

Company no. 3508592

**REGEN THERAPEUTICS PLC
NEW ARTICLES OF ASSOCIATION**

**The Companies Acts 2006
Public Company Limited by Shares**

(Adopted on 21 July 2009 and amended by special resolution passed on 28 January 2011)

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Public Company Limited by Shares

New Articles of Association

- of -

REGEN THERAPEUTICS PLC

(Adopted on 21 July 2009 and amended by special resolution dated 28 January 2011)

1. Preliminary

1.1 In these articles of association, the following words and expressions have the following meanings if not inconsistent with the subject or context: -

"2006 Act"	Companies Act 2006 including any secondary statutory modification or re-enactment there of for the time being in force
"Associated Company"	means a company which is the company's subsidiary, or the company's holding company or a subsidiary of the company's holding company
"auditors"	the auditors for the time being and from time to time of the company
"board"	the board of directors for the time being and from time to time of the company
"B' Ordinary Shares"	the 'B' ordinary shares of 2.8 pence each in the capital of the company

"created"	includes day of execution
"company"	means ReGen Therapeutics Plc or such other name that may be lawfully adopted from time to time
"Deferred Shares"	the Deferred A Shares and the Deferred B shares
"Deferred A Shares"	the deferred A shares of 4.9p each in the capital of the company
"Deferred B Shares"	the deferred B shares of 9.99p each in the capital of the company
"directors"	the directors for the time being and from time to time of the company
"dividend"	includes bonus
"electronic form"	shall have the meaning given to that term in section 1168 of the 2006 Act
"executed"	includes any mode of execution
"holder"	in relation to shares means a member whose name is entered in the register of members as the holder of those shares
"in writing" and "written"	written, printed, or lithographed, or visibly expressed by any substitute for writing, including telex, cable, facsimile, transmission, electronic mail and teletext, or partly by one of such means and partly by another or others
"London Stock Exchange"	the London Stock Exchange plc or any successor body carrying on its functions
"member"	any holder for the time being of shares in the capital of the company of whatever class
"month"	calendar month

"office"	the registered office for the time being and from time to time of the company
"Ordinary Shares"	the ordinary shares of 0.01p each in the capital of the company
"paid up"	includes credited as paid up
"register"	the register of members to be kept pursuant to section 113 of the 2006 Act
"Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any modification of them or any regulation in substitution for them
"Relevant Class"	a class of share which is for the time being a participating security "seal" the common seal of the company
"secretary"	subject to the provisions of the Act, includes an assistant or deputy secretary and any person appointed by the directors to perform any of the duties of the secretary
"Section 793 Notice"	a notice given under section 793 of the 2006 Act
"these articles"	these articles of association as from time to time amended
"United Kingdom"	Great Britain and Northern Ireland

1.2 Where the context so requires, words importing the singular number include the plural and vice versa, words importing the masculine gender include the feminine, and persons will include corporations with the necessary adaptation.

1.3 Words and expressions defined in the 2006 Act have the same meanings in these articles, unless the context otherwise requires.

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

1.5 Any reference to any statute or statutory provision is construed as a reference to such statute or statutory provision as amended, modified, consolidated or re-enacted from time to time.

1.6 A reference to a "share" includes reference to Ordinary Shares, 'B' Ordinary Shares and Deferred Shares, unless the context requires otherwise.

2. **Table "A"**

2.1 The regulations contained in the Companies (Tables A-F) Regulations 1985 do not apply to the company.

3. **Limitation of liability**

3.1 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

4. **Variation of rights**

4.1 Subject to the provisions of the 2006 Act and without prejudice to any rights for the time being conferred on the holders of any shares or class of shares, any share in the company may be allotted with such preferred, deferred or other rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the company may from time to time by ordinary resolution determine or, if no such determination be made, as the directors determine.

4.2 Subject to the provisions of the 2006 Act and to the authority of the company in a general meeting required by the 2006 Act, the directors have unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any shares of the company to such persons, at such times and generally on such terms and conditions as they may determine.

4.3 The company may issue shares which are to be redeemed or are liable to be redeemed at the option of the company or the shareholders the directors are authorised to determine the terms, conditions and manner of redemption of such shares.

- 4.4 Subject to the provisions of the 2006 Act and to the authority of the company in a general meeting required by the 2006 Act, the company has power to purchase its own shares, including any redeemable shares.
- 4.5 When any shares are to be issued, the directors may vary the amount of calls to be paid and the time of payment of such calls as between the allottees of such shares.
- 4.6 If by the conditions of allotment of any share the whole or part of its issue price is payable by installments, every such installment will, when due, be paid to the company by the person who for the time being is the registered holder of the share.
- 4.7 In addition to all other powers of paying commissions, the company may exercise the powers conferred by the 2006 Act of paying commissions to persons subscribing or procuring subscriptions for shares of the company, or agreeing so to do, whether absolutely or conditionally. Subject to the provisions of the 2006 Act and to the rules of the London Stock Exchange, any such commissions may be satisfied by the payment of cash or, with the sanction of an ordinary resolution, by the allotment of fully or partly paid shares of the company or by any such combination. The company may also, on any issue of shares, pay such brokerage as may be lawful.
- 4.8 Except as required by law, no person will be recognised by the company as holding any share upon any trust, and except only as otherwise provided by these articles or as required by law or under an order of a court of competent jurisdiction, the company will not be bound by or recognise any equitable, contingent, future or partial interest in any share, or any interest in any fraction or part of a share, or any other right in respect of any share, except an absolute right to the entirety of it in the registered holder.
- 4.9 Subject to the provisions of the 2006 Act, if at any time the capital of the company is divided into different classes of shares, all or any of the rights or privileges attached to any class may be varied or abrogated either in such manner, if any, as may be provided by such rights, or in the absence of any such provision, in accordance with the 2006 Act.
- 4.10 To every such separate meeting as may be required in accordance with article 4.9, all the provisions of these articles relating to general meetings of the company, or to the proceedings at them, and the provisions of Chapter 3 of Part III of the 2006 Act apply, as modified in accordance with section 334 of the 2006 Act.

- 4.11 The creation or issue of shares ranking equally with or subsequent to the shares of any class will not, unless otherwise expressly provided by these articles or the rights attached to such shares as a class, be deemed to be a variation of the rights of such shares.
- 4.12 The Deferred A Shares and Deferred B Shares shall rank pari passu in all respects and shall constitute one class of shares. The rights and restrictions attaching to the Deferred Shares are as follows:

As regards income

- 4.12.1 The Deferred Shares shall carry no right to receive any dividend or other distribution in respect of any financial year or other period of the company.

As regards capital

- 4.12.2 On any return of capital whether on a winding up or reduction of capital or otherwise, the holders of the Deferred Shares shall be entitled to receive the amount paid up or credited as paid up on their respective holdings of Deferred Shares but only after there has been paid on each Ordinary Share the nominal amount paid up on such share plus a further sum of £1,000,000 per share, but the holders of the Deferred Shares shall not be entitled to participate further in any distribution of the assets or the capital of the company.

As regards voting

- 4.12.3 The holders of the Deferred Shares shall have no right to receive notice of or to attend or to vote or to speak either in person or by proxy at any general meeting or class meeting of the company.

As regards transfer

- 4.12.4 Notwithstanding article 9, the holders of the Deferred Shares shall have no right to transfer any Deferred Shares except to the company or to such persons as the company may determine.

The creation or issue of Deferred Shares shall be deemed to confer irrevocable authority on the company at that time or at any time thereafter to:

- 4.12.4.1 register such shares in the name of such person or persons as the company may determine as custodian thereof; and/or
- 4.12.4.2 appoint any person to execute on behalf of any holder or holders of such shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holder thereof, to such person or persons as the company may determine as custodian thereof;

and to cancel such shares (in accordance with the provisions of the 2006 Act) without making any payment to or obtaining the sanction of the holder or holders thereof and pending such transfer and/or cancellation to retain the certificate, if any, for such shares and to do all things necessary or desirable to give effect to such transfer or cancellation.

As regards purchase or redemption

- 4.12.5 The company may purchase or redeem all or any of the Deferred Shares then in issue, at a price not exceeding 4.9p in the case of each Deferred A Share and at a price not exceeding 9.99p in the case of each Deferred B Share, so purchased or redeemed. Any payment due on purchase or redemption of the Deferred Shares shall be paid on the date of such purchase or redemption.

As regards certificates

- 4.12.6 Notwithstanding article 5, the holders of the Deferred Shares shall have no right to receive a certificate in respect of their holding.

As regards modification of rights

- 4.12.7 Neither the passing by the company of any special resolution for the cancellation of the Deferred Shares for consideration or for no consideration by means of a reduction of capital requiring the confirmation of the court nor the obtaining by the company nor the making by the court of any order confirming any such reduction of capital nor the making effective of such order shall constitute a modification, variation or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be

cancelled for no consideration by means of a reduction in capital effected in accordance with the 2006 Act without sanction on the part of the holders of the Deferred Shares.

The company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the Deferred Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the Deferred Shares) shall be treated as being in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose.

4.13 The rights and restrictions attaching to the 'B' Ordinary Shares are as follows:

As regards income

4.13.1 The 'B' Ordinary Shares shall carry no right to receive any dividend or other distribution in respect of any financial year or other period of the company.

As regards capital

4.13.2 Except as provided in article 4.13.3, on a return of capital on a winding-up or otherwise (including a court approved reduction of capital), the holders of the 'B' Ordinary Shares shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the company, the amount paid up or credited as paid up on each 'B' Ordinary Share held by them.

4.13.3 On a winding-up, the holders of the 'B' Ordinary Shares shall not be entitled to any further right of participation in the profits or assets of the company in excess of that specified in article 4.13.2 above. In the event that there is a winding-up and the amounts available for payment are insufficient to pay the amounts due on all of the 'B' Ordinary Shares in full, the holders of the 'B' Ordinary Shares shall be entitled to their pro-rata proportions of the amounts to which they would otherwise be entitled.

4.13.4 The aggregate entitlement of each holder of the 'B' Ordinary Shares on a winding-up in respect of all of the 'B' Ordinary Shares held by him shall be rounded up to the nearest pence.

