

THE COMPANIES ACTS 1985 TO 1989
A PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

OF

Intercede Group Plc

(Adopted on 30 November 2000 and
amended by Special Resolution
passed on 1 July 2003)

INTERPRETATION

1 Exclusion of Table A

The regulations in the schedule to the Companies (Tables A-F) Regulations 1985 do not apply to the Company.

2 Definitions and interpretation

2.1 In these articles, the following definitions apply:

Act the Companies Act 1985

Approved Depositary a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board under which the custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or

otherwise evidencing the entitlement of the holder to or to receive the shares, rights or interests, provided and to the extent that the arrangements have been approved by the Board for the purpose of these articles and shall include, where approved by the Board, the trustees (acting in their capacity as such) of an employees' share scheme established by the Company or another scheme or arrangements principally for the benefit of employees of the Company, its subsidiaries or subsidiary undertakings which has been approved by the Company in general meeting;

Auditors the auditors for the time being of the Company;

these articles these articles of association as altered from time to time;

Board the board of Directors from time to time of the Company or the Directors present at a meeting of the Directors at which a quorum is present;

Director a director of the Company;

Electronic Mail any electronic transmission in any form through any medium (including, without limitation, publication on the internet);

general meeting includes a separate general meeting of the holders of a class of shares;

Holder in relation to shares of the Company means the member whose name is entered in the Register as the holder of those shares;

<i>London Stock Exchange</i>	London Stock Exchange plc and any successor;
<i>member</i>	a member of the Company;
<i>month</i>	a calendar month;
<i>Office</i>	the registered office of the Company;
<i>paid up</i>	paid up or credited as paid up;
<i>person entitled by transmission</i>	a person whose entitlement to a share in consequence of the death or bankruptcy of a member or another event giving rise to its transmission by operation of law has been noted in the Register;
<i>recognised clearing house and recognised investment exchange</i>	any clearing house or investment exchange (as the case may be) granted recognition under the Financial Services Act 1986;
<i>Register</i>	the register of members of the Company;
<i>Regulations</i>	the Uncertificated Securities Regulations 1995;
<i>Seal</i>	any common or official seal that the Company is permitted to have under the Statutes;
<i>Secretary</i>	the secretary of the Company and includes a joint, temporary, assistant or deputy secretary and a person appointed by the Board to perform the duties of the secretary of the Company;
<i>Statutes</i>	the Act and every statute (including all orders, regulations or other subordinate legislation made under them) for the time

being in force concerning companies and affecting the Company;

United Kingdom

Great Britain and Northern Ireland; and

year

a calendar year.

2.2 Unless the contrary intention appears, a reference to a statutory provision includes a reference to:

2.2.1 a statutory amendment, modification, consolidation or re-enactment (whether before or after the date of adoption of these articles);

2.2.2 statutory instruments or subordinate legislation or orders made under the statutory provision; and

2.2.3 statutory provisions of which the statutory provision is an amendment, modification, consolidation or re-enactment;

but does not include a substituted provision.

2.3 In these articles reference to:

2.3.1 a person includes a legal or natural person, partnership, trust, company, government or local authority department or other body (whether corporate or unincorporate);

2.3.2 an individual shall include his personal representatives;

2.3.3 the singular includes a reference to the plural and vice versa; and

2.3.4 one gender includes all genders.

2.4 A special or extraordinary resolution is effective for a purpose for which an ordinary resolution is expressed to be required under a provision of these articles.

2.5 In relation to a period of notice 'clear days' means the period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect.

- 2.6 Headings in these articles are for ease of reference only and do not affect the construction of a provision.
- 2.7 Unless the contrary intention appears, words and expressions contained in these articles bear the same meanings as in the Act; but, if a particular word or expression has more than one definition in the Act, the definition to be adopted is that which has the most general application in the Act.

SHARE CAPITAL

3 Authorised share capital

The share capital of the Company is £8,750,000 divided into 481,861,616 ordinary shares of 1p each (“Ordinary Shares”) and 393,138,384 deferred shares of 1p each (“Deferred Shares”). The special rights and restrictions attaching to the Deferred Shares shall be as follows:-

3.1 as regards income:

the Deferred Shares shall not entitle the holders thereof to receive any dividend or other distribution unless and until the holders of Ordinary Shares shall have received in aggregate amongst them the sum of £1,000,000,000 in respect of such dividend or distribution;

3.2 as regards voting:

the Deferred Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any General Meeting of the Company;

3.3 as regards capital:

on a return of capital on a winding up the holders of Deferred Shares shall only be entitled to receive the amount paid up on such shares after the holders of the Ordinary Shares have received the sum of £1,000,000 for each Ordinary Share held by them and shall have no other right to participate in the assets of the Company;

3.4 as regards transfer:

the Company is authorised at any time:

- 3.4.1 to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the

same, without making any payment to the holders thereof and persons so entitled, to such persons as the Company may determine as holder thereof beneficially entitled thereto;

3.4.2 pending any such transfer not to issue certificates for the Deferred Shares;

3.5 as regards variation of rights:

neither

3.5.1 the passing by the Company of any resolution for a reduction of capital involving the cancellation of the Deferred Shares without any repayment of capital in respect thereof, or a reduction of share premium account, or the obtaining by the Company or the making by the Court of an order confirming any such reduction of capital or share premium account or the making effective of such order; nor

3.5.2 the purchase by the Company in accordance with the provisions of the Companies Act 1985 ("the Act") of any of its own shares or other securities or the passing of a resolution to permit any such purchase; shall constitute a variation or abrogation of the rights attaching to the Deferred Shares; and

3.6 as regards further issues:

the rights conferred by the Deferred Shares shall not be varied or abrogated by the creation or issue of further shares ranking *pari passu* with or in priority to the Deferred Shares.

4 **Further issues and rights attaching to shares on issue**

Subject to the provisions of the Statutes and without limiting the rights attached to existing shares, a share may be issued with the rights and restrictions determined by the Company by ordinary resolution or (if there is no relevant resolution, or so far as the resolution does not make special provision) determined by the Board.

5 **Redeemable shares**

Subject to the provisions of the Statutes, shares may be issued which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder.

6 **Unissued shares**

Subject to the provisions of the Statutes, these articles and an authority given by the Company in general meeting, all unissued shares are under the control of the Board who may allot, grant options over or otherwise deal with or dispose of them as it thinks fit.

7 **Payment of commission**

The Company may exercise the powers conferred by the Statutes of paying commissions and may pay brokerage to the extent lawful, as consideration for subscribing or agreeing to subscribe (whether absolutely or conditionally), or procuring or agreeing to procure subscriptions (whether absolute or conditional), for shares. Subject to the provisions of the Statutes, commissions and brokerage may be satisfied wholly or partly by the allotment of fully or partly paid shares.

8 **Trusts not recognised**

8.1 Except as required by law, a person shall not be recognised by the Company as holding a share on trust.

8.2 Except as otherwise provided by these articles or by law, the Company shall not be bound by or recognise an interest in a share, except an absolute right of the holder, or (in the case of a bearer warrant) of the bearer of the warrant, to the entirety of it.

9 **Liability of joint holders**

If two or more persons are registered as joint holders of a share, their liability in respect of it is joint and several.

10 **Purchase of own shares**

10.1 Subject to the provisions of the Statutes, the Company may purchase its own shares (including redeemable shares) at any price but, if shares are in issue which are listed on the Official List of the London Stock Exchange or traded on its

Alternative Investment Market, and are convertible into, or carry a right to subscribe for, shares of the class to be purchased, the Company may not purchase them without the prior sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares which are convertible or carry that right to subscribe.

- 10.2 Neither the Company nor the Board shall be required to select the shares to be purchased rateably or in another particular manner as between the holders of shares of the same class or as between them and the holders of shares of another class or in accordance with the rights as to dividends or capital conferred by a class of shares.

11 **Share warrants**

- 11.1 The Company may issue warrants in respect of fully-paid shares which state that the bearer is entitled to the shares specified in them and may provide, by coupons or otherwise, for the payment of dividends on the shares.

- 11.2 The Board may determine and vary the conditions on which warrants are issued or held and the conditions on which a new warrant or coupon is issued for one which is worn out, defaced, lost or destroyed, or on which a warrant may be surrendered and the name of the bearer entered in the Register in respect of the shares specified in it. The conditions may provide that evidence other than production of the warrant constitutes proof of holding. The bearer of a warrant shall be subject to the conditions currently in force, whether made or varied before or after the date of issue of the warrant. Before issuing a new warrant or coupon or other document conferring an entitlement to dividends in place of one which has been lost or destroyed, the Board must be satisfied beyond reasonable doubt that the original has been destroyed.

- 11.3 In respect of the shares to which the warrant relates, the bearer of a warrant is not entitled, as bearer, to attend and vote or to exercise rights of a member at general meetings or sign a requisition for a meeting unless:

- 11.3.1 at least three days before the day appointed for the meeting, or before the requisition is received at the office, he has deposited the warrant at the office or at another place approved or determined by the Board, together with a written statement of his name and address; and

11.3.2 the warrant remains there until the meeting and any adjournment of it have been held.

11.4 No more than one person shall be accepted as holder of the warrant.

11.5 The Board may require the holder, or person who claims to be the holder, of the warrant to produce his warrant and to satisfy them that he is still the holder.

11.6 There is no liability on the Company or its registrar for loss or damage incurred by a person as a result of the name of a person who is not the lawful owner of a warrant being entered in the Register when the warrant is surrendered.

12 **Indemnity against claims in respect of shares**

12.1 If a member is subject to the law of a jurisdiction which imposes (or seeks to impose) an immediate, future or possible liability on the Company in respect of shares held by him, as a consequence of:

12.1.1 his death;

12.1.2 his failure to discharge a liability to taxation;

12.1.3 the non-payment of taxation or duty on the death of the member or out of his estate; or

12.1.4 any other act or event;

the Company shall be indemnified by the member or his estate in respect of all liability arising as a result of the law and may recover from him or his estate sums paid by the Company as a result of the law, with interest at the rate the Board determines, from the date of payment by the Company until the date of repayment.

12.2 Nothing in this article affects the rights and remedies which the law confers or seeks to confer on the Company and, as between the Company and the member or his estate, those rights and remedies shall be enforceable by the Company.

ALTERATIONS OF CAPITAL

13 **Increase, consolidation, sub-division and cancellation**

The Company may by ordinary resolution:

- 13.1.1 increase its capital by such sum, divided into shares of such amount, as the resolution prescribes;
- 13.1.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 13.1.3 sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association (subject to the provisions of the Statutes) and the resolution may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have preferred, deferred or other special rights, or be subject to restrictions, as the Company has power to attach to unissued or new shares; and
- 13.1.4 cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by a person and diminish the amount of its share capital by the amount of the shares cancelled.

14 **Fractions on consolidation**

If, as a result of a consolidation or sub-division of shares, members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit and in particular may sell the shares representing the fractions to a person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale in due proportion among those members, but the Company is not obliged to distribute and may retain for itself net proceeds of less than £3 to which a member would otherwise be entitled. The Board may authorise a person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by an irregularity in, or invalidity of, the proceedings relating to the sale.

15 **Reduction of capital**

Subject to the provisions of the Statutes, the Company may by special resolution reduce its share capital, a capital redemption reserve or a share premium account or other undistributable reserves.

MODIFICATION OF RIGHTS

16 Variation of rights

16.1 Subject to the provisions of the Statutes, all or any of the rights attached to a class of shares may (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of those shares.

16.2 The rights attached to shares of a class (unless the rights otherwise expressly provide):

16.2.1 are deemed to be varied by a reduction of the capital paid up on them or by the creation or issue of further shares ranking in priority for payment of a dividend or in respect of capital, or which confer more favourable voting rights on the holders;

16.2.2 are not deemed to be varied by the creation or issue of further shares ranking *pari passu* with or subsequent to them; and

16.2.3 are not deemed to be varied by a purchase or redemption by the Company of its own shares.

