be treated as returned undelivered if the notice is sent back to the Company (or its agents) and a notice sent by electronic communication shall be treated as returned undelivered if the Company (or its agents) receive notification that the notice was not delivered to the address to which it was sent.

- 41.4 Any notice or other document, if sent by post, shall be deemed to have been served or delivered twenty-four hours after it was put in the post and, in proving service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, prepaid and put in the post. Any notice or other document not sent by post but left at a registered address shall be deemed to have been served or delivered on the day it was so left. Any notice or other document contained in an electronic communication shall be deemed to have been served at the expiration of forty-eight hours after the time it was sent. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.
- 41.5 If a share shall be jointly held, any notice or other document shall be served on or sent to the joint holder whose name stands first in the Register of Members in respect of the joint holders and notice so given shall be sufficient notice to all the joint holders. For such purpose a joint holder shall be disregarded if he has no registered address in the United Kingdom or if he has not supplied an address within the United Kingdom for service of notices or an address to which notices may be sent using electronic communications.
- 41.6 Any notice or other document served on or sent to any member shall, notwithstanding that any person or persons shall be entitled to any share held by that member as a consequence of his death or bankruptcy or otherwise by operation of law and whether or not the Company shall have received notice of that person's or those persons' entitlement, be treated as having been duly served or delivered unless and until the person or persons so entitled to the share shall have complied with Article 41.7 to the satisfaction of the Board.
- 41.7 A person entitled to a share as a consequence of the death or bankruptcy of a member or otherwise by operation of law shall, upon supplying to the Board such evidence as the Board may reasonably require to prove his title to the share and upon supplying the Board with a postal address within the United Kingdom for service of notices or delivery of other documents or an address to which notices may be sent using electronic communications, be entitled to receive at such address any notice or other 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 other document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- 41.8 If at any time by reason of the suspension or curtailment of postal services in 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 date in at least two leading daily newspapers (at least one of which shall be a London newspaper) 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 may, subject to the Statutes, still serve notices by electronic communication, and shall send confirmatory copies of the notice by post to members to whom it was not sent by electronic communication if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
- 41.9 Any member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received due notice of such meeting and, where required, of the purposes for which such meeting was convened.

- 41.10 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name has been entered in the register of members, has been duly given to a person from whom he derives his title.
- 41.11 Nothing in these Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

42 Winding up

- 42.1 The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- 42.2 If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an extraordinary resolution of the Company in general meeting and any other sanctions which shall be required by law, divide among the members all or any of the assets of the Company, and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purposes set such value as he considers fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the members or members being holders of shares in different classes of shares.
- 42.3 The liquidator may, with the authority of an extraordinary resolution of the Company in general meeting and other sanctions which shall be required by law, vest all or any of the assets of the Company in trustees upon such trusts for the benefit of members as the liquidator shall determine, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any shares or any other property in respect of which there shall be a liability.

43 Indemnity

Subject to the provisions of and so far as may be consistent with the Act, every Director, the Secretary or other officer or employee of the Company and, if the Board so determines, the Auditors shall be entitled to be indemnified by the Company out of the Company's own funds against all costs, charges, losses, expenses and liabilities incurred by him in the actual or *purported execution and/or discharge of his duties and/or exercise or purported exercise of his powers and/or otherwise in relation thereto* including, but without limitation, any costs, charges, losses, expenses and liabilities incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment shall be given in his favour (or the proceedings shall be otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he shall be acquitted or, in connection with any application under any statute for relief from liability in respect of any such act or omission, in which relief shall be granted by the court.