As regards voting

4.13.5 The holders of the 'B' Ordinary Shares, in their capacity as holders of such shares, shall have no right to receive notice of or to attend or to vote or to speak either in person or by proxy at any general meeting or class meeting of the company.

As regards modification of rights

4.13.6 Neither the passing by the company of any special resolution for the cancellation of the 'B' Ordinary Shares for consideration or for no consideration by means of a reduction of capital requiring the confirmation of the court nor the obtaining by the company nor the making by the court of any order confirming any such reduction of capital nor the making effective of such order shall constitute a modification, variation or abrogation of the rights attaching to the 'B' Ordinary Shares and accordingly the 'B' Ordinary Shares may at any time be cancelled for no consideration by means of a reduction in capital effective in accordance with the 2006 Act without sanction on the part of the holders of the 'B' Ordinary Shares.

4.13.7 The company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the 'B' Ordinary Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the 'B' Ordinary Shares) shall be treated as being in accordance with the rights attaching to the 'B' Ordinary Shares and shall not involve a variation of such rights for any purpose.

As regards transferability

4.13.8 The 'B' Ordinary Shares shall not be transferrable.

5. Certificates

5.1 Every person, other than a person in respect of whom the company is not required by law to complete and have ready for delivery a certificate by virtue of section 769 of the 2006 Act whose name is entered as a member in the register of members is entitled

without payment to one certificate for all the shares of each class for the time being held by him, or upon payment of such reasonable out-of-pocket expenses as the directors may from time to time determine for every certificate after the first, to several certificates, each for one or more of his shares.

5.2 Every certificate will:

5.2.1 be issued within 2 months after allotment or the lodgement with the company of the transfer of the shares, not being a transfer which the company is for any reason entitled to refuse to register and does not register, unless the conditions of issue of such shares otherwise provide or except as exempted by virtue of section 769 of the 2006 Act;

5.2.2 be under the official seal kept by the company by virtue of section 50 of the 2006 Act or otherwise in accordance with the 2006 Act; and

5.2.3 specify the number and class and distinguishing numbers, if any, of the shares to which it relates, and the amount paid up on them.

5.3 The company is not bound to register more than 4 persons as the joint holders of any share or shares, except in the case of executors or trustees of a deceased member. In the case of a share held jointly by several persons, the company is not bound to issue more than one certificate for it. Delivery of a certificate for a share to one of several joint holders will be sufficient delivery to all.

5.4 Where a member transfers part of his holding of shares, he will be entitled to a certificate for the balance of his holding without charge.

5.5 Share certificates and certificates for debentures and, subject to the provisions of any instrument constituting or securing them, certificates issued under the official seal kept by the company by virtue of section 50 of the 2006 Act, need not be signed or countersigned, or the signatures may be affixed to them by such mechanical means as may be determined by the directors.

5.6 If a share certificate is lost, destroyed, defaced or worn out, it will be renewed and, in case of loss or destruction, on such terms, if any, as to evidence and indemnity as the

directors think fit, and, in case of defacement or wearing out, on delivery to the company of the old certificate.

- 5.7 The company will not make any charge for any certificate issued under article 5.6 but will be entitled to charge for any exceptional out of pocket expenses it incurred relating to the issue of any new certificate.
- 5.8 The directors have power to implement whatever arrangements they, in their absolute discretion, see fit in order for any class of shares to be a participating security, subject always to the Regulations and the facilities and requirements of the relevant system concerned. Where they do so, articles 5.9 and 5.10 will take effect immediately prior to the time at which the operator of the relevant system concerned permits the class of shares concerned to be a participating security.
- 5.9 In relation to any class of shares which is, for the time being, a participating security, and as long as that class remains a participating security, no provision of these articles will apply or have effect to the extent that it is in any respect inconsistent with:
- 5.9.1 the holding of that class in uncertificated form;
 - 5.9.2 the transfer of title to shares of that class by means of a relevant system; or
 - 5.9.3 the Regulations.
- 5.10 Without prejudice to the generality of article 5.9 and notwithstanding anything contained in these articles, where any class of share is, for the time being, a participating security:
- 5.10.1 the register relating to the Relevant Class will be maintained at all times in the United Kingdom;
 - 5.10.2 shares of the Relevant Class may be issued in uncertificated form in accordance with and subject to the Regulations;
 - 5.10.3 unless the directors decide otherwise, shares of the Relevant Class held by the same holder or joint holder in certificated and uncertificated form will be treated as separate holdings;

- 5.10.4 shares of the relevant Class may be changed from uncertificated to certificated form and vice versa, in accordance with and subject to the Regulations;
- 5.10.5 title to shares of the Relevant Class which are recorded on the register as being held in uncertificated form may be transferred by means of the relevant system concerned and accordingly, and in particular, articles 5.4 and 5.5 and article 9 will not apply to those shares to the extent that those articles require or contemplate transfer by an instrument in writing and the production of a certificate for the shares to be transferred;
- 5.10.6 the company will comply with the provisions of Regulations 21 and 22 in relation to the Relevant Class and article 9 in particular will be read as subject to Regulation 22;
- 5.10.7 the provisions of these articles relating to meetings of or including holders of the Relevant Class, including notices of such meetings, will be subject to Regulation 34; and
- 5.10.8 articles 5.1 to 5.9 will not apply so as to require the company to issue a certificate to any person holding shares of the Relevant Class in uncertificated form.

6. **Lien**

- 6.1 Subject to section 670 of the 2006 Act, the company has a first and paramount lien on every share, which is not a fully paid share, for all money, whether presently payable or not, called or payable at a fixed time in respect of such share. The company's lien, if any, on a share extends to all dividends or other money payable on it or in respect of it. The directors may resolve that any share will be exempt from the provisions of this article for some specified period.
- 6.2 For the purpose of enforcing such lien, the company may sell, in such manner as the directors think fit, any share on which the company has a lien, but no sale will be made unless some money in respect of which the lien exists are presently payable and 14 days have expired after a notice in writing, stating and demanding payment of the money presently payable and giving notice of intention to sell in default, has been served on the

holder for the time being of the shares or the person entitled by reason of his death or bankruptcy to the shares.

- 6.3 The net proceeds of any such sale will be applied in or towards payment or satisfaction of the amount in respect of which the lien exists as is presently payable and any residue will, subject to a like lien in respect of sums not presently payable as existed upon the shares prior to the sale, be paid to the person entitled to the shares immediately prior to the sale.
- 6.4 For giving effect to any such sale, the directors may authorise some person to transfer the shares sold to their purchaser.
- 6.5 The purchaser will be registered as the holder of the shares so transferred and he will not be bound to see to the application of the purchase money, nor will his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

7. **Calls on shares**

- 7.1 The directors may, subject to the provisions of these articles and to any conditions of allotment, from time to time make calls upon the members in respect of any money unpaid on their shares, whether on account of the nominal value of the shares or by way of premium. Each member will, subject to being given at least 14 days' notice specifying the time or times and place of payment, pay to the company at the time or times and place so specified the amount called on his shares.
- 7.2 A call may be payable by instalments and may be postponed or wholly revoked or in part revoked, as the directors may determine.
- 7.3 A call will be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 7.4 The joint holders of a share are jointly and severally liable to pay all calls in respect of it and any one of such persons may give effective receipts for any return of capital payable in respect of such shares.
- 7.5 If by the terms of any prospectus, listing particulars or any other document relating to an issue of shares in the company or by the conditions of allotment, any amount is payable

in respect of any shares by instalments, every such instalment will be payable as if it were a call duly made by the directors of which due notice had been given.

- 7.6 If a sum called in respect of a share is not paid before or on the day appointed for its payment, the person from whom the sum is due must pay interest on the sum at such rate as may be fixed by the terms of allotment of the share or, if no rate is fixed, at the appropriate rate, as defined by section 592 of the 2006 Act, from the day appointed for its payment to the time of actual payment. The directors are at liberty to waive payment of such interest wholly or in part.
- 7.7 Any sum which by or pursuant to the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, will for all the purposes of these articles be deemed to be a call duly made and payable on the date on which, by or pursuant to the terms of issue, it becomes payable. In case of non-payment, all the relevant provisions of these articles as to payment of interest, forfeiture or otherwise apply as if such sum had become payable by virtue of a call duly made and notified.
- 7.8 The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.
- 7.9 The directors may receive from any member willing to advance it all or any part of the money unpaid upon the shares held by him, beyond the sums actually called up on them, as a payment in advance of calls, and such payment in advance of calls will extinguish, so far as they extend, the liability upon the shares in respect of which it is advanced. The company may pay interest upon the money so received, or so much of it as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, at such rate as the member paying such sum and the directors agree. Any such payment in advance will not entitle the holder of the shares in question to participate in any dividend in respect of the amount advanced.

8. Forfeiture of shares

- 8.1 If a member fails to pay any call or instalment of a call before or on the date appointed for its payment, the directors may at any time after that date, during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment

of so much of the call or instalment as is unpaid, together with any interest which may have accrued on it and all expenses incurred by the company by reason of such non-payment.

- 8.2 The notice will name a further date, not earlier than 14 days from the date of its service, on or before which and the place where the payment required by the notice is to be made, and will state that, in the event of non-payment on or before the date and at the place appointed, the shares on which the call was made will be liable to be forfeited.
- 8.3 If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may at any time after its date, before payment of all calls and interest due in respect of it has been made, be forfeited by a resolution of the directors to that effect, and such forfeiture will include all dividends which have been declared on the forfeited shares and not actually paid before the forfeiture.
- 8.4 When any share has been forfeited, notice of the forfeiture will be served upon the person who was before forfeiture the holder of it, but no forfeiture will be in any manner invalidated by any omission or neglect to give such notice. Subject to the provisions of the 2006 Act, any share so forfeited will be deemed to be the property of the company, no voting rights may be exercised in respect of it and the directors may within 3 years of such forfeiture sell, re-allot, or otherwise dispose of it in such manner as they think fit, either to the person who was before the forfeiture its holder, or to any other person, and either with or without any past or accruing dividends, and in the case of re-allotment, with or without any money paid on it by the former holder being credited as paid up on it. Any share not so disposed of within a period of 3 years from the date of its forfeiture will be cancelled in accordance with the provisions of the 2006 Act.
- 8.5 The directors may at any time, before any share so forfeited has been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture upon such conditions as they think fit.
- 8.6 A person whose shares have been forfeited ceases to be a member in respect of the forfeited shares but, notwithstanding the forfeiture, remains liable to pay to the company all money which at the date of forfeiture was payable by him to the company in respect of the shares and interest on them in accordance with article 7.6, and the directors may

enforce payment without any allowance for the value of the shares at the time of forfeiture.