17 Class meetings

The provisions of these articles relating to general meetings shall apply to every separate general meeting of the holders of a class of shares, but:

17.1.1 the necessary quorum shall be holders in person or by proxy representing not less than one third in nominal value of the issued shares of that class;

17.1.2 at the meeting, a holder of shares of the class present in person or by proxy may demand a poll; and

17.1.3 if a quorum is not present at the meeting, then at an adjourned meeting, the holders who are present in person or by proxy shall constitute a quorum.

SHARE CERTIFICATES

18 **Right to share certificate**

18.1 Every person who becomes a holder of shares in certificated form (except a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, in respect of which the Company is not by law required to complete and have ready for delivery a certificate) shall (except as otherwise provided by or pursuant to the Statutes or these articles) be entitled to receive:

18.1.1 one certificate for all those shares of one class held by him, free of charge; or

18.1.2 on request by the member, several certificates, each for one or more of the shares, subject to the prior payment for every certificate after the first of such reasonable out of pocket expenses as the Board decides.

18.2 A certificate shall be issued:

18.2.1 within one month after allotment (or according to the terms of issue);

18.2.2 for fully paid shares, within five days of lodgement of the transfer; or

18.2.3 for partly paid shares, within one month of lodgement of the transfer.

18.3 The Company is not obliged to issue more than one certificate for shares held jointly by several persons, and delivery of a certificate to one of several joint holders is sufficient delivery to all.

18.4 Every certificate shall be sent at the risk of the registered holder or holders of the shares comprised in the certificate.

18.5 The Board may implement the arrangements it thinks fit in relation to the evidencing and transfer of shares in uncertificated form. Conversion of certificated shares into uncertificated shares (and vice versa) may be made in the manner permitted by the Regulations. The Company shall enter in the Register how many shares are held by each member in uncertificated form and certificated form and

shall maintain the register as required by the Regulations. Notwithstanding a provision of these articles, a class of shares shall not be treated as two classes by virtue only of that class comprising both shares in certificated and uncertificated form or as the result of a provision of these articles or the Regulations which apply only in respect of shares in certificated form or shares in uncertificated form.

19 Replacement of share certificates

19.1 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed free of charge, on terms as to evidence and indemnity and the payment of exceptional out of pocket expenses of the Company as the Board decides and (in case of defacement or wearing out) on delivery up of the old certificate.

19.2 If a member surrenders a share certificate representing shares held by him for cancellation and requests the Company to issue two or more share certificates representing the shares in its place, the Board may comply with the request, subject to the payment of such reasonable out of pocket expenses as the Board decides. In the case of shares held jointly by several persons, the request may be made by one of them.

19.3 Two or more certificates representing shares of one class held by a member may, at his request, be cancelled and a single new certificate issued in lieu, free of charge.

20 Execution of share certificates

Every certificate shall be sealed with the Seal, or shall be issued as the Board determines, having regard to the terms of issue, the Act and all applicable regulations, and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amounts paid up on them.

EVIDENCE OF TITLE TO SECURITIES

21 Evidence of title to securities

Title to securities of the Company may be evidenced or transferred without a written instrument, in accordance with regulations made under the Statutes, and nothing in these articles requires title to securities of the Company to be evidenced or transferred by a written instrument. The Board has power to implement the

arrangements it thinks fit for evidencing and transfer, so long as they accord with those regulations.

LIEN

22 Company's lien on shares not fully paid

The Company has a first and paramount lien on every share which is not fully paid for all sums (whether presently payable or not) payable at a fixed time or called in respect of the share. The lien on a share extends to all distributions of money and other assets attributable to or in respect of it. The Board may exempt a share wholly or partly from the provisions of this article.

23 Enforcing lien by sale

The Company may sell shares on which the Company has a lien, in the manner the Board determines, if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the holder of the shares, or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that, if the notice is not complied with, the shares may be sold.

24 Giving effect to a sale

To give effect to a sale, the Board may authorise a person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall be registered as the holder of the shares comprised in the transfer (whether the share certificate has been produced or not) and he shall not be bound to see to the application of the purchase money. His title to the shares shall not be affected by an irregularity in or invalidity of the proceedings relating to the sale.

25 Application of proceeds of sale

The net proceeds of sale shall be applied in or towards payment of the amount for which the lien exists and which is presently payable. The residue shall (subject to a similar lien in respect of sums not presently payable as existed on the shares before the sale) be paid to the person who was entitled to the shares immediately before the sale.

CALLS ON SHARES

26 Calls

26.1 Subject to the terms of issue:

26.1.1 the Board may make calls on members in respect of sums unpaid on their shares and not payable on a date fixed by or in accordance with the terms of issue (whether on account of the nominal amount of the shares or by way of premium);

26.1.2 each member shall (subject to the Company serving on him at least 14 clear days' notice specifying when and where payment is to be made) pay the amount called on his shares to the Company as required by the notice;

26.1.3 a call may be revoked or postponed as the Board may decide; and

26.1.4 a person on whom a call is made shall remain liable for all calls made on him despite the subsequent transfer of the shares in respect of which the call was made.

26.2 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.

26.3 A call is deemed to be made when the resolution of the Board authorising the call is passed.

27 Interest due on non-payment

If a call or an instalment of a call is not fully paid by the time it is payable, the person by whom it is payable shall pay:

27.1.1 all costs, charges and expenses incurred by the Company as a result of the non-payment; and

27.1.2 interest on the amount unpaid from the day on which it was payable until payment at the rate of 15 per cent. per annum (or at the rate the Board determines);

but the Board may waive payment wholly or in part.

28 **Sums due on allotment treated as calls**

A sum payable in respect of a share on allotment or at a fixed date, whether in respect of its nominal value or by way of premium or as an instalment of a call, is deemed to be a call. If it is not paid, these articles apply as if the sum became payable by virtue of a call.

29 **Power to differentiate**

Subject to the terms of allotment, the Board may, on the issue of shares, differentiate between the allottees and holders as to the amount of calls to be paid and the times of payment.

30 **Payment of calls in advance**

The Board may receive from a member willing to make the advance all or part of the sums uncalled and unpaid on shares held by him and may pay interest on all or part of the advance (until it would have become payable if it had not been advanced) at the rate it decides. No part of the advance shall be taken into account in ascertaining the amount of the dividend payable on the shares.

31 **Rights of member when call unpaid**

No member is entitled to receive a dividend or to be present and vote at a general meeting either personally or (save as proxy for another member) by proxy, or be included in a quorum, or to exercise another privilege as a member, unless and until he has paid all calls for the time being due and payable on every share held by him, whether alone or jointly with another person, together with interest and expenses (if any).

FORFEITURE OF SHARES

32 **Notice if call not paid**

32.1 If a call or instalment of a call remains unpaid after it has become payable, the Board may give to the person from whom payment is due not less than 14 clear days' notice requiring payment of the amount unpaid, together with all interest

which has accrued and all expenses incurred by the Company as a result of the non-payment. The notice shall name the place where the payment is to be made and shall state that, if the notice is not complied with, the shares in respect of which the call was made may be forfeited.

32.2 The Board may accept the surrender of a share liable to be forfeited on such terms and conditions as may be agreed and, subject to such terms and conditions, references in these articles to forfeiture shall include surrender.

33 **Forfeiture if non-compliance with notice**

If the notice is not complied with, a share in respect of which it was given may, before the payment required by the notice is made, be forfeited by a resolution of the Board. Forfeiture shall include all distributions attributable to the forfeited share which have not been paid before forfeiture.

34 **Notice after forfeiture**

When a share has been forfeited, notice of forfeiture shall be served on the person who was, before forfeiture, the holder of the share, but no forfeiture shall be invalidated by an omission or neglect to give notice.

35 **Sale of forfeited shares**

Until cancelled in accordance with the requirements of the Statutes, a forfeited share is the property of the Company and may be sold, re-allotted or otherwise disposed of as the Board decides either to the person who was, before forfeiture, the holder or to another person. The Board may, for the purposes of the disposal and if the share is in certificated form, authorise some person to execute an instrument of transfer to the designated transferee and, if the share is in uncertificated form, may make other arrangements for its transfer. The Company may receive the consideration (if any) given for the share on its disposal and, if the share is in registered form, may register the transferee as the holder of the share. At any time before a sale, re-allotment or disposition, forfeiture may be cancelled by the Board on such terms as the Board may decide.

36 **Arrears to be paid despite forfeiture**

36.1 A member shall cease to be a member in respect of forfeited shares and, in the case of shares held in certificated form, shall surrender the certificate for the shares to the Company for cancellation, but he shall remain liable to pay to the Company all sums payable by him at the date of forfeiture in respect of the shares, with interest and charges in accordance with article 32.

36.2 The Board may waive payment wholly or in part, or enforce payment, without allowance for the value of the shares at the time of forfeiture, or for the consideration received on their disposal.

37 **Statutory declaration as to forfeiture**

A statutory declaration by a Director or the Secretary, that a share has been forfeited on a specified date, is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject to the execution of an instrument of transfer if necessary) constitute good title to the share. The person to whom the share is disposed of or re-allotted shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any). His title to the share shall not be affected by an irregularity in or invalidity of the proceedings in reference to the forfeiture, disposal or re-allotment of the share.

38 **Forfeiture provisions applicable to sums due under terms of issue**

The provisions of these articles as to forfeiture apply to non-payment of a sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or premium, as if it were payable by virtue of a call duly made and notified.

TRANSFER OF SHARES

39 **Form of transfer**

39.1 Subject to such of the Restrictions (as defined in article 75.1) as may be applicable, a member may transfer all or any of his shares, which are in certificated form, by instrument of transfer in a usual or common form, or in another form which the Board approves.

39.2 Subject to such of the Restrictions (as defined in article 75.1) as may be applicable, a member may transfer all or any of his shares, which are in uncertificated form in accordance with the Regulations and the facilities and requirements of the relevant system (as defined in the Regulations), and in accordance with arrangements made by the Board under article 18.5.

40 **Execution of transfer**

The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) the transferee, and the transferor is deemed to remain the holder of the share until the name of the transferee is entered in the Register. All instruments of transfer, when registered, may be retained by the Company or its agent, but an instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of refusal is given.

41 **Balance certificate**

Where some only of the shares comprised in a share certificate are transferred, the old certificate shall be cancelled and a new certificate for the balance issued, free of charge.

42 **Right to decline registration of partly paid shares or shares in respect of which it has a lien**

The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of a share (whether in certificated or uncertificated form) which is not fully paid, provided that this does not prevent dealings in the shares from taking place on an open and proper basis. The Board may also decline to register a transfer of shares (whether in certificated or uncertificated form) on which the Company has a lien.

43 **Other rights to decline registration**

43.1 The Board may also decline to recognise a transfer of a share or shares in certificated form unless:

43.1.1 the instrument of transfer is lodged at the Office or at another place which the Board determines, accompanied by the certificate for the share or shares to which it relates and other evidence which the

Board reasonably requires to show the right of the transferor to make the transfer;

43.1.2 the instrument of transfer is in respect of only one class of share; and

43.1.3 in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;

and in the case of shares in uncertificated form, the Board may decline to register a transfer in the circumstances permitted by the Regulations and the requirements of the relevant system.

43.2 In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, lodgement of share certificates is only necessary if and to the extent that certificates have been issued in respect of the shares in question.

44 **Notice of refusal**

If the Board declines to register a transfer it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee in the case of certificated shares or, in respect of uncertificated shares, the date on which the operator instruction was received by the Company or by the sponsoring system participator acting on its behalf.

45 **Suspension of registration**

The registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in a year) as the Board determines.

46 **No fee for registration**

The Company shall not charge a fee for registering a transfer or other document relating to or affecting the title to a share, or for making an entry in the Register affecting the title of a share.

47 **Recognition of renunciation**

No provision of these articles shall preclude the Board from recognising a renunciation of the allotment of a share by the allottee prior to his entry on the Register in respect of such share in favour of some other person.

TRANSMISSION OF SHARES

48 **Transmission on death**

If a member dies, the survivors (if he was a joint holder) and his personal representatives (if he was a sole or only surviving holder) shall be the only persons recognised by the Company as having title to his shares or interest in shares, but the estate of a deceased joint holder shall remain subject to a liability in respect of shares which were jointly held by him.

49 **Entry of transmission in Register**

If a person becomes entitled to a share under article 48 and produces evidence of title to the Board's satisfaction, the Board shall register that person as the holder within two months.

50 **Election of person entitled by transmission**

A person who becomes entitled to a share in consequence of the death or bankruptcy of a member may, on production of such evidence as to his title as is properly required by the Board, elect either to be registered himself as the holder of the share or to have some person whom he nominates registered as the holder. If he elects:

50.1.1 to be registered himself, he shall give the Company notice to that effect; and

50.1.2 to have another person registered, he shall sign a transfer of the share in favour of that person;

and all the provisions of these articles relating to the right to transfer shares and the registration of transfers of shares shall be applicable to the notice or transfer as if

the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by him.

51 Rights of person entitled by transmission

51.1 If the person entitled to the share does not make an election under article 50, the Board may give him notice requiring to make the election and, if he fails to do so within 90 days, the Board may subsequently and until the notice has been complied with, withhold payment of dividends, bonuses and other sums payable in respect of the share.

51.2 Subject to the provisions of article 50, if a person becomes entitled to a share in consequence of the death or bankruptcy of a member, the rights of the holder shall cease. The person entitled shall have the rights which he would have had as holder of the share and shall be entitled to receive and give a discharge for all benefits attributable to the share, but he shall not, before being registered as the holder of the share, be entitled in respect of the share to receive notices of or to attend or vote at meetings of the Company or separate meetings of the holders of a class of shares.

STOCK

52 Stock conversion

The Company may, by ordinary resolution convert all or any of its paid-up shares into stock or reconvert stock into paid-up shares of any denomination. If an unissued share of a class in the capital of the Company is subsequently issued and fully paid, and the shares of that class have been converted into stock, the share, on being fully paid, shall be converted into stock transferable in the same units as the existing stock of that class.

53 Transfer of stock

A holder of stock may transfer all or part of it in the same manner and subject to the same provisions of these articles as would have applied to the shares from which the stock arose if they had not been converted, or as near to them as the circumstances permit. The Board may determine a minimum amount of stock which is transferable but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

54 **Rights of holders of stock**

54.1 Stock shall confer on its holders the same rights as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which the stock arose. No right (except participation in the dividends, profits and assets of the Company) shall be conferred by an amount of stock as would not have been conferred if the stock had existed as shares. Conversion shall not affect a preference attached to the shares converted.

54.2 Save as set out in this article, all the provisions of these articles shall, so far as circumstances admit, apply to stock as well as to shares, and the words “share” and “shareholder” are construed accordingly.

DESTRUCTION OF DOCUMENTS

55 **Entitlement to destroy documents**

55.1 The Company may destroy:

55.1.1 a share certificate which has been cancelled after a period of one year has elapsed from the date of cancellation;

55.1.2 an instruction concerning the payment of dividends or other sums in respect of a share or a notification of change of name or address after a period of two years has elapsed from the date the instruction or notification was recorded by the Company;

55.1.3 an instrument of transfer or form of renunciation of shares which has been registered after a period of six years has elapsed from the date of registration; or

55.1.4 any other document on the basis of which an entry is made in the Register after a period of six years has elapsed from the date the entry was first made in the Register in respect of it,

but the Company may destroy a document after a shorter period than that specified in this article if a copy is retained in permanent form. The copy of a document shall be treated for the purposes of this article as if it were the document.

55.2 If the Company destroys a document in accordance with this article in good faith and without express notice that its preservation was relevant to a claim, it shall be conclusively presumed in favour of the Company that the document was valid and that, if it was a share certificate, it was properly cancelled, if it was an instrument of transfer, it was properly registered and, if it was another document, particulars of it recorded in the books or records of the Company were correctly recorded. This article shall not, however, be construed as recognising liability of the Company in relation to the destruction by it of a document before the expiration of the relevant period, merely because the specified period had not elapsed.

55.3 In this article, “destroy” and “destruction” includes disposal in any manner.

GENERAL MEETINGS

56 Annual general meetings

The Company shall hold general meetings as annual general meetings in accordance with the requirements of the Statutes. The annual general meeting shall be held at such time and place as the Board shall appoint.

57 Extraordinary general meetings

The Board may whenever it thinks fit and, on a members’ requisition under the Act, shall convene an extraordinary general meeting for a date not later than seven weeks after receipt of the requisition. General meetings other than annual general meetings are extraordinary general meetings. If there are not enough Directors within the United Kingdom to call a general meeting, one Director or member may call the meeting.

58 Provisions as to notice

58.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 clear days’ notice. All other extraordinary general meetings shall be called by at least 14 clear days’ notice.

58.2 A general meeting may be called by shorter notice with the agreement:

- 58.2.1 in the case of an annual general meeting, of all the members entitled to attend and vote at the meeting; or
- 58.2.2 in the case of another meeting, of a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving the right.
- 58.3 The notice shall specify the time, the day and the place of the meeting and the general nature of the business or the text of the resolutions to be proposed and if a resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect. In the case of an annual general meeting, the notice shall specify the meeting as such.
- 58.4 On each notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- 58.5 Subject to the provisions of these articles and to restrictions imposed on shares, notices shall be given to all the members (other than members not entitled to receive the notice), to all persons entitled to a share as a result of the death or bankruptcy of a member, to the Directors and to the Auditors.
- 58.6 For the purpose of giving notice of a general meeting to members who hold shares in uncertificated form, the Board may determine that the members entitled to receive the notice are those persons entered on the Register at the close of business on a day determined by them, being not more than 21 days before the day that the notice of general meeting is despatched. A notice of general meeting to members who hold shares in uncertificated form may specify a time, being not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting. Changes made to the entries on the Register after the specified time shall be disregarded in determining the rights of a person to attend or vote at the meeting.
- 58.7 Any notice of a general meeting may be sent in writing (or in such form as the Act may allow, including without limitation by Electronic Mail).

59 **Arrangements for general meetings**

- 59.1 In the case of an annual general meeting or extraordinary general meeting, despite the specification in the notice of the place of the general meeting (“the Principal Place”) at which the chairman of the meeting is to preside, the Board may make arrangements for simultaneous attendance and participation at other places by members and proxies entitled to attend the general meeting. Members present in person or by proxy at those other places but excluded from the Principal Place under the provisions of this article shall count in the quorum and be entitled to vote at the general meeting.
- 59.2 The arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance at the other places, provided that they operate so that members and proxies excluded from attendance at the Principal Place are able to attend at one of the other places. For the purpose of all other provisions of these articles, the meeting shall be treated as being held and taking place at the Principal Place.
- 59.3 For the purpose of facilitating the organisation and administration of a general meeting, the Board may make arrangements, whether involving the issue of tickets (on a basis intended to afford to all members and proxies entitled to attend the meeting an equal opportunity of being admitted to the Principal Place) or the imposition of some random means of selection or otherwise as in their discretion they consider to be appropriate, and may vary the arrangements or make new arrangements in their place. The entitlement of a member or proxy to attend a general meeting at the Principal Place shall be subject to the arrangements in force at the time of the meeting, whether stated in the notice of the meeting or notified to the members concerned after despatch of the notice.
- 59.4 If the chairman considers that the meeting place specified in the notice convening the meeting is inadequate to accommodate all those entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid, provided that the chairman is satisfied that adequate facilities are available to ensure that members who cannot be accommodated are able to participate in the business of the meeting and to see and hear all persons present who speak (whether by the use of microphones, loud-speakers, audio visual communications equipment

or otherwise), whether in the meeting place or elsewhere, and to be seen and heard by all other persons in the same manner.

60 **Omission or non-receipt of notice**

The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, a person entitled to receive notice shall not invalidate the proceedings at that meeting. A member present, either in person or by proxy, at a meeting of the Company or of the holders of a class of shares in the Company shall be deemed to have received notice of the meeting and, where relevant, of the purposes for which it was called.

PROCEEDINGS AT GENERAL MEETINGS

61 **Quorum**

No business shall be transacted at a general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum does not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these articles, two members present in person or by proxy and entitled to vote constitute a quorum for all purposes.

62 **Procedure if quorum not present**

If within 15 minutes (or such longer time, not exceeding one hour, as the chairman of the meeting decides) from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. It shall otherwise be adjourned to the same day in the next week, at the same time and place, or to another day, time and place which the chairman or, failing him, the Board determines. If at the adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

63 **Chairman of general meetings**

63.1 The chairman, if any, of the Board, or in his absence some other Director nominated by the chairman in writing, shall preside as chairman of the meeting. If neither the chairman nor the nominated Director is present within 15 minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present may choose one of the Directors who is present to be chairman. If there is only one Director present and he is willing to act, he shall be chairman.

63.2 If no Director is willing to act as chairman or if no Director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote may choose one of their number to be chairman.

63.3 The chairman 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, acting in good faith, as to whether a matter is of such a nature.

64 **Directors' right to attend and speak**

64.1 Each Director may attend and speak at a general meeting of the Company and at a separate general meeting of the holders of a class of shares in the Company.

64.2 The chairman may invite a person to attend and speak at a general meeting whom the chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

65 **Adjournments**

65.1 The chairman may, with the consent of the meeting at which a quorum is present (and shall, if directed by the meeting to do so), adjourn the meeting either indefinitely or to another time or place. The chairman may also, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or is quorate) either indefinitely or to such other time and place as he or the Board decide if it appears to him that:

- 65.1.1 the number of persons wishing to attend cannot be conveniently accommodated in the place appointed for the meeting;
 - 65.1.2 the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly holding or continuation of the meeting;
 - 65.1.3 an adjournment is otherwise necessary for the business of the meeting to be properly conducted; or
 - 65.1.4 a proposal of such importance is made that the consideration of a larger number of members is desirable.
- 65.2 When a meeting is adjourned with no appointed date, the time and place for the adjourned meeting shall be fixed by the Board.
- 65.3 When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Except where these articles otherwise require, it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting whatever the reason for the adjournment.
- 65.4 The chairman may adjourn a meeting even if some members may be unable to be present at the adjourned meeting. A member may execute a form of proxy for the adjourned meeting which, if delivered by him to the chairman or the Secretary, shall be valid even though it is given at less notice than would otherwise be required by these articles.
- 65.5 No business shall be transacted at an adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.
- 66 **Amendments to resolutions**
- 66.1 In the case of a resolution proposed as a special or extraordinary resolution, no amendment (other than an amendment to correct a patent error) may be considered or voted on.
- 66.2 In the case of a resolution proposed as an ordinary resolution, no amendment (other than an amendment to correct a patent error) may be considered or voted on unless at least 48 hours prior to the time appointed for holding the meeting (or adjourned

meeting) at which the resolution is to be proposed, notice in writing of the terms of the amendment and intention to move it has been lodged at the Office.

- 66.3 If an amendment is proposed to a resolution under consideration which (in good faith) is ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by an error in the ruling. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is voted on.