8.7 A statutory declaration that the declarant is a director or the secretary of the company and that a share has been duly forfeited on a date stated in the declaration, is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. Such declaration and the receipt by the company of the consideration, if any, given for the share on its sale, re-allotment or disposal, together with the certificate for the share delivered to a purchaser or allottee of it, subject to the execution of a transfer if so required, constitutes a good title to the share. The person to whom the share is sold, re-allotted or disposed of will be registered as its holder and will not be bound to see to the application of the consideration, if any, nor will his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

8.8 The directors may accept the surrender of any share liable to be forfeited under these articles and in any such case any reference in these articles to forfeiture includes surrender.

9. **Transfer of shares**

9.1 All transfers of shares permitted by these articles must be effected in the manner authorised by the Stock Transfer Act 1963.

9.2 The instrument of transfer must be signed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The transferor will be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it.

9.3 The directors may, in their absolute discretion and without giving any reason, refuse to register any transfer of shares unless:

9.3.1 subject to article 11.5, it is in respect of a fully paid share;

9.3.2 it is duly stamped, is deposited at the office or such other place as the directors may appoint and is accompanied by the certificate for the shares to which it

relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;

- 9.3.3 it is in respect of only one class of share;
 - 9.3.4 it is in favour of not more than 4 transferees except in the case of executors or trustees of a deceased member; or
 - 9.3.5 it is in respect of a share on which the company does not have a lien in respect of which the company has not served a notice pursuant to article 6.2.
- 9.4 In exceptional circumstances approved by the London Stock Exchange, the directors may refuse to register any transfer of shares to which article 9.3 would otherwise apply, provided that their refusal does not disturb the market.
- 9.5 If the directors refuse to register a transfer of any shares, they must, within 2 months after the date on which the transfer was lodged with the company, send to the transferor and the transferee notice of the refusal together with the reasons for refusal.
- 9.6 The company is not entitled to charge any fee in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, power of attorney, stop notice or other document relating to or affecting the title to any shares.
- 9.7 All instruments of transfer which are registered will, subject to article 41.1, be retained by the company, but any instrument of transfer which the directors refuse to register will, except in any case of fraud, be returned to the person depositing it.
- 9.8 Nothing in these articles precludes the directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.
10. **Transmission of shares**
- 10.1 In the case of the death of a member, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, are the only persons recognised by the company as having any title

to his interest in the shares, but nothing in this article will release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.

- 10.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence as to his title being produced as may from time to time be required by the directors, and subject as provided in these articles, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as its holder.
- 10.3 If the person so becoming entitled elects to be registered himself, he must deliver or send to the company a notice in writing signed by him stating that he so elects. If he elects to have another person registered, he must signify his election by signing a transfer of the share in favour of that person. All the limitations, restrictions and provisions of these articles relating to the right to transfer and the registration of transfers of shares apply to any such 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 such member.
- 10.4 A person becoming entitled to a share in consequence of the death or bankruptcy of a member will, upon supply to the company of such evidence as the directors may reasonably require as to his title to the share, be entitled to receive and may give a discharge for all benefits arising or accruing on or in respect of the share, but he will not be entitled in respect of that share to receive notices of or to attend or vote at meetings of the company, or, except as previously stated, to any of the rights or privileges of a member until he has become a member in respect of the share. The directors may at any time give notice requiring any such person who is the holder of a fully paid up share to elect either to be registered himself or to transfer the share and, if within 60 days the notice is not complied with, such person will be deemed to have elected to be registered as a member in respect of the share and may be registered accordingly.

11. **Disclosure of interests in shares**

- 11.1 If a Section 793 Notice is given to a person appearing to be interested in any shares, a copy will at the same time be given to the holder of those shares but the accidental omission to do so or the non-receipt by the member will not prejudice the operation of articles 11.2 to 11.6, which are without prejudice to the provisions of section 794 and 795

of the 2006 Act. In particular, the company will be entitled to apply to the court under section 794 whether or not these articles apply or have been applied.

- 11.2 If a member or any person appearing to be interested in any shares held by a member has been duly served with a Section 793 Notice and fails fully to comply with it after 14 days from the date of service of the Section 793 Notice, the provisions of articles 11.4 and 11.5 will apply. The restrictions imposed by those articles in relation to any shares will continue until a relevant event occurs in relation to those shares and will cease immediately it does so. For this purpose, a "relevant event" is either of the following:
- 11.2.1 the default is remedied to the satisfaction of the company; or
 - 11.2.2 the shares are registered in the name of the purchaser or offeror, or that of his nominee, pursuant to an arm's length transfer, as defined in article 11.7.1.
- 11.3 Any dividends withheld pursuant to article 11.5.2 will be paid to the member as soon as practicable after the restrictions contained in article 11.5 lapse.
- 11.4 Subject to article 11.6 and unless the directors otherwise determine, a member who has a holding of less than 0.25 per cent, of any class of shares, will not be entitled in respect of the shares held by him, whether or not referred to in the Section 793 Notice, to attend and vote at a general meeting either personally or by proxy.
- 11.5 Subject to article 11.6 and unless the directors otherwise determine, a member who has a holding of at least 0.25 per cent. of any class of shares will not be entitled in respect of the shares held by him, whether or not referred to in the Section 793 Notice:
- 11.5.1 to attend and vote at a general meeting either personally or by proxy;
 - 11.5.2 to receive any dividend payable in respect of such shares; or
 - 11.5.3 to transfer or agree to transfer any of such shares, or any rights in them.
- 11.6 The restrictions in articles 11.4 and 11.5 are without prejudice to the right of either the member holding the shares concerned or, if different, the beneficial owner of those shares, to sell or agree to sell them pursuant to an arm's length transfer.
- 11.7 For the purposes of articles 11.1 to 11.6:

- 11.7.1 an arm's length transfer in relation to any shares is a transfer pursuant to:
 - 11.7.1.1 a sale of those shares to a bona fide unconnected third party on a recognised investment exchange, as defined in the Financial Services and Markets Act 2000 (as amended from time to time), or on any stock exchange outside the United Kingdom on which the shares are normally traded; or
 - 11.7.1.2 a takeover offer for the company as defined in section 974 of the 2006 Act; and
- 11.7.2 the company will be entitled to treat any persons as appearing to be interested in any shares if:
 - 11.7.2.1 the member holding such shares or any person who is or may be interested in such shares either fails to respond to a Section 793 Notice or has given to the company a notification pursuant to a Section 793 Notice which in the opinion of the directors fails to establish the identities of those interested in the shares and if, after taking into account such notification and any other relevant notification pursuant to a Section 793 Notice, the company knows or has reasonable cause to believe that the person in question is or may be interested in the shares; or
 - 11.7.2.2 that person, not being the member, is interested in those shares for the purposes of section 793.

12. **Alteration of capital**

- 12.1 The company may by ordinary resolution:
 - 12.1.1 consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;
 - 12.1.2 sub-divide its shares, or any of them, into shares of smaller nominal value, subject nevertheless to the provisions of the 2006 Act, and so that the resolution by which any share is sub-divided may determine that, as between

the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the company has power to attach to new shares.

- 12.2 The company may from time to time by special resolution reduce its share capital, capital redemption reserve fund and any share premium account in any manner authorised by the 2006 Act and diminish the amount of its share capital by the amount of the shares so cancelled.
- 12.3 Whenever as a result of any consolidation of shares any members would become entitled to fractions of a share, the directors may for the purpose of eliminating such fractions sell the shares representing the fractions for the best price reasonably obtainable and distribute the proceeds of sale in due proportion among the members who would have been entitled to the fractions of shares.
- 12.4 For the purpose of any such sale, the directors may authorise some person to transfer the shares representing the fractions to their purchaser, whose name will be entered in the register of members as the holder of the shares, and who will not be bound to see to the application of the purchase money, and the title to the shares of such purchaser will not be affected by any irregularity or invalidity in the proceedings in reference to the sale.

13. **General meetings**

- 13.1 Subject to the provisions of the 2006 Act, the annual general meeting will be held at such time and place as the directors may determine.
- 13.2 All general meetings other than annual general meetings are called general meetings.
- 13.3 The directors may call a general meeting whenever they think fit, and must do so when required by the 2006 Act, and general meetings must also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the 2006 Act.

14. Notice of general meetings

- 14.1 Subject to the provisions of the 2006 Act, an annual general meeting must be called by at least 21 days' notice, and all other general meetings must be called by at least 14 days' notice. The notice is exclusive of the day on which it is served, or deemed to be served, and of the day for which it is given.
- 14.2 Every notice must be in writing and specify the place, the day and the time of meeting and in the case of an annual general meeting, must specify the meeting as such.
- 14.3 Notices must be given in the manner stated in these articles to all the members, other than those who under the provisions of these articles or under the rights attached to the shares held by them are not entitled to receive the notice, and to the auditors.
- 14.4 Notwithstanding that it is called by shorter notice than that specified in article 14.1, a meeting of the company is deemed to have been duly called if it is so agreed:
- 14.4.1 in the case of a meeting called as an annual general meeting, by all the members entitled to attend and vote at it; or
 - 14.4.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
- 14.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person entitled to receive notice will not invalidate the proceedings at that meeting.
- 14.6 In every notice calling a meeting of the company or any class of the members of the company, there will appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy need not also be a member.
- 14.7 Where special notice of a resolution is required by any provision contained in the 2006 Act, the resolution is not effective unless notice of the intention to move it has been given to the company not fewer than 28 days, or such shorter period as the 2006 Act permit,

before the meeting at which it is moved, and the company must give to its members, notice of any such resolution as required by and in accordance with the provisions of section 312 of the 2006 Act.