VOTING

67 Method of voting

- 67.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before the show of hands, or on the declaration of the result of it, a poll is demanded:

67.1.1 by the chairman;

67.1.2 by not less than three members having the right to vote at the meeting;

67.1.3 by members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

67.1.4 by members holding shares conferring a right to vote at the meeting (being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right).

- 67.2 Unless a poll is demanded (and the demand is not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

68 **Votes of members**

Subject to these articles and to rights or restrictions attached to shares, on a show of hands every member present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for each share he holds.

69 **Procedure if poll demanded**

69.1 If a poll is demanded, it shall be taken in the manner the chairman directs (including the use of ballot or voting papers or tickets). The chairman may, and if required to do so by the meeting shall, appoint scrutineers (who need not be members) and may fix a time and place for the purpose of declaring the result of the poll, which shall be treated as the resolution of the meeting at which the poll was demanded.

69.2 A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on another question shall be taken either immediately or at the time and place the chairman directs, being not more than 30 days from the date of the meeting or the adjourned meeting at which the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and then withdrawn, the meeting shall continue as if the demand had not been made.

69.3 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand which is withdrawn will not invalidate the result of a show of hands declared before the demand was made.

69.4 Notice need not be given of a poll which is not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice must be given, specifying the time and place at which the poll is to be taken.

70 **Votes on a poll**

On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

71 **Casting vote of chairman**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded is entitled to a second or casting vote in addition to any other vote he has.

72 **Votes of joint holders**

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

73 **Votes on behalf of an incapable member**

A member in respect of whom an order has been made by a competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by a person authorised in such circumstances to do so on his behalf and that person may vote on a poll by proxy, provided that evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote has been delivered at the Office (or at another place specified in accordance with these articles for the delivery of instruments appointing a proxy) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at the relevant meeting or on the holding of the poll.

74 **Objection or errors in voting**

If:

74.1.1 an objection is raised to the qualification of a voter; or

74.1.2 votes have been counted which ought not to have been counted or which might have been rejected; or

74.1.3 votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on a resolution unless it is raised or pointed out at the meeting or the adjourned meeting at which the vote objected to is given or at which the error occurs. An objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on a resolution if the chairman decides that it may have affected the decision of the meeting. The decision of the chairman on these matters is conclusive.

75 **Suspension of rights where non-disclosure of interests**

75.1 For the purposes of this article:

75.1.1 “Disclosure Notice” means a notice issued by the Company requiring the disclosure of interests in shares under the Statutes;

75.1.2 “Restrictions” means one or more of the restrictions referred to in article 75.3 (as determined by the Board);

75.1.3 “Specified Shares” means the shares specified in a Disclosure Notice; and

75.1.4 a person shall be treated as appearing to be interested in shares if:

75.1.4.1 the person has been named in response to a Disclosure Notice as being interested;

75.1.4.2 in response to a Disclosure Notice, the member holding the shares or another person appearing to be interested in them has failed to establish the identities of those who are interested and (taking into account the response and other relevant information) the Company has reasonable cause to believe that the person in question is or may be interested in the shares; or

75.1.4.3 the member holding the shares is an Approved Depository and the person in question has notified the Approved Depository that he is so interested.

75.2 Despite anything in these articles to the contrary, if:

75.2.1 a Disclosure Notice has been served on a member or a person appearing to be interested in shares; and

75.2.2 the Company has not received the information required in respect of the Specified Shares within a period of 14 days (subject as provided in articles 75.7 and 75.9) after the service of the Disclosure Notice;

then the Board may determine that the member holding the Specified Shares is subject to the Restrictions. The Company shall, as soon as practicable after the determination, give notice to the relevant member stating that (until such time as the Board determines otherwise under article 75.4) the Specified Shares shall be subject to the Restrictions stated in the notice.

75.3 Subject to articles 75.4, 75.7 and 75.9, the Restrictions which the Board determines applicable to Specified Shares shall be one or more (as determined by the Board) of the following:

75.3.1 the member holding the Specified Shares shall not be entitled, in respect of the Specified Shares, to be present or to vote (either personally, or by proxy or otherwise) at a general meeting or at a separate general meeting of the holders of a class of shares, or on a poll or to exercise any other right in relation to a general meeting or a separate class meeting;

75.3.2 no transfer of the Specified Shares shall be effective or shall be recognised by the Company; and

75.3.3 no dividend or other sums which would otherwise be payable on or in respect of the Specified Shares shall be paid to the member holding the Specified Shares and, in circumstances where an offer of the right to elect to receive ordinary shares instead of cash in respect of a

dividend is or has been made, an election made in respect of the Specified Shares shall not be effective.

75.4 The Board may determine that one or more Restrictions imposed on Specified Shares cease to apply at any time. If the Company receives the information required in the relevant Disclosure Notice, the Board shall, within seven days of receipt, determine that all Restrictions imposed on the Specified Shares cease to apply. In addition, the Board shall determine that all Restrictions imposed on the Specified Shares cease to apply if the Company receives an executed and duly stamped instrument of transfer in respect of the Specified Shares, which would otherwise be given effect to, by:

75.4.1 a sale of the Specified Shares through a recognised investment exchange or on a stock exchange outside the United Kingdom on which the Company's shares are normally dealt in;

75.4.2 acceptance of a takeover offer for the Company (within the meaning of section 428 of the Act); or

75.4.3 a sale which is shown to the satisfaction of the Board to be a bona fide sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member or with another person appearing to be interested in the shares.

75.5 Where dividends or other sums payable on Specified Shares are not paid as a result of Restrictions having been imposed, the dividends or other sums shall accrue and be payable (without interest) on the relevant Restriction ceasing to apply.

75.6 If the Board makes a determination under article 75.4 it shall notify the purported transferee as soon as practicable and any person may make representations in writing to the Board concerning the determination. Neither the Company nor the Board shall in any event be liable to any person as a result of the Board having imposed Restrictions, or failed to determine that Restrictions shall cease to apply, if the Board has acted in good faith.

75.7 Where the Specified Shares represent less than 0.25 per cent. (in nominal value) of the shares of the same class as the Specified Shares in issue at the date of issue of the relevant Disclosure Notice then:

- 75.7.1 the period of 14 days referred to in article 75.2.2 is to be treated as a reference to a period of 28 days; and
- 75.7.2 any determination made by the Board under article 75.2 may only impose the Restriction referred to in article 75.3.1.
- 75.8 Shares issued in right of Specified Shares which are for the time being subject to particular Restrictions shall, on issue, become subject to the same Restrictions as the relevant Specified Shares. For this purpose, shares which the Company procures to be offered to shareholders pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain members by reason of legal or practical problems associated with offering shares outside the United Kingdom) shall be treated as shares issued in right of Specified Shares.
- 75.9 The Board may, at its discretion, suspend, in whole or in part, the imposition of a Restriction, either permanently or for a given period, and may pay a dividend or other sums payable in respect of the Specified Shares to a trustee (subject to the Restriction referred to in article 75.3. Notice of suspension, specifying the Restrictions suspended and the period of suspension, shall be given by the Company to the relevant holder as soon as practicable.
- 75.10 If a person appearing to be interested in shares has been served with a Disclosure Notice and those shares are held by an Approved Depository, the provisions of this article shall be treated as applying only to those shares held by the Approved Depository in which such person appears to be interested and not (by virtue of that person's apparent interest) to other shares held by the Approved Depository.
- 75.11 If the member on which a Disclosure Notice is served is an Approved Depository acting in its capacity as such, the obligations of the Approved Depository as a member of the Company shall be limited to disclosing information recorded by it relating to a person appearing to be interested in the shares held by it under the arrangements by which it was appointed as an Approved Depository.
- 75.12 Nothing in this article limits or restricts the powers of the Company or the Board under the Statutes.

76 **Corporations acting by representatives**

- 76.1 A corporate member may, by resolution of its directors or other governing body, authorise a person to act as its representative at a general meeting or at a separate meeting of the holders of a class of shares. A corporate member which is an Approved Depository, acting in that capacity, may authorise more than one person.
- 76.2 The person authorised may exercise the same powers on behalf of his appointor as the appointor could exercise if it were an individual member of the Company. An authorised person present at the meeting shall be treated as a member present in person.
- 76.3 The person who is or claims to be authorised may be required by a Director or the Secretary, or by some other person authorised for that purpose by the Board, to produce a certified copy of the resolution giving him his authority.

PROXIES

77 **Execution of proxies**

An instrument appointing a proxy:

- 77.1.1 shall be in writing in a usual or common form (or in such other form as the Act may allow, including without limitation by Electronic Mail), or another form approved by the Board;
- 77.1.2 shall be signed by the appointor or by his agent duly authorised in writing, or if the appointor is a corporation shall be either under its common seal, or signed by two directors or by a director and the secretary, or under the hand of an officer or agent authorised in writing;
- 77.1.3 shall be deemed (subject to anything to the contrary contained in the instrument) to confer authority to demand or join in demanding a poll and to vote on a resolution or amendment of a resolution put to the meeting for which the authority is given, as the proxy thinks fit, but shall not confer a further right to speak at the meeting except with the permission of the chairman; and

77.1.4 unless the instrument provides otherwise, shall be valid for adjournments of the meeting to which it relates.

78 Form of proxy

The Board shall send, to all (and not to some only) of the members who are entitled to be sent a notice of the meeting and to vote at it by proxy, instruments of proxy for use at each general meeting or separate meeting of the holders of a class of shares. The instruments:

78.1.1 shall enable the members to vote for or against each resolution to be proposed at the meeting;

78.1.2 shall enable the members to appoint persons of their own choice; and

78.1.3 shall state that, if the instrument does not indicate how the proxy is to vote, the proxy may exercise his right at his discretion.

79 Delivery of proxies

79.1 The instrument of proxy and an authority under which it is executed, or a copy of the authority certified in a manner approved by the Board, may:

79.1.1 be deposited at the Office, or at another place within the United Kingdom specified in the notice convening the meeting or in an instrument of proxy sent out in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;

79.1.2 in the case of a poll taken more than 48 hours after it is demanded, be deposited, at the office or other specified place, after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

79.1.3 where the poll is not taken immediately but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to a Director;

and an instrument of proxy which is not deposited or delivered in a permitted manner shall be invalid.

79.2 If two or more valid but differing instruments are delivered in respect of the same share for use at the same meeting, the one which is the last to be delivered shall be treated as valid in respect of that share. If the Board cannot readily determine to its satisfaction which was the last to be delivered, it may, in its discretion, determine that one or none of them shall be treated as valid.

79.3 The Directors may allow a proxy to be appointed in electronic form or by other data transmission process, subject to any limitations, conditions or restrictions that they decide. Such appointment shall be delivered to the Company in a manner specified by the Directors. If, and to the extent that, they decide to allow appointments to be made in this way, provisions of the Articles which are inconsistent with this method of appointment shall be of no effect in relation to those appointments. The Directors may require any evidence they think appropriate to satisfy themselves that the electronic appointment is genuine.

80 **Cancellation of proxy's authority**

A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid despite the previous termination of the authority of the person voting or demanding a poll, unless notice (in writing) of termination was received by the Company at the Office (or another place in the United Kingdom specified for the delivery of instruments of proxy in the notice convening the meeting or other accompanying document) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll taken.

81 **Maximum validity of proxy**

An instrument appointing a proxy is valid for twelve months from its execution.

82 **Proxy need not be a member**

A proxy need not be a member of the Company.

**NUMBER, APPOINTMENT, RETIREMENT AND
REMOVAL OF DIRECTORS**

83 Number of Directors

Unless otherwise determined by the Company by ordinary resolution the number of Directors shall be not less than two or more than 12.

84 Age of Directors

A person must be under the age of 75 to be eligible for appointment as a Director, and a Director must vacate his office at the first annual general meeting after his 75th birthday. Anything done by a Director in good faith remains valid if it is later discovered that his appointment should have been terminated under this article.

85 Absence of Directors' shareholding qualification

A Director does not require a share qualification.

86 Power of Company to appoint Directors

86.1 The Company may by ordinary resolution appoint a person to be a Director, either to fill a vacancy or as an additional Director, and determine in what order additional Directors are to retire by rotation. The appointment shall take effect from the end of the meeting at which the resolution is passed.

86.2 Without limiting the provisions of the Act, the Company may, by ordinary resolution:

86.2.1 remove a Director before the expiration of his period of office (but his removal shall not limit a claim which he has for breach of a contract of employment); and

86.2.2 appoint another person in his place;

and the person who is appointed shall be treated, for the purpose of determining the time at which he or another Director is to retire by rotation, as if he had become a Director on the day on which the Director in whose place he is appointed was appointed or last reappointed a Director.

87 **Election of two or more Directors**

A motion for the appointment of two or more persons as Directors by a single resolution shall not be made unless a resolution that it shall be made has been first agreed to by the meeting unanimously. A motion for approving a person's appointment or for nominating a person for appointment is to be treated as a motion for his appointment.

88 **Power of the Board to appoint Directors**

The Board may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed the number fixed by or in accordance with these articles as the maximum number of Directors. The Director shall hold office only until the next general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. If he is not reappointed at the meeting, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

89 **Powers of executive Directors**

The Directors may entrust to and confer any of the powers exercisable by them on a Director holding executive office on such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may revoke or vary those powers.

90 **Number and identity of Directors to retire by rotation**

90.1 At every annual general meeting of the Company one third of the Directors shall retire from office or, if their number is not three or a multiple of three, the number nearest to but not more than one third. In addition, each Director shall retire from office at the third annual general meeting after he was appointed or reappointed, if he would not otherwise fall within the Directors to retire by rotation.

90.2 The Directors to retire by rotation shall include (so far as necessary to obtain the number required) a Director who wishes to retire and not offer himself for re-election. The further Directors to retire shall be those of the other Directors who have been longest in office since their appointment or last reappointment but, as

between persons who became or were last reappointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

91 **Recent appointments**

The Directors to retire shall be determined (both as to number and identity) by the composition of the Board at the commencement of business on the day which is 14 days prior to the date of the notice convening the annual general meeting. A Director shall not be required, or be relieved from the obligation, to retire by reason of a change in the Board after that time but before the close of the meeting.

92 **Filling rotation vacancies and timing of retirement**

92.1 At the meeting at which a Director retires by rotation, the Company may fill the vacated office. The retiring Director may be put forward for reappointment.

92.2 A Director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

93 **Changes to the numbers of retiring Directors**

The Company may by ordinary resolution increase or reduce the number of Directors to retire from office, and may also determine how the increased or reduced number is to retire from office.

94 **Persons eligible as Directors**

No person other than a Director retiring by rotation shall be appointed or reappointed a Director at a general meeting unless:

94.1.1 he is recommended by the Board (or a committee of the Board); or

94.1.2 not less than seven nor more than 42 clear days before the date appointed for the meeting, notice has been given to the Company, executed by a member (not being the person to be proposed) who is qualified to vote at the meeting, proposing that person for

appointment or reappointment together with notice executed by that person of his willingness to be appointed or reappointed.

95 **Vacation of office by Directors**

95.1 Without prejudice to the provisions for retirement by rotation or otherwise contained in these articles, the office of a Director shall be vacated if:

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

95.1.2 the Company, by extraordinary resolution, removes him before the end of his period of office;

95.1.3 his resignation is requested by all of the other Directors by notice in writing delivered to the Office or tendered at a meeting of the Board, and there are at least three other Directors;

95.1.4 he becomes of unsound mind or a patient for any purpose of a statute relating to mental health and the Board resolves that his office is vacated;

95.1.5 he is absent without the permission of the Board from meetings of the Board for six consecutive months, and his alternate (if any) does not attend in his place, and the Board resolves that his office is vacated;

95.1.6 he becomes bankrupt or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement;

95.1.7 he is prohibited by law from being a Director; or

95.1.8 he ceases to be a Director by virtue of the Statutes.

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

96 **Alternate directors**

- 96.1 A Director (other than an alternate director) may appoint another Director, or another person approved by resolution of the Board, to be an alternate director and may remove him from his office of alternate director.
- 96.2 An alternate director who is present in the United Kingdom shall be given notice of all meetings of the Board and all meetings of committees of the Board of which his appointor is a member. He shall be entitled to attend and vote at those meetings if the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence, but not to appoint an alternate.
- 96.3 An alternate director who is absent from the United Kingdom shall not be entitled to receive notices unless he leaves an address in the United Kingdom for the receipt of notices with the Secretary.
- 96.4 The appointment or removal of an alternate director shall be effected by notice to the Company signed by the Director making or revoking the appointment and delivered to the Office or tendered at a meeting of the Board, or in another manner approved by the Board.
- 96.5 Except as otherwise provided in these articles, an alternate director shall be deemed to be a Director and shall alone be responsible for his own acts and defaults. He shall not be deemed to be the agent of the Director appointing him.
- 96.6 An alternate director shall not be entitled to receive remuneration from the Company for his services as an alternate director, except for a part of the remuneration otherwise payable to his appointor which the appointor directs by notice to the Company.
- 96.7 Every person acting as an alternate director has one vote for each Director for whom he acts as alternate, in addition to his own vote if he is also a Director, but he shall not be counted more than once towards a quorum. Execution by an alternate director of a resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointor.

- 96.8 An alternate director shall cease to be an alternate director if:
- 96.8.1 any event occurs which, if he had been a Director, would have caused him to vacate his office;
 - 96.8.2 his appointor ceases to be a Director (but, if a Director retires by rotation or otherwise but is reappointed, or deemed to have been reappointed, at the meeting at which he retires, an appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment); or
 - 96.8.3 he resigns his office by notice to the Company.

FEES, REMUNERATION, EXPENSES AND PENSIONS

97 Limitation of Directors' fees

- 97.1 The Directors (other than Directors holding executive office and alternate directors) shall be paid the fees for their services determined by the Board (or a committee of the Board). The aggregate of the fees (excluding amounts payable under other provisions of these articles) shall not exceed £100,000 per annum (and this figure shall be subject to upward-only adjustment in line with the percentage increase in the retail prices index (as defined in section 833(2) of the Income and Corporation Taxes Act 1988) after the date of the adoption of these articles) or a higher amount decided by ordinary resolution. The fees shall be divided amongst the Directors entitled to them in the proportions and the manner the Board determines or, in default of a determination, equally (except that, if a Director holds office for less than the whole of the period to which the fees relate, his share shall be reduced in proportion to the part of the period for which he did not hold office).
- 97.2 A Director who does not hold executive office and serves on a committee or devotes special attention to the business of the Company, or otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid extra remuneration by way of salary, participation in profits or otherwise as the Board determines.

98 **Expenses**

The Directors may be paid all expenses properly incurred by them in connection with their services.

99 **Remuneration of executive directors**

A Director appointed to hold an employment or executive office in accordance with the provisions of these articles shall receive the remuneration (by way of salary, commission, participation in profits or otherwise) which the Board or a committee of the Board may decide, either in addition to, or in lieu of, his remuneration as a Director.

100 **Pensions and gratuities for Directors**

The Board or a committee of the Board may exercise all the powers of the Company to provide benefits, either by the payment of gratuities or pensions or by insurance or (without limitation) in another manner, for a Director or former Director or the relations or dependants of a Director or former Director. No Director or former Director shall be accountable to the Company or the members for a benefit provided under this Article and the receipt of the benefit does not disqualify a person from being or becoming a Director.

POWERS AND DUTIES OF DIRECTORS

101 **General powers of the Company vested in the Board**

Subject to the provisions of the Statutes, the memorandum of association, these articles and to directions given by the Company in general meeting by special resolution, the business of the Company shall be managed by the Board, which may exercise all powers of the Company. No alteration of the memorandum of association or these articles and no special resolution shall invalidate a prior act of the Board which would have been valid if that alteration had not been made or that resolution had not been passed. The powers given by this Article shall not be limited by a special power given to the Board by another article and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.

102 **Borrowing powers and restrictions**

102.1 The Board may, subject as provided below, exercise all the powers of the Company to borrow money, to guarantee, to indemnify and to mortgage or charge its undertaking, property, assets (present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for a debt, liability or obligation of the Company or a third party.

102.2 The Board shall restrict the borrowing of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) with a view to securing (in relation to subsidiaries only in so far as the rights and powers of the Company enable the Board to do so) that the aggregate outstanding principal amount of all borrowings of the group does not, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to five times the adjusted share capital and consolidated reserves.

102.3 For the purposes of this article:

102.3.1 the “group” comprises the Company and its subsidiaries at the time;

102.3.2 the “adjusted share capital and consolidated reserves” means:

102.3.2.1 the amount standing to the credit of the share capital account of the Company;

102.3.2.2 the aggregate amount standing to the credit of the consolidated capital and revenue reserves (including a share premium account or capital redemption reserve fund); and

102.3.2.3 the consolidated profit and loss account of the Company and its subsidiaries;

all as shown in the latest audited consolidated accounts of the Company and its subsidiaries, but:

102.3.2.4 adjusted as may be necessary to take account of an increase in, or reduction of, the share capital or reserves since the date to which the consolidated balance sheet

has been made up and distributions (other than to the Company or another subsidiary) out of profits earned down to the date of the balance sheet and not provided for in the balance sheet;

102.3.2.5 excluding sums set aside for taxation and amounts attributable to minority interests in subsidiaries;

102.3.2.6 adjusted in respect of variations in the interest of the Company in its subsidiaries since the date of the balance sheet;

102.3.2.7 adjusted to take account of revaluations of the fixed assets of the Company and its subsidiaries made by independent professional valuers;

102.3.2.8 excluding amounts attributable to goodwill; and

102.3.2.9 making any other adjustments which the auditors, after consultation with the Company, consider appropriate;

102.3.3 “borrowings” include the following, to the extent that they would not otherwise be taken into account:

102.3.3.1 the principal amount of debentures of a member of the group, whether or not issued or incurred for a consideration which is wholly cash, which are not beneficially owned by a member of the group;

102.3.3.2 amounts outstanding in respect of acceptances by a bank or accepting house under an acceptance credit opened on behalf and in favour of a member of the group, excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;

102.3.3.3 the nominal amount of any issued and paid up share capital and the principal amount of any debenture of, or amount borrowed by, any person, which is not owned beneficially by a member of the group, but the

redemption or repayment of which is the subject of a guarantee or indemnity by a member of the group, or wholly or (to the extent of the part secured) partly secured on the undertaking or assets of a member of the group;

102.3.3.4 the nominal amount of any issued and paid up preference share capital of a subsidiary which is not owned beneficially by a member of the group; and

102.3.3.5 any fixed or minimum premium payable on final repayment of any borrowings (within the meaning of this paragraph);

but do not include:

102.3.3.6 sums owing by one member of the group to another or (if the creditor is not a wholly-owned member of the group) a due proportion of the sums owing;

102.3.3.7 sums borrowed for the purpose of, and within six months of being borrowed applied in, repaying sums previously borrowed by a member of the group (pending the application);

102.3.3.8 a proportion of the borrowings of a partly-owned subsidiary, which would otherwise be included, corresponding to the proportion of its equity share capital not owned, directly or indirectly, by the Company;

102.3.3.9 sums borrowed to finance a contract in respect of which the group has the benefit of a guarantee or insurance by the Export Credits Guarantee Department or by another governmental department fulfilling a similar function (to the extent of the amount guaranteed or insured); and

102.3.4 a sum which is to be taken into account in determining borrowings and which is denominated or repayable (or repayable at the option of a person other than a member of the group) in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing in London on the day when the amount of borrowings is to be determined or, if the amount of borrowings would as a result be less, at the rate of exchange prevailing in London six months before that date. For this purpose, the rate of exchange on a day is the rate prevailing at the close of business on that day or, if it is not a business day, on the last preceding business day.