15. Proceedings at general meetings

- 15.1 No business may be transacted at any general meeting unless a quorum is present. Except as otherwise provided in these articles, 2 persons entitled to vote at the meeting each being a member or a proxy for a member or a representative of a corporation which is a member, duly appointed as such in accordance with the 2006 Act, are a quorum for all purposes.
- 15.2 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of, or by, members, will be dissolved. In any other case, it will stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the directors may determine.
- 15.3 If at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the member or members present in person or by proxy and entitled to vote will have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, the company must give at least 7 clear days' notice, specifying the place, the day and the time of the adjourned meeting and that the member or members present will form a quorum, but it will not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Except as stated, it will not be necessary to give any notice of an adjournment.
- 15.4 The chairman, if any, of the board of directors, or in his absence some other director nominated by the chairman in writing, will preside as chairman at every general meeting of the company, but if at any meeting neither the chairman nor such other 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 some director present to be chairman, or if no director is present, or if all the directors present decline

- to take the chair, the members present may choose some member present to be chairman.
- 15.5 The chairman may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
- 15.6 At any general meeting, a resolution put to the vote of the meeting is decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll is demanded:
- 15.6.1 by the chairman; or
 - 15.6.2 by not fewer than 5 members present in person or by proxy and entitled to vote at the meeting; or
 - 15.6.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - 15.6.4 by a member or members holding shares of the company 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.
- 15.7 Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of general meetings of the company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 15.8 The instrument appointing a proxy to vote at a meeting is deemed also to confer authority to demand or join in demanding a poll and to vote whether by show of hands or on a poll on the election of a chairman and on a motion to adjourn a meeting. For the

purposes of article 15.6, a demand by a person as proxy for a member is the same as a demand by the member.

- 15.9 If any votes are counted which ought not to have been counted or might have been rejected, or if any votes are not counted which ought to have been counted, the error will not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment of it, and it is in the opinion of the chairman of the meeting of sufficient magnitude to vitiate the result of the voting.
- 15.10 If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution will not be invalidated by any error in such ruling. In the case of a resolution proposed as an extraordinary or special resolution, no amendment to it, other than a mere clerical amendment to correct a patent error, may in the event be considered or voted upon.
- 15.11 Subject to the provisions of article 15.12, if a poll is duly demanded, it will be taken in such manner as the chairman may direct, including the use of ballot or voting papers or tickets, and the result of a poll will be deemed to be the resolution of the meeting at which the poll was demanded. The chairman may, in the event of a poll, appoint scrutineers, who need not be members, and may fix some place and time for the purpose of declaring the result of the poll.
- 15.12 A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately. A poll demanded on any other question must be taken immediately or at such time and place as the chairman directs, not being more than 30 days from the date of the meeting or the adjourned meeting at which the poll was demanded. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken.
- 15.13 The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- 15.14 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman, and a demand so withdrawn will not be taken to have

invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn with the consent of the chairman, the meeting will continue as if the demand had not been made.

16. Votes of members

16.1 Subject to any special rights or restrictions as to voting attached to any share by or in accordance with these articles:

16.1.1 on a show of hands every member who, being an individual, is present in person or by proxy, or, being a corporation, is present by a duly authorised representative or proxy, has one vote and, save as provided in section 285(2) of the 2006 Act, every proxy present who has been duly appointed by a member entitled to vote on the resolution, has one vote;

16.1.2 in relation to section 285(2) of the 2006 Act, if a proxy has been appointed by more than one member entitled to vote on a resolution and that proxy is given a discretion how to vote by one or more of those members, the proxy shall be treated as having been instructed to vote the shares in the way he decides to vote; and

16.1.3 on a poll every member who is present in person or by proxy or, being a corporation, is present by a duly authorised representative or proxy, has one vote for every share of which he is the holder.

16.2 In the case of joint holders of a share, the person whose name appears first in the register of members is entitled, to the exclusion of the other joint holders, to vote, whether in person or by proxy, in respect of the share.

16.3 A member who is a patient within the meaning of the Mental Health Act 1983 may vote, whether on a show of hands or on a poll, by his receiver, curator bonis, or other person appointed by such court (who may on a poll vote by proxy) provided that such evidence as the directors may require of the authority of the person claiming to vote has been deposited at the office not fewer than 48 (excluding weekends and public holidays) hours before the time for holding the meeting or adjourned meeting at which such person claims to vote.

16.4 No member will, unless the directors otherwise determine, be entitled in respect of any shares held by him to vote at any general meeting either in person or by proxy, or to exercise any privilege as a member:

- 16.4.1 if any calls or other sums presently payable by him in respect of those shares have not been paid; or
- 16.4.2 he or any person appearing to be interested in those shares has been duly served with a Section 793 Notice and he or any such person is in default in supplying to the company the information requested in it within 42 days after service of such notice or such longer period as may be specified in such notice for compliance with it and has not remedied such default within a further period of 14 days after service of a further notice requiring him so to do.
- 16.5 No objection may be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or cast, and every vote not disallowed at such meeting will be valid for all purposes. Any such objection made in due time will be referred to the chairman of the meeting, whose decision is final, binding and conclusive.
- 16.6 On a poll, votes may be given either in person or by proxy and a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- 16.7 A proxy shall vote in accordance with the instructions given or treated as given by the member by whom the proxy is appointed.
- 16.8 Any person, whether a member or not, may be appointed to act as a proxy. A member may appoint more than one proxy to attend on the same occasion. Deposit of an instrument of proxy does not preclude a member from attending and voting in person at the meeting or any adjournment of it.
- 16.9 The instrument appointing a proxy must be in writing in any usual or common form, or such other form as may be approved by the directors, and will be signed by the appointor or by his agent duly authorised in writing or if the appointor is a corporation, must be either under its common seal or signed by an officer or agent so authorised. The directors may, but will not be bound to, require evidence of authority of such officer or agent. An instrument of proxy need not be witnessed.

- 16.10 The instrument appointing a proxy, together with, unless the directors waive such requirement, the power of attorney or other authority, if any, under which it is signed, or a certified copy of such authority, must be deposited at the office, or at such other place in the United Kingdom as is specified for that purpose in the notice calling the meeting, or in any instrument of proxy sent out by the company in relation to the meeting, not fewer than 48 hours (excluding weekends and public holidays) before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. In the case of a poll taken more than 48 hours after it was demanded, such instrument must be received 24 hours before the time appointed for taking the poll and in the case of a poll taken not more than 48 hours after it was demanded such instrument must be received at the time to poll was demanded. In default, the instrument of proxy will not be valid. An instrument appointing a proxy to vote at any meeting and deposited as set out in this article will authorise the proxy so appointed to vote on any poll taken or demanded at such meeting or at any adjournment of such meeting. No instrument appointing a proxy will be valid after the expiry of 12 months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within 12 months from such date.
- 16.11 A vote given in accordance with the terms of an instrument of proxy or by the duly authorised representative of a corporate member or a poll demanded by proxy or by the duly authorised representative of a corporate member will be valid, notwithstanding, in the case of a proxy, the previous death or insanity of the principal, or the revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no notice in writing of such death, insanity or revocation has been received by the company at the office at least 3 hours before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.
- 16.12 The directors may at the expense of the company send, by post or otherwise, to the members instruments of proxy, with or without provision for their return pre-paid, for use at any general meeting or at any separate meeting of the holders of any class of shares of the company either in blank or nominating in the alternative any one or more of the directors or any other persons. If, for the purpose of any meeting, invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are

issued at the company's expense, they will be issued to all, and not to some only, of the members entitled to be sent a notice of the meeting and to vote at it by proxy.

17. Corporations acting by representatives

17.1 Any corporation which is a member of the company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the company or of any class of members of the company. Where the corporation authorises only one person, the person so authorised will be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the company and such corporation will for the purposes of these articles be deemed to be present in person at any such meeting if a person so authorised is present at it. Where the corporation authorises more than one person, the provisions of section 323 of the 2006 Act shall apply.

18. Directors

18.1 Unless and until otherwise determined by the company by ordinary resolution, the number of directors is not fewer than 2 nor more than 10.

18.2 A director is not required to hold any share qualification but is nevertheless entitled to attend and speak at any general meeting or at any separate meeting of the holders of any class of shares of the company.

19. Alternate directors

19.1 Any director, other than an alternate director, may at any time appoint any other director, or any person approved by resolution of the directors, to be an alternate director of the company, and may at any time remove any alternate director so appointed by him from office and, subject to such approval by the directors, appoint another person in his place. An alternate director so appointed is not required to hold any share qualification.

19.2 Subject to his giving to the company an address within the United Kingdom at which notices may be served upon him, an alternate director is entitled to receive notices of all meetings of the directors and to attend and vote as a director at any such meeting at

which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in the absence of such appointor.

- 19.3 An alternate director will cease to be an alternate director on the happening of any event which, if he were a director, would cause him to vacate such office or if his appointor ceases for any reason to be a director. If, however, any director retires but is reappointed by the meeting at which such retirement took effect, any appointment made by him pursuant to article 19.1 which was in force immediately prior to his retirement will continue to operate after his re-appointment as if he had not so retired.
- 19.4 All appointments and removals of alternate directors must be effected by notice in writing signed by the director making or revoking such appointment sent to or left at the registered office of the company.
- 19.5 Except as otherwise provided in these articles, an alternate director is deemed for all purposes to be an officer of the company and is alone responsible to the company for his own acts and defaults, and he is not deemed to be the agent of or for the director appointing him. An alternate director is not entitled to receive any remuneration from the company for his services as such but his remuneration is payable out of the remuneration payable to the director appointing him, and will consist of such part, if any, of the latter's remuneration as is agreed between them.

20. Powers and duties of directors

- 20.1 The business of the company is managed by the directors who may exercise all such powers of the company as are not by the 2006 Act or by these articles required to be exercised by the company in general meeting, subject nevertheless to the provisions of these articles and of the 2006 Act, and to such directions, whether or not inconsistent with these articles, as may be prescribed by the company by special resolution. No such direction and no alteration of these articles will invalidate any prior act of the directors which would have been valid if such direction or alteration had not been given or made. The matters to which the directors have regard in the performance of their functions include the interests of the company's employees in general as well as the interests of its members. The general powers given by this article are not limited or restricted by any special authority or power given to the directors by any other article.

- 20.2 The directors may from time to time provide for the management and transaction of the affairs of the company in any specified locality, whether at home or abroad, in such manner as they think fit, and the provisions contained in articles 20.3 to 20.5 are without prejudice to the general powers conferred by this article.
- 20.3 The directors may establish any councils, committees, local boards or agencies for managing any of the affairs of the company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any council, committee, local board, manager or agent any of the powers, authorities and discretions vested in the directors, with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies in it, and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the directors may think fit, and the directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation will be affected by it.
- 20.4 The directors may from time to time, and at any time, appoint, whether by power of attorney or otherwise, any corporation, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the directors, to be the agent of the company for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the directors under these articles, and for such period and subject to such conditions as they may think fit. Any such appointment may contain such provisions for the protection and convenience of persons dealing with any such agent as the directors may think fit, and may also authorise any such agent to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 20.5 The directors may exercise the powers conferred upon the company by section 129 of the 2006 Act with regard to the keeping of an overseas branch register and the directors may, subject to the provisions of the 2006 Act, make and vary such regulations as they may think fit respecting the keeping of any such register.
- 20.6 The directors may establish and maintain, or procure the establishment and maintenance of, any pension, annuity or superannuation funds, whether contributory or otherwise, for the benefit of, and give or procure the giving of donations, gratuities,

pensions, allowances and emoluments to, any persons who are or were at any time directors of or in the employment or service of the company, or of any company which is a subsidiary of the company or is allied to or associated with the company or any such subsidiary or of any of the predecessors in business of the company or any such other company, or who may be or have been directors or officers of the company, or of any such other company, and to the wives, widows, families and dependants of any such persons.

- 20.7 Subject to particulars with respect to the proposed payment being disclosed to the members of the company and to the proposal being approved by the company by ordinary resolution, if the 2006 Act so requires, any director who holds or has held any executive position or agreement for services is entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.
- 20.8 The directors may also establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of, the company or of any person or any other company mentioned in article 20.6, and make payments for or towards the insurance of any such person and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any political, public, general or useful object, and do any of such matters, either alone or in conjunction with any company mentioned in article 20.6.
- 20.9 The directors may exercise the voting power conferred by the shares in any other company held or owned by the company or exercisable by them as directors of such other company in such manner in all respects as they think fit, including its exercise in favour of any resolution appointing themselves or any of them directors or other officers or employees of such company or voting or providing for the payment of remuneration to such officers or employees.
- 20.10 The directors may at any time require any corporate member to furnish any information, supported, if the directors so require, by a statutory declaration, which they may consider necessary for the purpose of determining whether or not such member is one to which Chapter 111 Part XI Income and Corporation Taxes Act 1988 applies.
- 20.11 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for money paid to the company, must be

signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the directors may from time to time determine by resolution.

20.12 The Directors may resolve to change the name of the company. Such power is without prejudice to the ability of the shareholders to change the company's name by special resolution.

21. **Borrowing powers**

21.1 Subject as provided in articles 21.2 to 21.11, the directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part if it, and subject to the provisions of the 2006 Act, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.

21.2 The directors must restrict the borrowings of the company and exercise all voting and other rights or powers of control exercisable by the company in relation to its subsidiaries so as to secure, as regards subsidiaries so far as by such exercise they can secure, that, except with the previous sanction of an ordinary resolution, no money may be borrowed if the aggregate principal amount outstanding, including any premium payable on final repayment, of all money borrowed by the company and its subsidiaries, excluding amounts borrowed by the company and its subsidiaries from any other of such companies, then exceeds, or would as a result of such borrowing, exceed an amount equal to four times the aggregate of:

21.2.1 the nominal amount paid up on the issued share capital of the company; and

21.2.2 the amounts standing to the credit of the consolidated reserves of the company and its subsidiaries whether distributable or undistributable and including, without limitation, share premium account, capital redemption reserve and profit and loss account.

21.3 The amounts referred to in article 21.2 are all as shown in a consolidation of the then latest audited balance sheets of the company and each of its subsidiary companies but after:

- 21.3.1 making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital, the share premium account and the capital redemption reserve fund of the company since the date of its latest audited balance sheet;
 - 21.3.2 excluding from them any sums set aside for future taxation and amounts attributable to outside shareholders in subsidiaries;
 - 21.3.3 deducting from them:
 - 21.3.3.1 an amount equal to any distribution by the company out of profits earned prior to the date of its latest audited balance sheet and which have been declared, recommended or made since that date except so far as provided for in such balance sheet;
 - 21.3.3.2 goodwill and other intangible assets; and
 - 21.3.3.3 any debit balances on profit and loss account; and
 - 21.3.4 making such adjustments as may be appropriate to reflect any variation in the amount of such share capital and reserves which would result from any transaction for the purpose of which this calculation is being made or any transaction to be carried out contemporaneously with it. For this purpose, if any proposed allotment of shares for cash has been underwritten at any time when the underwriting of such shares is unconditional, such shares will be deemed to have been allotted and the amount, including any premium, of the subscription moneys payable in respect of them, not being money payable later than 4 months after the date of allotment, will be deemed to have been paid up to the extent that underwriters are liable for them.
- 21.4 For the purposes of article 21.2 "money borrowed" is deemed to include the following except as otherwise taken into account:
- 21.4.1 the nominal amount of any issued share capital and the principal amount of any debentures or borrowed money, the beneficial interest of which is not for the time being owned by any of the company and its subsidiaries, or any body

whether corporate or unincorporate and the payment or repayment of which is the subject of a guarantee or indemnity by any of the company and its subsidiaries;

- 21.4.2 the outstanding amount raised by acceptances by any bank, acceptance house or finance company under any acceptance credit opened on behalf of and in favour of any of the company and its subsidiaries other than acceptances relating to the purchase or sale of goods or services in the ordinary course of trading;
 - 21.4.3 the principal amount of any debenture, whether secured or unsecured, of any of the company and its subsidiaries owned otherwise than by any of the company and its subsidiaries;
 - 21.4.4 the principal amount of any non participating preference share capital and any other share capital which has limited rights to dividend and capital of any subsidiary owned otherwise than by any of the company and its subsidiaries; and
 - 21.4.5 any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing.
- 21.5 For the purpose of article 21.2 "money borrowed" is deemed not to include:
- 21.5.1 borrowings for the purposes of repaying the whole or any part of borrowings by any of the company and its subsidiaries for the time being outstanding and so to be applied within 6 months of being so borrowed, pending their application for such purpose within such period;
 - 21.5.2 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by any of the company and its subsidiaries is guaranteed or insured by the Export Credits Guarantee Department of the Department for Business, Enterprise and Regulatory Reform or by any other governmental department fulfilling a similar function or otherwise, to an amount not exceeding that part of the price receivable under the contract which is so guaranteed or insured; and

- 21.5.3 a proportion of the borrowings of any partly owned subsidiary, but only to the extent that an amount equivalent to such proportion exceeds the amount of any borrowings from such partly owned subsidiary by the company or another of its subsidiaries, such proportion being equal to the proportion of the issued equity share capital of the partly owned subsidiary, the beneficial interest of which is owned by the company or another of its subsidiaries.
- 21.6 A report by the auditors as to the aggregate amount which may at any one time in accordance with the provisions of article 21.2 be owing by the company and its subsidiaries without the sanction of an ordinary resolution is conclusive in favour of the company and all persons dealing with the company.
- 21.7 When the aggregate amount of borrowings required to be taken into account for the purposes of article 21.2 on any particular day is being ascertained, any of such money denominated or repayable in a currency other than sterling will be converted for the purpose of calculating the sterling equivalent either:
- 21.7.1 at the rate of exchange prevailing on that day in London, provided that all but not some only of such money will be converted at the rate of exchange prevailing in London 6 months before such day if by virtue of the current rate of exchange such aggregate amount would be less; for this purpose the rate of exchange will be taken as the middle market rate as at the close of business; or
- 21.7.2 where the repayment of such money is expressly covered by a forward purchase contract, currency option, back-to-back loan, swaps or other agreement taken out or entered into to reduce the risk associated with fluctuations in exchange rates, at the rate of exchange specified in it.
- 21.8 No debt incurred or security given in respect of money borrowed, or to be taken into account as money borrowed in excess of the limit in article 21.2, will be invalid or ineffectual, except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that such limit had been or was exceeded by the debt or security in question, but no lender or other person dealing with the company will be concerned to see or enquire whether such limit is observed.

- 21.9 Subject as set out in articles 21.2 to 21.8, the directors may secure or provide for the payment of any money to be borrowed or raised by a mortgage of or charge upon all or any part of the undertaking or property of the company, both present and future, and upon any capital remaining unpaid upon the shares of the company whether called up or not, or by any other security. The directors may confer upon any mortgagees or persons in whom any debenture or security is vested such rights and powers as they think necessary or expedient. They may vest any property of the company in trustees for the purpose of securing any money so borrowed or raised and confer upon the trustees, or any receiver to be appointed by them, or by any debenture holder, such rights and powers as the directors may think necessary or expedient in relation to the undertaking or property of the company or its management or realisation or the making, receiving, or enforcing of calls upon the members in respect of unpaid capital, and otherwise. The directors may make and issue debentures to trustees for the purpose of further security and the company may remunerate any such trustees.
- 21.10 The directors may give security for the payment of any money payable by the company in same manner as for the payment of money borrowed or raised but, in such case, the amount will for the purposes of the limitation in article 21.2 be reckoned as part of the money borrowed.
- 21.11 The directors must keep a register of charges in accordance with the 2006 Act and the fee to be paid by any person, other than a creditor or member of the company for each inspection of the register of charges to be kept under the 2006 Act is 5p.

22. **Delegation of directors' powers**

- 22.1 The directors may delegate any of their powers, duties, discretion and authorities to committees consisting of such members or member of their body as they think fit. Any committee so formed must in the exercise of the powers, duties, discretions and authorities so delegated, conform to any regulations that may be imposed on it by the directors.
- 22.2 The meetings and proceedings of any such committee consisting of 2 or more members are governed by the provisions of these articles regulating the meetings and proceedings of the directors so far as they are applicable and are not superseded by any regulations

made by the directors under article 22.1. No resolution of a committee is effective unless a majority of its members present are directors.