102.4 The certified opinion of the Auditors as to the amount of the share capital and consolidated reserves, to the amount of borrowings or to the effect that the limit imposed by this article has not been or will not be exceeded is conclusive and binding.

102.5 The Board may act in reliance on a bona fide estimate of the amount of the share capital and consolidated reserves or sums borrowed and if in consequence the limit set out in article 102.2 is inadvertently exceeded, an amount borrowed equal to the excess may be disregarded until the expiration of three months after the date on which (through a determination of the Auditors or otherwise) the Board becomes aware of it.

102.6 No person dealing with the Company or its subsidiaries shall by reason of this article be concerned to see or inquire whether this limit is observed, and no debt incurred or security given in excess of that 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 security given, express notice from the Company that the limit had been or would as a result be exceeded.

103 **Local boards**

The Board may establish local boards or agencies for managing the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint persons to be members of the local boards, or managers or agents, and may fix their remuneration. The Board may delegate to a local board, manager or agent any of

the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of a local board (or any of them) to fill vacancies in it and to act despite vacancies. An appointment or delegation may be made on the terms and conditions the Board thinks fit, and the Board may remove a person appointed, and may annul or vary a delegation, but no person dealing in good faith and without notice of an annulment or variation shall be affected by it.

104 **Delegation to committees**

104.1 The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) (including, without limitation, all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of other benefits on all or any of the Board) to a committee, consisting of the persons (whether a member or members of its body or not) it thinks fit; provided that if the Board delegates any of its powers to a committee:

104.1.1 the number of persons appointed to the committee who are not Directors shall be less than half the total number of the committee; and

104.1.2 no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors.

104.2 Any committee established under this article shall, in the exercise of its duties, conform to regulations imposed on it by the Board. The meetings and proceedings of a committee consisting of two or more members shall be governed (with the appropriate changes) by the provisions of these articles for regulating the meetings and procedures of the Board, so far as they are applicable and are not superseded by regulations imposed by the Board or made by the committee under powers delegated to it by the Board.

104.3 The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee of the Board.

105 **Delegation to individual Directors**

The Board may entrust to and confer on a Director any of its powers, authorities and discretions (with power to sub-delegate) on the terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected.

106 **Powers of attorney**

The Board may, by power of attorney, appoint a person, whether nominated directly or indirectly by the Board, to be the attorney of the Company with the powers (not exceeding those vested in or exercisable by the Board under these articles), for the period and subject to the conditions it thinks fit. A power of attorney may contain provisions for the protection and convenience of persons dealing with the attorney and may also authorise the attorney to delegate all or any of the powers vested in him. The Board may revoke or vary an appointment under this article, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

107 **Official seals**

The Company may exercise all the powers conferred by the Statutes with regard to having official seals and those powers are vested in the Board.

108 **Registers**

Subject to the provisions of the Statutes, the Company may keep an overseas or local register and the Board may make and vary regulations as it thinks fit in relation to it.

109 **Provision for employees**

The Board may exercise a power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or its subsidiary undertakings in connection with the cessation or transfer of the whole or part of the undertaking of the Company or subsidiary undertaking.

DIRECTORS' APPOINTMENTS AND INTERESTS

110 Appointment of Directors to executive offices

110.1 Subject to the Statutes, the Board may from time to time appoint one or more Directors to an executive office with the Company for a period (subject to the provisions of the Statutes) and on terms the Board or a committee of the Board (in its discretion) decides and may revoke, terminate or vary the appointment.

110.2 The appointment of a Director to an executive office is subject to termination if he ceases to be a Director, but without limiting a claim for damages for breach of his contract of employment.

111 Other offices and shareholdings

A Director of the Company may be or become a director or other officer of, or otherwise interested in, a company promoted by the Company or in which the Company may be interested as a shareholder or otherwise or as regards which it has a power of appointment, and the Director is not accountable to the Company for remuneration or other benefits received by him as a director or officer, or from his interest in another company.

112 Permitted interests and voting

112.1 A Director who is, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature and extent of his interest at a meeting of the Board. In the case of a proposed contract, the declaration shall be made at the meeting of the Board at which the question of entering into the contract is first taken into consideration or, if the Director was not at the date of that meeting interested in the proposed contract, at the next meeting of the Board held after he becomes interested. If the Director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the Board held after he becomes interested. If the Director is interested in a contract which was made before he was appointed a Director, the declaration shall be made at the first meeting of the Board held after he is appointed.

112.2 A general notice given to the Board by a Director to the effect that:

112.2.1 he is a member of a specified company or firm and is to be regarded as interested in a contract which, after the date of the notice, is made with that company or firm; or

112.2.2 that he is to be regarded as interested in a contract which, after the date of the notice, is made with a specified person who is connected with him (within the meaning of section 346 of the Act);

shall (if the Director gives the notice at a meeting of the Board or takes reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given) be deemed a sufficient declaration of interest in relation to the contract.

112.3 For the purpose of this article, “contract” includes an arrangement, transaction or proposal, whether or not constituting a contract.

112.4 Except as otherwise provided by these articles, a Director may not vote at a meeting of the Board or of a committee of the Board on a resolution concerning a contract or arrangement or other proposal in which he has an interest which (together with an interest of a person who, within the meaning of section 346 of the Act, is connected with him) is to his knowledge a material interest, otherwise than by virtue of his interest in shares or debentures or other securities of, or otherwise in or through, the Company, unless the resolution:

112.4.1 relates to the giving of a security, guarantee or indemnity in respect of:

112.4.1.1 money lent or obligations incurred by him or by another person at the request of or for the benefit of the Company or its subsidiary undertakings; or

112.4.1.2 a debt or obligation of the Company or its subsidiary undertakings for which he has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

112.4.2 relates to an offering of securities by the Company or its subsidiary undertakings in which he is or may be entitled to participate as a

holder of securities or in the underwriting or sub-underwriting of which he is to participate;

112.4.3 relates to another company in which he and persons connected with him do not, to his knowledge, hold an interest in shares (within the meaning of sections 198 to 211 of the Act) representing 1% or more either of its equity share capital or of its voting rights;

112.4.4 relates to a contract for the benefit of the employees of the Company or its subsidiary undertakings which does not award him a privilege or benefit not generally awarded to the employees to whom the contract relates; or

112.4.5 concerns insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including Directors.

112.5 For the purposes of article 112.4, shares:

112.5.1 held by the Director as bare or custodian trustee (and in which he has no beneficial interest);

112.5.2 in a trust in which his interest is in reversion (provided that some other person is entitled to receive the income of the trust); and

112.5.3 in an authorised unit trust scheme (as defined in the Financial Services Act 1986) in which he is interested only as a unit holder;

shall be disregarded.

112.6 Subject to the provisions of the Statutes and provided that he has disclosed to the Board the nature and extent of his interest in accordance with these articles, a Director, despite his office:

112.6.1 may enter into or otherwise be interested in a contract with the Company or in which the Company is otherwise interested;

112.6.2 may hold another office in the Company (other than the office of auditor) in conjunction with his office of Director, and may act in a

professional capacity for the Company, on the terms as to tenure of office, remuneration and otherwise determined by the Board;

112.6.3 may continue to be or become a director or other officer, employee or member of or otherwise interested in, or be a party to a contract with, a company promoted by the Company or in which the Company is interested, as a member or otherwise, or which is a holding company of the Company or a subsidiary undertaking of the Company or of the holding company of the Company; and

112.6.4 shall not be liable to account to the Company for the profit, remuneration or other benefit he derives from the contract, office or employment;

and a contract shall not be avoided on the grounds of his interest or benefit.

112.7 A Director shall not vote on, or be counted in the quorum in relation to, a resolution concerning:

112.7.1 his own appointment;

112.7.2 the settlement or variation of the terms or the termination of his own appointment; or

112.7.3 the appointment of another person to an office in a company in which the Director has a material interest.

112.8 Where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more Directors to offices or places of profit with the Company, a separate resolution may be put in relation to each Director. Each of the Directors concerned may vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment.

112.9 If a question arises at a meeting of the Board or of a committee as to the right of a Director to vote, which is not resolved by his voluntarily agreeing to abstain from voting, the question (except where the Director concerned is the chairman of the meeting) may be referred to the chairman of the meeting for his ruling before the

meeting concludes. If the question concerns the chairman, it shall be decided by a resolution of the Board, for which purpose the chairman shall be counted in the quorum but he shall not be entitled to vote. The chairman's ruling or the resolution of the Board shall be conclusive unless the nature or extent of the interest of the Director or the chairman which is relevant for making the ruling or considering the resolution (so far as it is known to him) has not been fairly disclosed to the meeting.

- 112.10 Subject to the Statutes, the provisions of this article may be suspended or relaxed by the Company in general meeting, either generally or in respect of a particular contract.

PROCEEDINGS OF THE BOARD

113 Board meetings

The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at a meeting shall be determined by a majority of votes. If there is an equality of votes the chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board.

114 Notice of board meeting

A notice calling a meeting of the Board need not be in writing. A Director who is or is intending to be absent from the United Kingdom may request the Secretary to give him notice of meetings at an address provided by him for that purpose. Notices of meetings of the Board shall be sent to him at that address but, if he does not provide an address, it shall not be necessary to give notice of meetings to him while he is absent from the United Kingdom.

115 Quorum

The quorum for the transaction of the business of the Board may be fixed by the Board and, if not, shall be two.

116 Directors below minimum through vacancies

The continuing Directors or a sole continuing Director may act even though there are vacancies in their body, but if and so long as the number of Directors is reduced

below the minimum number fixed by or in accordance with these articles, or below the number fixed by or in accordance with these articles as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.

117 **Appointment of chairman**

The Board may appoint a Director to be the chairman or deputy chairman of the Board. Unless he is unwilling to do so, the chairman or, failing him, the deputy chairman shall act as chairman at every meeting of the Board; but if no chairman or deputy chairman is elected, or if at a meeting neither is present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

118 **Resolution in writing**

A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board, or by all the members of a committee, shall be as valid and effectual as a resolution passed at a meeting of the Board or of a committee. The resolution may be contained in one document or in several documents, each signed by one or more of the Directors or members of the committee concerned.

119 **Participation in meetings by communication equipment**

A member of the Board or a committee of the Board may participate in a meeting by means of a conference telephone, or other communication equipment which allows all persons participating in the meeting to hear and be heard by each other. Participation in this manner shall be treated as presence in person. The 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 is.

120 **Validity of acts of Board or committee**

Anything done by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director is (even if it is afterwards discovered that there was a defect in the appointment of a Director or member of the committee or that any of them was disqualified or had vacated office) as valid as if every such person had

been duly appointed and was qualified or had continued to be a Director or member of the committee.

121 **Execution of negotiable instruments**

All negotiable and transferable instruments and all receipts for sums paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the Board determines by resolution.

122 **Minutes**

122.1 The Board shall cause minutes to be made:

122.1.1 of all appointments of officers made by the Board;

122.1.2 of the names of the Directors and other persons present at each meeting of the Board and committees of the Board; and

122.1.3 of all resolutions and proceedings at all meetings of the Company, of the Board and committees.

122.2 Minutes purported to be signed by the chairman of the meeting to which they relate, or of the meeting at which they are read, are sufficient evidence of the facts stated in them.