23. Appointment of directors

- 23.1 No person is eligible for appointment to the office of a director at any general meeting unless, not fewer than 7 nor more than 42 clear days before the day appointed for the meeting, there is given to the company notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for appointment stating the required particulars and, also, notice in writing signed by the person to be proposed of his willingness to be appointed.
- 23.2 At a general meeting, a motion for the appointment of 2 or more persons as directors by a single resolution will be void, unless a resolution that it is so made has been first agreed to by the meeting without any vote being given against it and, for the purpose of this article, a motion for approving a person's appointment or for nominating a person for appointment is treated as a motion for his appointment.
- 23.3 The company may from time to time by ordinary resolution increase or reduce the number of directors. Without prejudice to the provisions of article 23.4, the company may by ordinary resolution appoint any person to be a director, either to fill a casual vacancy or as an additional director, and remove a director, including a director holding executive office, before the expiry of his period of office.
- 23.4 The directors and the company in general meeting each have power at any time, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an additional director, but so that the total number of directors does not at any time exceed the maximum number, if any, fixed by or in accordance with these articles. Subject to the provisions of the 2006 Act and of these articles, any director so appointed by the directors holds office only until the conclusion of the next following annual general meeting and is eligible for reappointment at that meeting. Any director who retires under this article is not taken into account in determining the directors who are to retire by rotation at such meeting.
- 23.5 At every annual general meeting a minimum of one-third of the directors shall retire from office, save that if their number is not three or any multiple of three then the

minimum number required to retire shall be the number nearest to and less than one-third. If there are fewer than three directors they shall all retire.

- 23.6 The directors to retire by rotation on each occasion shall be those of the directors who held office at the time of the two preceding annual general meetings and who did not retire at either of them. If the number of directors so retiring is less than the minimum number required by these articles to retire by rotation, additional directors up to that number shall also retire. The additional directors to retire shall be those of the directors who have been longest in office since they were last elected; but, as between persons who were last elected on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The directors to retire by rotation on each occasion (both as to number and identity) shall be determined by the composition of the board at start of business on the date of the notice convening the annual general meeting and no director shall be required to retire by rotation or be relieved from retiring by rotation by reason of any change in the number or identity of the directors after that time on the date of the notice but before the close of the meeting.
- 23.7 Subject to the provisions of these articles, at the meeting at which a director retires the company can pass an ordinary resolution to re-elect the director or to elect some other eligible person in his place.
- 23.8 A director who retires (whether by rotation or otherwise) at an annual general meeting may, if willing to continue to act, be elected or re-elected. If he is elected or re-elected he is treated as continuing in office throughout. If he is not elected or re-elected, he shall retain office until the end of the meeting or (if earlier) when a resolution is passed to elect someone in his place or when a resolution to elect or re-elect the director is put to the meeting and lost.
- 23.9 Any contract of employment entered into by a director with the company may not include a term that it is to continue or may be continued, otherwise than at the instance of the company, for a period exceeding 2 years during which the employment either cannot be terminated by the company by notice or can be so terminated only in specified circumstances, unless such term is first approved by ordinary resolution of the company.

24. **Disqualification and removal of directors**

24.1 The office of a director must be vacated in any of the following events:

24.1.1 if, not being a director who has agreed to serve as a director for a fixed term, he resigns his office by notice in writing signed by him and authorised in such manner as the other directors may require, sent to or left at the office;

24.1.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;

24.1.3 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

24.1.4 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

24.1.5 if he is absent from meetings of the directors for 6 successive months without leave, and his alternate director, if any, has not during such period attended in his place, and the directors resolve that his office be vacated;

24.1.6 if he ceases to be a director by virtue of any provision of the 2006 Act or pursuant to these articles; or

24.1.7 if he becomes prohibited by law from being a director.

24.2 Without prejudice to the provisions of the 2006 Act, the company may, by ordinary resolution, remove a director before the expiry of his period of office and may, by ordinary resolution, appoint another person in his place. Such removal is without prejudice to any claim such director may have for breach of any contract of service between him and the company. The person so appointed is subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last appointed or reappointed a director.

25. **Executive and other directors**

- 25.1 Subject to the provisions of the 2006 Act, the directors may from time to time and at any time appoint one or more of their body to hold any executive office in relation to the management of the business of the company on such terms, for such period and with or without such title(s) as they may decide. The directors may, from time to time, subject to the provisions of any service contract between him and the company, remove or dismiss him or them from such office and appoint another or others in his or their place or places.
- 25.2 A director who holds any such executive office is, while he continues to hold that office, subject to the provisions of article 24.1 and of any service contract between him and the company, subject to the same provisions as to removal and as to vacation of office as the other directors of the company. If he ceases to hold the office of director for any cause, his appointment as the holder of an executive office will also terminate.
- 25.3 The remuneration of any director holding executive office may consist of salary, commission, profit participation, share options, pension or insurance benefit or any combination of them, or otherwise as the directors determine.
- 25.4 The directors may entrust to and confer upon any director appointed to any such executive office any of the powers exercisable by them as directors, other than the power to make calls or forfeit shares, upon 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 from time to time revoke, withdraw, alter or vary all or any of such powers.
- 25.5 Subject to the provisions of the 2006 Act, the directors may from time to time, and at any time, pursuant to this article appoint any person to any post with such descriptive title including that of director, whether as executive, group, divisional, departmental, deputy, assistant, local, advisory director or otherwise, as they may determine. They may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties, and subject to any contract between him and the company, may remove from such post any person so appointed. A person so appointed is not a director of the company for any of the purposes of these articles or of the 2006 Act, and accordingly is not a member of the

board of directors or of any committee of it, nor is he entitled to be present at any meeting of the board of directors or of any such committee, except at the request of the board of directors or of such committee. If present at such request, he is not entitled to vote at such meeting.

26. Remuneration of directors

26.1 The directors are entitled to fees at such rate or rates as may from time to time be determined by them, provided that the aggregate fees of each director will not exceed £100,000 per annum, or such additional sum as may from time to time be determined by the company by ordinary resolution. In the case of an executive director, such fees are payable to him in addition to his remuneration as an executive director.

26.2 The company may, by ordinary resolution, also vote extra fees to the directors which will, unless otherwise determined by the resolution by which it is voted, be divided among the directors as they may agree, or failing agreement, equally. The directors' fees are deemed to accrue from day to day.

26.3 Any director who serves on any committee, or who devotes special attention to the business of the company, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, participation in profits or otherwise as the directors may determine.

27. Directors' expenses

27.1 The directors are also entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the company or in attending and returning from meetings of the directors or of committees of the directors or general meetings.

28. Directors' interests

28.1 A director, including an alternate director, may hold any other office or place of profit under the company, other than the office of auditor, in conjunction with his office of

director and may act in a professional capacity to the company, on such terms as to tenure of office, remuneration and otherwise as the directors may determine.

- 28.2 Subject to the 2006 Act and to the provisions of these articles, no director or intending director, including an alternate director, is disqualified by his office from contracting with the company either with regard to his tenure of any other office or place of profit, or as seller, purchaser or otherwise. No such contract, or any contract or arrangement entered into by or on behalf of the company in which any director is in any way, whether directly or indirectly, interested, is liable to be avoided, nor must any director so contracting or being so interested account to the company for any profit realised by any such contract or arrangement by reason of such director holding that office or of his fiduciary relationship with the company.
- 28.3 Any director, including an alternate director, may continue to be or become a director or other officer or member of or otherwise interested in any other company promoted by the company or in which the company may be interested, as a member or otherwise, or which is a holding company of the company or a subsidiary of any such holding company. No such director is accountable for any remuneration or other benefits received by him as a director or other officer or member of, or from his interest in, any such other company. The directors may exercise the voting power conferred by the shares in any other company held or owned by the company, or exercisable by the directors or such other company, in such manner in all respects as they think fit, subject to the restrictions contained in article 28.8.
- 28.4 A director, including an alternate director, who is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the company must declare the nature and extent of his interest at a meeting of directors. In the case of a proposed contract, transaction or arrangement, the declaration must be made at the meeting of the directors at which the question of entering into the contract, transaction or arrangement is first taken into consideration or, if the director was not at the date of that meeting interested in the proposed contract, transaction or arrangement, at the next meeting of the directors held after he became so interested. In a case where the director becomes interested in a contract, transaction or arrangement after it is made, the declaration must be made as soon as reasonably practicable. In a case where the director is interested in a contract,

transaction or arrangement which has been made before he was appointed a director, the declaration must be made as soon as reasonably practicable after he is so appointed.

- 28.5 For the purposes of article 28.4, a general notice in accordance with section 185 of the 2006 Act given to the directors by any director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with such company or firm is deemed a sufficient declaration of interest in relation to any contract so made if such director gives the notice at a meeting of the directors or takes reasonable steps to secure that it is brought up and read at the next meeting of the directors after it is given.
- 28.6 A director of the company may continue or become a director or other officer, employee or member of any company promoted by the company or in which it may be interested as a seller, shareholder, or otherwise, and no such director is accountable for any remuneration or other benefits derived as director or other officer, employee or member of such company.
- 28.7 Except as provided in these articles, a director may not vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has an interest which, together with any interest of any person connected with him, within the meaning of section 252-255 of the 2006 Act, is 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. A director is not counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- 28.8 In the absence of some other material interest than is indicated below, a director is entitled to vote and be counted in the quorum in respect of any resolution concerning any of the following matters:
- 28.8.1 the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the company or any of its subsidiaries;
 - 28.8.2 the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the company or any of its subsidiaries for which he himself

has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- 28.8.3 any proposal concerning an offer of shares or debentures or other securities of or by the company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant as the holder of such shares, debentures or other securities or in its underwriting or sub-underwriting;
 - 28.8.4 any contract, arrangement, transaction or other proposal concerning any other company in which he holds an interest, as that term is used in sections 820 to 825 of the 2006 Act, not representing one per cent, or more of any class of the equity share capital of such company, or of any third company through which his interest is derived, or of the voting rights available to members of the relevant company, any such interest being deemed for the purpose of this article to be a material interest in all circumstances;
 - 28.8.5 any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Her Majesty's Revenue and Customs;
 - 28.8.6 any contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme for enabling employees including full time executive directors of the company and/or any subsidiary to acquire shares of the company or any arrangement for the benefit of employees of the company or any of its subsidiaries, which does not award him any privilege or benefit not awarded to the employees to whom such scheme relates; or
 - 28.8.7 any contract, arrangement, transaction or proposal concerning insurance which the company proposes to maintain or purchase for the benefit of directors or for the benefit of persons including directors.
- 28.9 A director may not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with the company or any

company in which the company is interested, including fixing or varying the terms of his appointment or its termination.