SECRETARY

123 **Appointment, remuneration and removal**

Subject to the Statutes, the Secretary shall be appointed by the Board for such term, at such remuneration and on such conditions as it thinks fit. The Board (but not any committee) may remove the Secretary, but without limiting a claim for breach of a contract of service between him and the Company. If thought fit two or more persons may be appointed as joint secretaries. The Directors may also appoint one or more deputy or assistant Secretaries.

124 **Acts done by a person in dual capacity**

Anything required or authorised by the Statutes or these articles to be done by or to the Secretary may, if the office is vacant or there is for any other reason no

Secretary capable of acting, be done by or to an assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by or to an officer authorised generally or specially for that purpose by the Board. If anything has to be done by or to a Director and the Secretary, it must not be done by or to the same person acting both as Director and as the Secretary.

SEALS

125 Seals

125.1 The Board shall provide for the safe custody of every Seal, which shall only be used by the authority of the Board or a committee of the Board. The Board or committee may determine whether an instrument to which a Seal is affixed shall be signed and, if it is to be signed, who shall sign it. Unless otherwise determined:

125.1.1 share certificates and certificates issued under a Seal in respect of debentures or other securities need not be signed (but a signature may be applied to a certificate by mechanical means or may be printed on it); and

125.1.2 every other instrument to which a Seal is affixed shall be signed by a Director and countersigned by the Secretary or another Director.

125.2 Where the Statutes permit, an instrument signed by one Director and the Secretary, or by two Directors, and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be signed without the authority of the Board or a committee authorised by the Board.

125.3 The Company may exercise the powers conferred by the Statutes in relation to an official seal for use abroad and those powers shall be vested in the Board.

AUTHENTICATION OF DOCUMENTS

126 Authentication of documents

126.1 A Director or the Secretary or a person appointed by the Board for the purpose may authenticate a document affecting the constitution of the Company, a resolution passed at a shareholders' meeting or at a meeting of the Board or a committee, or a

book, record, document or account relating to the business of the Company, and may certify copies or extracts from them as true copies or extracts. If a book, record, document or account is elsewhere than at the Office the local manager or other officer of the Company having the custody of it shall be deemed a person appointed by the Board for the purpose.

- 126.2 A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, which is certified as set out in this article shall be conclusive evidence in favour of all persons dealing with the Company that the resolution has been passed or the minute or extract is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS AND RESERVES

127 Establishment of reserves

Subject to the Statutes, the Board may:

- 127.1.1 set aside, and carry to reserve, the sums they think fit for any purpose to which the profits of the Company may be applied;
- 127.1.2 employ those sums in the Company's business or invest them;
- 127.1.3 divide the reserve into special funds, or consolidate the special funds into one fund; and
- 127.1.4 carry forward profits without carrying them to reserve.

128 Business bought as from past date

- 128.1 Subject to the Statutes, if an asset, business or property is bought by the Company as from a past date the profits and losses of the asset, business or property as from that date may, at the discretion of the Board, be carried in whole or in part to revenue account and treated for all purposes as profits or losses of the Company.
- 128.2 Subject to the Statutes, if shares or securities are purchased cum dividend or interest, the dividend or interest may, at the discretion of the Board, be treated as revenue and without capitalising it or any part of it.

129 **Declaration of dividends by Company**

Subject to the Statutes the Company may by ordinary resolution declare dividends, up to the amount recommended by the Board.

130 **Dividends paid according to amount and period shares paid up**

Subject to the rights of persons entitled to shares with preferred or other special rights as to dividends, dividends shall be declared and paid according to the amounts paid up on the shares (otherwise than in advance of calls) on which the dividend is paid. Dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during portions of the period in respect of which the dividend is paid, except that, if a share is issued on terms that it carries particular rights as to dividend, it ranks for dividend accordingly.

131 **Payment of interim dividends by Board**

The Board may pay interim dividends if they appear to the Board to be justified by the profits or reserves of the Company.

132 **Deductions from or retentions of dividends**

132.1 The Board may deduct, from a dividend payable to a member, all sums of money presently payable by him to the Company on account of calls or otherwise in relation to the shares held by that member.

132.2 The Board may retain the dividends payable on shares in respect of which, under the provisions contained in these articles as to the transmission of shares, a person is entitled to become a member or entitled to transfer, until he becomes a member in respect of the shares or transfers them.

133 **No interest on dividends**

No dividend shall bear interest against the Company unless stipulated by the rights attaching to the share.

134 **Payment procedure**

134.1 A dividend or other sum payable on or in respect of a share may be paid:

134.1.1 by cheque or warrant sent by post to the registered address of the member or person entitled to it or, if two or more persons are the holders of the share or are jointly entitled to it, to the registered address of one of them, or to the person and address which the holder or holders, or person or persons entitled, direct in writing. Every cheque or warrant shall be made payable to the order of the person to whom it is sent or to another person whom the holder or joint holders direct in writing. The cheque or warrant shall be sent at the risk of the person entitled to the money represented by it; or

134.1.2 by another method (including direct debit or bank or other fund transfer system) which the Board considers appropriate;

and the payment of the cheque or warrant or the transfer of funds by the bank or other system shall be a good discharge to the Company.

134.2 The Company shall have no liability in respect of sums lost or delayed in the course of payment by a method selected by the Board in accordance with this article or where they have acted on the directions of the holder or holders or person or persons entitled.

135 **Joint holders**

If several persons are registered as joint holders of a share, or are entitled jointly to a share by operation of law, one of them may give effectual receipts for dividends and other money payable on or in respect of the share.

136 **Dividends not in cash**

136.1 The Company may (on the recommendation of the Board) by ordinary resolution direct payment of a dividend wholly or partly by the distribution of specific assets and, in particular, of paid up shares, debentures or debenture stock of another company or in one or more of those ways.

136.2 If a difficulty arises in relation to distribution, the Board may:

136.2.1 issue fractional certificates;

136.2.2 fix the value for distribution of specific assets or part of them;

136.2.3 determine that cash payments are made to Members on the basis of fixed values; and

136.2.4 vest specific assets in trustees.

137 **Forfeiture of unclaimed dividends**

137.1 All unclaimed dividends may be invested or otherwise made use of, at the Board's discretion, for the benefit of the Company until claimed, subject as provided in these articles.

137.2 Any dividend unclaimed after a period of 12 years from the date when it became due for payment shall be forfeited and shall revert to the Company, and the payment by the Board of an unclaimed dividend or other sum payable on or in respect of a share into a separate account does not constitute the Company a trustee in respect of it.

138 **Waiver of dividend**

The waiver in whole or in part of a dividend on a share by a document (whether or not executed as a deed) shall be effective only if the document is signed by the member (or the person entitled to the share by operation of law) and delivered to the Company and if, or to the extent that, it is accepted as such or acted on by the Company.

139 **Scrip dividends**

139.1 The Board may, if authorised by an ordinary resolution, offer holders of ordinary shares one or more of the following options:

139.1.1 instead of taking the net cash amount due to them in respect of all or part (to be determined by the Board) of a dividend declared or payable on all or any ordinary shares held by them, either to invest the cash in subscribing for unissued ordinary shares payable in full or by instalments, or in paying up in full or by instalments unpaid or partly paid ordinary shares held by them;

139.1.2 instead of taking the net cash amount due to them in respect of all or part (to be determined by the Board) of a dividend declared or

payable on all or any ordinary shares held by them, to elect to receive new ordinary shares as fully paid;

139.1.3 to forego their entitlement to all or part (to be determined by the Board) of a dividend declared or payable on all or any ordinary shares held by them and to take instead fully paid bonus ordinary shares; or

139.1.4 another option in respect of all or part (to be determined by the Board) of a dividend on all or any ordinary shares held by them as the Board determines.

139.2 In relation to the options referred to in article 139.1, the following provisions shall apply:

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

139.2.2 the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that the holder elects to forego. In calculating the entitlement, the Board may adjust the figure obtained by dividing the relevant value by the amount payable on the ordinary shares up or down to ensure that the entitlement of each shareholder to new ordinary shares is represented by a simple numerical ratio. For this purpose “relevant value” shall be calculated by reference to the average of the middle market quotations for the Company’s ordinary shares on the Alternative Investment Market of the London Stock Exchange as derived from the Daily Official List, on five consecutive dealing days specified by the Board (the first day being on or after the day on which the ordinary shares are first quoted “ex” the relevant dividend) or in another manner determined by the ordinary resolution;

139.2.3 on or as soon as practicable after announcing that it is to declare or recommend a dividend the Board, if it intends to offer an election in respect of that dividend, shall also announce its intention and, after

determining the basis of allotment, if it decides to proceed with the offer, shall notify the holders of ordinary shares in writing of the right of election offered to them and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order for elections to be effective;

- 139.2.4 the Board shall not proceed with an election unless the Company has sufficient authorised and unissued shares and sufficient reserves or funds that may be capitalised to give effect to it (after the basis of allotment is determined);
- 139.2.5 the Board may exclude holders of ordinary shares from an offer if the Board believes that making the offer to them would or might involve the contravention of the laws of a territory;
- 139.2.6 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been made (“the elected ordinary shares”) and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated. For that purpose the Board may capitalise, out of the amount for the time being standing to the credit of a reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or other undistributable reserve) whether or not it is available for distribution as the Board determines, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected ordinary shares;
- 139.2.7 the additional ordinary shares, when allotted, shall rank *pari passu* in all respects with the fully paid ordinary shares then in issue, except that they will not be entitled to participate in the relevant dividend;
- 139.2.8 the Board may establish or vary a procedure for election mandates, under which a holder of ordinary shares may elect to receive ordinary shares credited as fully paid instead of cash in respect of all future

rights offered to that holder under this article, until the election mandate is revoked or deemed to be revoked in accordance with the procedure; and

139.2.9 the Board may undertake and do anything it considers necessary or expedient for the purpose of giving effect to the provisions of this article including (without limitation) making the provisions it thinks fit in relation to a fraction of an ordinary share which may or would arise by the application of this article 139.2 (including provisions where, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the Company rather than to the members concerned or under which fractional entitlements are accrued or retained and in each case accumulated on behalf of a shareholder and the accruals or retentions are applied to the allotment by way of bonus to, or cash subscription on behalf of, the shareholder of fully paid ordinary shares).

139.3 Articles 146.1.3, 146.1.4 and 146.1.5 shall apply (with the appropriate changes) to capitalisations of profits or reserves effected under this article.

RECORD DATES

140 Power to choose a record date

Despite another provision of these articles, the Company or the Board may fix a date as the record date for a dividend, distribution, allotment or issue provided that it is not later than the date on which the dividend, distribution, allotment or issue is paid or made.

ACCOUNTS

141 Records to be kept

The Board shall ensure that proper accounting records are kept in compliance with the Statutes.

142 **Inspection of records**

The accounting records shall be kept at the Office or (subject to the provisions of the Statutes) at another place the Board thinks fit and shall be open to inspection by officers of the Company. Except by the authority of the Board, as provided by the Statutes or ordered by a court of competent jurisdiction, no member (in his capacity as such) shall be entitled to inspect the accounting records, books or papers of the Company.

143 **Preparation and laying of accounts and reports**

In respect of each financial year, the Board shall procure that annual accounts, Directors' and Auditors' reports are prepared and laid before the Company, in accordance with the Statutes.

144 **Publication of accounts and reports**

Except as provided in article 145, a copy of the Company's accounts (together with a copy of the Directors' and Auditors' reports on those accounts) which are to be laid before the Company in general meeting shall be sent to every person to whom the Company is by law required to send them, not less than 21 days before the date of the meeting. However, this article shall not require a copy of those accounts to be sent to a person who, under the provisions of these articles, is not entitled to receive notices from the Company, or of whose address the Company is unaware, or to more than one of the joint holders of shares or debentures.

145 **Summary financial statements**

Subject to the provisions of the Statutes, the Company may send a summary financial statement to members instead of or in addition to copies of its full accounts and reports.

CAPITALISATION OF PROFITS AND RESERVES

146 **Power to capitalise reserves and funds**

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

- 146.1.1 subject as provided in this article, resolve to capitalise undistributed profits which are not required for paying fixed or preferred dividends (whether or not the profits are available for distribution) or a sum standing to the credit of share premium account or capital redemption reserve or other reserve or fund;
- 146.1.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions; apply the sum on their behalf either in or towards paying up the amounts, if any, unpaid on shares held by them, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to the sum; and allot the shares or debentures credited as fully paid to those members, or as they direct, in those proportions, or partly in one way and partly in the other. The share premium account, the capital redemption reserve and any profits, reserve or fund which are not available for distribution may, for the purposes of this article, be applied only in paying up unissued shares to be allotted to members credited as fully paid;
- 146.1.3 in the case of shares or debentures which would become distributable in fractions, provide for the issue of fractional certificates, the rounding down of fractions, the payment of cash or other arrangements as it determines;
- 146.1.4 authorise some person, on behalf of and so as to bind all the members concerned, to enter into an agreement with the Company providing for the allotment to them, credited as fully paid, of the shares or debentures to which they are entitled on the capitalisation; and
- 146.1.5 generally do anything required or desirable to give effect to the resolution.

AUDITORS

147 **Auditors**

Auditors shall be appointed and their duties regulated in accordance with the Statutes.

148 **Validity of Auditors' acts**

Subject to the provisions of the Statutes, all acts done by a person or persons acting as Auditors shall, as regards persons dealing in good faith with the Company, be valid, even if there was some defect in their appointment or if, at the time of their appointment, they were not qualified for appointment or subsequently became disqualified.

149 **Auditors' right to attend general meetings**

The Auditors may attend general meetings and speak on a part of the business of the meeting which concerns them as Auditors.

SERVICE OF NOTICES AND OTHER DOCUMENTS

150 **Method of service**

150.1 Except as provided otherwise in these articles, notices to be given to or by a person shall be in writing.

150.2 A notice or other document may be delivered to a member by the Company either personally or by sending it through the post by first class mail or airmail, in a prepaid envelope or cover, addressed to the member at his address as appearing in the Register, or by leaving it at that address, addressed to the member, or by another means authorised in writing by the member. In the case of joint holders of a share, the delivery of a notice or other document to one of the joint holders shall be deemed to be delivery to all the joint holders.

150.3 In addition to the methods of service set out in article 150.2, notice or document may be served and or delivered to any member of the Company by such electronic means (including, without limitation, Electronic Mail or facsimile) as the Statutes

may allow from time to time to an address notified by the member in writing or by Electronic Mail or facsimile or other such electronic means.

150.4 If the registered address of a member is, or the registered addresses of joint holders are, outside the United Kingdom, he or they may give the Company an address within the United Kingdom at which notices may be delivered and notices shall be delivered to him or them at that address. The member or joint holders shall not otherwise be entitled to receive notices from the Company.

150.5 A notice which is advertised in at least two daily newspapers with a national circulation in the United Kingdom is effective notice to the holders of bearer warrants and is deemed to be given on the day on which it has appeared in at least two of the newspapers. The advertisement shall give an address in the United Kingdom from which copies of the notice and other documents referred to in the advertisement can be obtained.

151 **Record date for service**

A notice or other document may be delivered by the Company by reference to the Register as it stands at a time not more than 15 days before the date of posting (if the notice or document is posted) or otherwise not more than 15 days before the date on which it is delivered. A change in the Register after that time shall not invalidate the delivery of the notice or document.

152 **When notice deemed served**

152.1 Proof that the envelope or cover containing a notice or document was properly addressed, prepaid and posted is conclusive evidence that the notice or document was delivered. A notice or other document which is sent by post is deemed to be delivered on the day after the day on which the envelope or cover containing it is posted. A notice given by advertisement is deemed to be given on the day on which the advertisement appears. A notice given by facsimile transmission is deemed to be given (if receipt is acknowledged) when transmitted.

152.2 Subject to any governing provision of the Statutes, where a notice or other document is served or sent in accordance with article 150.3 above, service or delivery shall be deemed to be effected at 9.00 a.m. on the day following on which

the electronic method of service or delivery was implemented by or on behalf of the Company.

153 **Service of notice on person entitled by transmission**

A person who by operation of law, transfer or other means becomes entitled to a share shall be bound by a notice in respect of the share which, before his name and address are entered in the Register, is duly sent to the last registered address of the person from whom he derives his title. A notice or document delivered or sent by post to or left at the registered address of a member in accordance with these articles shall, even though the member is then dead, bankrupt, of unsound mind or (being a corporation) in liquidation, and whether or not the Company has notice of the death, bankruptcy, insanity or liquidation of the member, be deemed to have been duly given in respect of a share registered in the name of the member as sole or joint holder unless his name has, at the time that the notice or document is delivered, been removed from the Register as the holder of the share. The delivery of the notice or document as set out in this article shall for all purposes be deemed a sufficient delivery to all persons interested (whether jointly with or as claiming through or under him) in the share.

154 **Notice when post not available**

If, by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notice sent through the post, the meeting may be convened by notice sent via Electronic Mail or advertised in at least two daily newspapers with national circulation. The Company shall send confirmatory copies of the notice by post or other means permitted by or in accordance with these articles if, at least six clear days prior to the meeting, the posting of notices to addresses within the United Kingdom again becomes practicable.

155 **Statutory requirements**

Nothing in articles 150 to 154 shall affect a requirement of the Statutes that a particular offer, notice or other document be served in a particular manner.

UNTRACED SHAREHOLDERS

156 **Power to stop sending notices to untraced shareholders**

If on two consecutive occasions notices have been sent through the post or via Electronic Mail to a member at his registered address or his address for the giving of notices but have been returned undelivered, the member shall not subsequently be entitled to receive notices from the Company until he has communicated with the Company and supplied, in writing to the office, a new registered address within the United Kingdom for the giving of notices.

157 **Power of sale of shares held by untraced shareholders**

157.1 The Company may sell at the best price reasonably obtainable shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares by instructing a member of the London Stock Exchange to sell them if:

157.1.1 the shares have been in issue through the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period;

157.1.2 no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares during the relevant period;

157.1.3 so far as the Secretary is aware, the Company has not during the relevant period received a communication from the holder of, or person entitled by transmission to, the shares;

157.1.4 the Company has caused two advertisements to be published, one in a daily newspaper with a national circulation and the other in a newspaper circulating in the area of the last known address of the holder of, or person entitled by transmission to, the shares shown in the Register or in the area of the last known address at which service of notices may be effected in the manner authorised by these articles, giving notice of its intention to sell the shares and a period of three

months has elapsed from the date of publication of the advertisements or of the later of the two advertisements to be published if they are published on different dates; and

157.1.5 the Company has given notice to the London Stock Exchange of its intention to make the sale.

157.2 For the purpose of this Article:

157.2.1 “the qualifying period” means the period of 12 years immediately preceding the date of publication of the advertisements referred to in article 157.1.4 or the first of the two advertisements to be published if they are published on different dates; and

157.2.2 “the relevant period” means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of articles 157.1.1, 157.1.2, 157.1.4 and 157.1.5 have been satisfied.

157.3 If, during the relevant period, further shares are issued in right of those held at the beginning of the relevant period and all the requirements of articles 157.1.2 to 157.1.5 have been satisfied in respect of the further shares, the Company may also sell the further shares.

157.4 To give effect to a sale of shares under this article, the Board may authorise a person (so far as consistent with the facilities and requirements of the relevant system) to convert a share in certificated form which is to be sold into a share in uncertificated form, or vice versa, or, in relation to certificated shares, to transfer the shares. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of the shares.

157.5 The purchaser shall not be bound to see to the application of the purchase consideration and his title to the shares shall not be affected by an irregularity or invalidity in the proceedings relating to the sale.

157.6 The net proceeds of sale shall belong to the Company and, on their receipt, the Company shall become indebted to the former holder of the shares for an amount equal to the net proceeds. A trust shall not be created in respect of the debt and

interest shall not be payable in respect of it. The Company shall not be required to account for sums earned from the proceeds but shall be entitled to use them for the purposes of the Company or otherwise as it thinks fit.

158 **Uncashed dividends**

The Company may cease to send a cheque or warrant through the post or may stop the transfer of a sum by a bank or other funds transfer system, as the case may be, for a dividend payable on shares in the Company which is normally paid in that manner on those shares if, in respect of at least two consecutive dividends payable on those shares, the cheques or warrants have been returned undelivered or remain uncashed or the transfer has failed. Subject to the provisions of these articles, the Company shall recommence sending cheques or warrants or transferring funds in respect of dividends payable on those shares, if the holder or person entitled by transmission claims the arrears of dividend, in which case the Company shall resume payment of dividend (and arrears) as notified by the claimant or, in the absence of notification, in the same manner in which payment was effected prior to the suspension of the payment.

WINDING UP

159 **Directors' power to petition**

The Board has power, in the name and on behalf of the Company, to present a petition to the court for the Company to be wound up.

160 **Distribution of assets in proportion to amounts paid up on capital**

If the Company is wound up then, subject to the rights attached to shares issued on special conditions, the assets of the Company available for distribution among the members shall be divided among the holders of the shares in proportion to the amounts of the capital paid up on them.

161 **Distribution of assets otherwise than in cash**

161.1 If the Company is wound up the liquidator may (whether the liquidation is voluntary, under supervision, or by the court), with the sanction of an extraordinary resolution of the Company and any other sanction required by the Statutes, divide amongst the members in specie or kind the whole or part of the assets of the

Company (whether they consist of property of the same kind or not) and may, for that purpose, set the value he deems fair on the property to be divided and may determine how such division shall be carried out as between the members or different classes of members.

- 161.2 The liquidator may, with the same sanction, vest the whole or part of the assets in trustees on such trusts for the benefit of the contributories as the liquidator, with the same sanction, thinks fit, and the liquidation of the Company may be closed and the Company dissolved but so that no member shall be compelled to accept a share or other securities on which there is a liability.

INDEMNITY

162 Indemnity of officers

- 162.1 Subject to the provisions of the Statutes, but without limiting an indemnity to which a director is otherwise entitled, every Director or other officer and the Auditors shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he sustains or incurs in or about the execution of his office or otherwise in relation to his office, including liability incurred by him in defending proceedings, whether civil or criminal, in which judgment is given in his favour or the proceedings are withdrawn or settled on terms which do not include a finding or admission of a material breach of duty by him, or in which he is acquitted, or in connection with an application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
- 162.2 The Board has power to purchase and maintain insurance for or for the benefit of persons who are or were Directors, officers or employees of a Relevant Company (as defined in this article) or who are or were trustees of a pension fund or employee's share scheme in which employees of a Relevant Company are interested, including (without limitation) insurance against a liability incurred in respect of an act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers and otherwise in relation to their duties, powers or offices in relation to a Relevant Company, pension fund or employees' share scheme.

162.3 For the purpose of this article, “Relevant Company” means the Company, a holding company of the Company or another body, whether or not incorporated, in which the Company or holding company or any of the predecessors of the Company or holding company has or had an interest, whether direct or indirect, or which is allied to or associated with the Company, or a subsidiary undertaking of the Company or other body.

Company no: 4101977

Intercede Group Plc

(Incorporated on 3 November 2000)

ARTICLES OF ASSOCIATION

(Adopted on 30 November 2000 and
amended by Special Resolution
passed on 1 July 2003)

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