- 28.10 Where proposals are under consideration concerning the appointment, including fixing or varying the terms of appointment, of 2 or more directors to offices or employments with the company or any company in which the company is interested, such proposals may be divided and considered in relation to each director separately. In such cases, each of the directors concerned, if not debarred from voting under article 28.8.4, is entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 28.11 If any question arises at any meeting as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question must be referred to the chairman of the meeting and his ruling in relation to any other director will be final and conclusive, except in a case where the nature or extent of the interests of the director concerned have not been fairly disclosed. If the question concerns the chairman, it must be referred to such other director present at the meeting, other than the chairman, as the directors present appoint.
- 28.12 The company may by ordinary resolution suspend or relax the provisions of articles 28.4 to 28.11 to any extent or ratify any transaction not duly authorised by reason of a contravention of these articles.
- 28.13 If a situation (a "**Relevant Situation**") arises in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (other than a conflict of interest arising in relation to a transaction or arrangement with the company or a situation which cannot reasonably be regarded as likely to give rise to a conflict of interest) the directors (other than the director, and any other director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution) may resolve to authorise the Relevant Situation and the continuing performance by the director of his duties on such terms as they may determine.

- 28.14 Any terms determined by the directions under Article 28.13 may be imposed at the time of authorisation or may be imposed or varied subsequently and may include (without limitation):
- 28.14.1 subject always to these articles, whether the interested director(s) may vote (or be counted in the quorum at a meeting) in respect of any resolution relating to the subject matter of the Relevant Situation;
 - 28.14.2 the exclusion by the company of the interested director(s) from all information and discussion by the directors or within the company of any subsidiary undertaking of the company in respect of the subject matter of the Relevant Situation; and
 - 28.14.3 (without prejudice to any other obligations of confidentiality) the application to the interested director(s) of a strict duty of confidentiality to the company in respect of any confidential information of the company or any subsidiary undertaking of the company in relation to the subject matter of the Relevant Situation.
- 28.15 An interested director must act in accordance with any terms determined by the directors under article 28.13 and 28.14.
- 28.16 Except as specified in article 28.13 above, any proposal made to the directors and any authorisation by the directors in relation to a Relevant Situation shall be dealt with in the same way as any other matter may proposed to and resolved upon by the directors in accordance with the provisions of these articles.
- 28.17 Any authorisation of a Relevant Situation given by the directors under article 28.13 may provide that, where the interested director obtains (other than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose it to the company or to use it in relation to the company's affairs in circumstances where to do so would amount to a breach of that confidence.
- 28.18 A director shall not, by reason of his holding an office as a director (or of the fiduciary relationship established by holding that office), be liable to account to the company for any remuneration, profit or other benefit resulting in from any Relevant Situation

authorised under article 28.13 and no contract, transaction, arrangement or proposal shall be liable to be avoided on the grounds of any director having any type of interest authorised under article 28.13.

29. **Proceedings of directors**

- 29.1 The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting are determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote. A director who is also an alternate director is entitled, in the absence of the director whom he is representing, to a separate vote on behalf of such director in addition to his own vote. A director may, and the secretary on the requisition of a director must, at any time call a meeting of the directors, It is not necessary to give notice of a meeting of directors to any director for the time being absent from the United Kingdom, except where an address for such notice has been given pursuant to article 29.2.
- 29.2 Notice of meetings of the board of directors is deemed to be duly given to a director if it is given to him personally or by word of mouth or sent in writing or in electronic form to him at his last known address or any other address given by him to the company for this purpose. A director absent or intending to be absent from the United Kingdom may request the board that notices of board meetings will during his absence be sent in writing or electronic form to him at his last known address or any other address given by him to the company for this purpose, whether or not out of the United Kingdom.
- 29.3 A director who is unable to attend any meeting of the directors and has not appointed an alternative director may authorise any other director to vote for him at the meeting and, in that event, the director so authorised has a vote for each director by whom he is so authorised in addition to his own vote. Any such authority must be by instrument signed by the authorising director and authenticated in such manner as the other directors may accept. The authorising director must deposit the original signed instrument at the office as soon as reasonably practicable but failure or delay in his doing so will not prejudice the validity of the authorisation.

- 29.4 The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed at any other number, is 2. In the event that a meeting of directors is attended by a director who is acting as an alternate for one or more other directors, the director or directors for whom he is the alternate will be counted in the quorum despite their absence, and if there is a quorum the meeting may be held despite the fact that only one director is physically present. Any director or alternate director who attends a meeting of directors by telephone or other conference facility is deemed to be personally present at such meeting for all purposes of these articles and is counted in the quorum accordingly. A meeting of the directors for the time being at which a quorum is present is competent to exercise all powers and discretions for the time being exercisable by the directors.
- 29.5 The continuing directors may act notwithstanding any vacancy in their body. If the number of the directors is less than the prescribed minimum, the remaining director or directors must immediately appoint an additional director or additional directors to make up such minimum or will convene a general meeting of the company for the purpose of making such appointment. If there is no director or directors able or willing to act, any 2 members may summon a general meeting for the purpose of appointing directors. Any additional director so appointed holds office, subject to the provisions of the 2006 Act and these articles, only until the end of the annual general meeting of the company next following such appointment, unless he is re-elected during such meeting. He is eligible for re-election at such meeting and does not retire by rotation at such meeting nor is taken into account in determining the rotation or retirement of directors at such meeting.
- 29.6 The directors may from time to time elect from their number, and remove, a chairman and one or more deputy chairmen or vice chairmen and determine the period for which he is to hold office. The chairman, or in his absence, the deputy chairman or vice chairman (to be chosen if, in each case, there are more than one by agreement amongst them, or failing agreement, by lot) or in the absence of any of them, some other director nominated by a majority of the other directors in writing, presides at all meetings of the directors. If no such chairman, deputy chairman or vice chairman is elected, or if at any meeting the chairman or the deputy chairman or the vice chairman or such other director is not present within 5 minutes after the time appointed for holding it, or if none

of them is willing to act as chairman, the directors present may choose one of their number to be chairman of the meeting.

- 29.7 A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of directors or of a committee of directors, is as effective as a resolution passed at a meeting of the directors or of a committee of directors, duly convened and held, and may consist of several documents in the same form, each signed by one or more of the directors. Any such resolution or document signed by an alternate director is deemed to have been signed by a director who has appointed that alternate director. It need not be signed by the alternate director in that capacity.
- 29.8 A meeting of the directors for the time being at which a quorum is present is competent to exercise all powers and discretions for the time being exercisable by the directors.
- 29.9 All acts done bona fide by any meeting of directors, or of a committee of directors, or by any person acting as director, are as valid as if every such person had been duly appointed, was qualified, had continued to be a director and had been entitled to vote, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such director or person acting as a director, or that they or any of them were disqualified, or had vacated office, or were not entitled to vote.

30. **Secretary**

- 30.1 Subject to the 2006 Act, the secretary of the company is appointed by the directors on such terms and for such periods as they may think fit, and the directors may so appoint one or more assistant or deputy secretary. Any secretary or assistant or deputy secretary so appointed may at any time be removed from office by the directors, without prejudice to any claim for damages for breach of any contract of service between him and the company.
- 30.2 Anything by the 2006 Act required or authorised to be done by the secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by any assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by any officer of the company authorised generally or specifically in that behalf by the directors. Any provision of the 2006 Act or of these articles requiring or authorising a

thing to be done by a director and secretary is not satisfied by its being done by the same person acting both as director and as, or in the place of, the secretary.

31. Minutes

31.1 The directors must ensure that minutes are made of:

31.1.1 all appointments of officers and committees made by the directors;

31.1.2 the names of the directors present at each meeting of directors and of any committee of directors and all business transacted at such meetings; and

31.1.3 all orders, resolutions and proceedings at all meetings of the company, of the holders of any class of shares in the company and of the directors and of committees of directors.

31.2 Any such minute, if purporting to be signed by the chairman of the meeting at which the proceedings were held, or by the chairman of the next succeeding meeting, is prima facie evidence of the matters stated in such minutes without any further proof.

32. Seal and authentication of documents

32.1 The directors must provide a common seal for the company and will have power from time to time to destroy it and to substitute a new seal for it.

32.2 An instrument expressed to be executed and delivered as a deed by the company signed by 2 directors or by one director and secretary or by one director in the presence of a witness by the authority of the directors or a committee authorised by the directors has effect as if executed under seal.

32.3 The directors may exercise the powers conferred on the company by section 50 of the 2006 Act with regard to having an official seal solely for sealing documents creating or evidencing securities of the company. Any such documents to which such official seal is affixed need not be signed by any person.

32.4 The directors must provide for the safe custody of the seal and the seal may never be used except by the authority of a resolution of the directors or of a committee of the

directors authorised for that purpose by the directors. The directors may from time to time make such regulations as they think fit, subject to the provisions of these articles in relation to share and debenture certificates, determining the persons and the number of such persons who may sign every instrument to which the seal is affixed and, until otherwise so determined, every such instrument must be signed by one director and must be countersigned by a second director or by the secretary.

32.5 The company may have official seals under the provisions of section 49 of the 2006 Act for use abroad. Wherever reference is made in these articles to the seal, the reference, when and so far as may be applicable, is deemed to include any such official seal.

32.6 Any director or the secretary or any person appointed by the directors for the purpose has power to authenticate any documents affecting the constitution of the company and any resolutions passed by the company or the directors or any committee of the directors, and any books, records, documents and accounts relating to the business of the company, and to certify copies of them or extracts from them as true copies or extracts. A document purporting to be a copy of a resolution, or a copy of or an extract from the minutes of a meeting of the company or of the directors or any committee of the directors, which is certified as stated, is conclusive evidence in favour of all persons dealing with the company upon the faith of any such copy that such resolution has been duly passed or, as the case may be, that such copy or extract is a true and accurate record of proceedings at a duly constituted meeting.

33. **Dividends**

33.1 The profits of the company available for distribution and resolved to be distributed are applied in the payment of dividends to the members in accordance with their respective rights and priorities. The company in general meeting may declare dividends accordingly.

33.2 No dividend or interim dividend is payable otherwise than in accordance with the provisions of the 2006 Act and no dividend may exceed the amount recommended by the directors.

33.3 Subject to the rights of persons, if any, entitled to shares with preferential or other special rights as to dividends, all dividends must be declared and paid according to the

amounts paid up on the shares, otherwise than in advance of a call, in respect of which the dividend is paid. All dividends will be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, except that if any share is issued on terms providing that it carries any particular rights as to dividend, such share will rank for dividend accordingly.

- 33.4 Subject to the provisions of the 2006 Act and of these articles, the directors may, if they think fit, from time to time pay to the members such interim dividends as appear to the directors to be justified by the distributable profits of the company. If at any time the share capital of the company is divided into different classes, the directors may pay such interim dividends in respect of those shares in the capital of the company which confer on their holders deferred or non-preferred rights, as well as in respect of those shares which confer on their holders preferential rights with regard to dividend. No dividend, whether interim, final or otherwise, may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay half-yearly, or at other suitable intervals to be settled by them, any dividend which may be payable at a fixed rate if they are of the opinion that the distributable profits justify the payment and if and to the extent that such payment is permitted by the 2006 Act. Provided the directors act bona fide, they will not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights.
- 33.5 Subject to the provisions of the 2006 Act or as otherwise required by law, where any asset, business or property is bought by the company as from a past date, whether such date is before or after the incorporation of the company, the profits or losses attributable to it as from such date may at the discretion of the directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the company. Subject as stated, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the directors be treated as revenue and it will not be obligatory to capitalise it or any part of it.
- 33.6 The directors may deduct from any dividend or other money payable to any member on or in respect of a share all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company. The

company may cease to send any cheque or warrant through the post for any dividend payable on any shares in the company which is normally paid in that manner on those shares if, in respect of at least 2 consecutive dividends payable on those shares, the cheques or warrants have been returned undelivered or remain uncashed or, if following one such occasion, reasonable enquiries have failed to establish any new address of the registered holder. Subject to the provisions of these articles, the company must recommence sending cheques or warrants in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the company to pay future dividends in some other way.

- 33.7 The directors may retain the dividends payable upon shares in respect of which any person is, under the provisions as to the transmission of shares contained in these articles, entitled to become a member, or which any person is under those provisions entitled to transfer, until such person becomes a member in respect of such shares or transfers them.
- 33.8 All dividends, interest or other sums payable and unclaimed for one year, after having been declared, may be invested or otherwise made use of by the directors for the benefit of the company until claimed and the company is not constituted a trustee in respect of them. No dividend will bear interest as against the company.
- 33.9 Any dividend which has remained unclaimed for a period of 12 years from the date on which it becomes due for payment will, if the directors so resolve, be forfeited and cease to remain owing by the company and will from then on belong to the company absolutely.
- 33.10 Any dividend or other money payable on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it and, in the case of joint holders, to any one of such joint holders or, to such person and such address as the holder or joint holders may in writing direct. Every such cheque or warrant will be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct and payment of the cheque or warrant is a good discharge to the company. Every such cheque or warrant will be sent at the risk of the person entitled to the money.

- 33.11 If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividend or other money payable on or in respect of the share.
- 33.12 The board may, if authorised by an ordinary resolution of the company, offer any holders of ordinary shares the right to elect to receive ordinary shares, credited as fully paid, instead of cash in respect of the whole, or some part, to be determined by the board, of any dividend specified by the ordinary resolution. The following provisions will apply:
- 33.12.1 an ordinary resolution may specify a particular dividend or may specify all or any dividends declared within a specified period but such period may not end later than the beginning of the annual general meeting next following the date of the meeting at which the ordinary resolution is passed;
- 33.12.2 the entitlement of each holder of ordinary shares to new ordinary shares is such that the relevant value of the entitlement is as nearly as possible equal to, but not greater than, the cash amount, disregarding any tax credit of the dividend that such holder elects to forgo. For this purpose, "relevant value" is calculated by reference to the average of the middle market quotations for the company's ordinary shares on the London Stock Exchange, as derived from the London Stock Exchange Daily Official List, on the day on which the ordinary shares are first quoted "ex" the relevant dividend and the 4 subsequent dealing days or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend is conclusive evidence of that amount;
- 33.12.3 on or as soon as practicable after announcing that it is to declare or recommend any dividend, the board, if it intends to offer an election in respect of that dividend, must also announce that intention, and, after determining the basis of allotment, if it decides to proceed with the offer, must notify the holders of ordinary shares in writing of the right of election to them and specify the procedure to be followed and the place at which, and the latest time by which elections must be lodged in order to be effective;
- 33.12.4 the board may not proceed with any election unless the company has sufficient unissued shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;

- 33.12.5 the board may exclude from any offer any holders of ordinary shares where the board believes that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them;
- 33.12.6 the dividends, or that part of the dividend in respect of which a right of election has been offered, will not be payable on ordinary shares in respect of which an election has been made ("elected ordinary shares") and instead additional ordinary shares will be allotted to the holders of the elected ordinary shares on the basis of the allotment calculated as stated. For such purpose, the board will capitalise, out of any amount for the time being standing to the credit of any reserve or fund, including the profit and loss account, whether or not it is available for distribution as the board may determine, 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 on that basis; and
- 33.12.7 the additional ordinary shares when allotted will rank equally in all respects with the fully paid shares then in issue except that they will not be entitled to participate in the relevant dividend.
- 33.13 A general meeting declaring a dividend may, upon the recommendation of the directors, direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of the company or any other company, and the directors must give effect to such resolution. Where any difficulty arises in regard to the distribution, they may settle it as they think expedient and, in particular but without limitation, may issue fractional certificates and may fix the value for distribution of such specific assets or any part of them, and may determine that cash payments will be made to any members upon the basis of the value so fixed, in order to adjust the rights of members. They may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the directors, and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates, or any part of them, and otherwise as they think fit.

34. **Reserves**

- 34.1 Subject to the provisions of the 2006 Act, the directors may before recommending any dividend, whether preferential or otherwise, carry to reserve out of the profits of the company, including any premiums received upon the issue of debentures or other securities of the company, such sums as they think proper as a reserve or reserves.
- 34.2 All sums standing to reserve may be applied from time to time at the discretion of the directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends or for repairing, improving or maintaining any of the property of the company or for such other purposes as the directors may decide are conducive to the objects of the company or any of them. Pending their application such sums may either be employed in the business of the company or be invested in such investments as the directors think fit.
- 34.3 The directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve has been divided, as they think fit. Any sum which the directors may carry to reserve out of the unrealised profits of the company will not be mixed with any reserve to which profits available for distribution have been carried. The directors may also without placing them to reserve carry forward any profits which they may think it not prudent to divide.

35. **Capitalisation of profits**

- 35.1 Subject as set out in articles 35.2, 35.3 and 35.4, the directors may with the authority of an ordinary resolution of the company:
- 35.1.1 resolve to capitalise any undivided profits of the company, whether or not they are available for distribution and including profits standing to any reserve, or, any sum standing to the credit of the company's share premium account or capital redemption reserve funds;
- 35.1.2 appropriate the profits or sum resolved to be capitalised to the members in proportion to the nominal amount of ordinary shares, whether or not fully paid, held by them respectively, and apply such profits or sum on their behalf, either

in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to such profits or sum, and allot and distribute such shares or debentures credited as fully paid up, to and amongst such members, or as they may direct, in due proportion, or partly in one way and partly in the other;

- 35.1.3 resolve that any shares allotted under this article to any member in respect of a holding by him of any partly paid ordinary shares will, so long as such ordinary shares remain partly paid, rank for dividends only to the extent that such partly paid ordinary shares rank for dividend;
 - 35.1.4 make such provisions by the issue of fractional certificates or by payment in cash or otherwise as the directors think fit for the case of shares or debentures becoming distributable under this article in fractions;
 - 35.1.5 authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled upon such capitalisation and any agreement made under such authority being effective and binding on all such members; and
 - 35.1.6 generally do all acts and things required to give effect to such resolution.
- 35.2 The share premium account and the capital redemption reserve fund and any such profits which are not available for distribution may, for the purposes of article 35.1, only be applied in the paying up of unissued shares to be allotted to members credited as fully paid.
- 35.3 In the case where any sum is applied in paying amounts for the time being unpaid on any shares of the company or in paying up in full debentures of the company, the amount of the net assets of the company at that time must be not less than the aggregate of the called up share capital of the company and its undistributable reserves and must not be reduced below that aggregate by the payment of those amounts as shown in the latest audited accounts of the company, or such other accounts as may be relevant.

36. Accounts

36.1 The directors must ensure that proper accounting records are kept in accordance with the 2006 Act and, for so long as the company's securities are admitted to trading on AIM, in accordance with the AIM Rules for companies (published by the London Stock Exchange from time to time) and any other applicable rules of the London Stock Exchange.

37. Record dates

37.1 Notwithstanding any other provision of these articles, the company or the board of directors of the company may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before any date on which such dividend, distribution, allotment or issue is paid or made and on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared.

38. Audit

38.1 Once at least in every year the accounts of the company must be examined and the correctness of the balance sheet, profit and loss account and group accounts, if any, ascertained by the auditors for the time being of the company.

38.2 Auditors must be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the 2006 Act.

39. Notices

39.1 Any notice or document may be served on, or delivered to, any member by the company:

39.1.1 personally; or

39.1.2 by post addressed to the member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the company as his address for the service of notices or documents; or

- 39.1.3 by fax; or
 - 39.1.4 by electronic form; or
 - 39.1.5 by advertisement in at least one national daily newspaper
- 39.2 If a notice or other document is sent by post, it shall be deemed to be served or delivered 24 hours after posting as first class post or 48 hours after posting as second-class post. If the provisions of this article 39 result in a notice or other document being deemed to have been served or delivered on a day which is not a working day service or delivery shall be deemed to be effected at 9.00 am on the next working day. In proving service or delivery it shall be sufficient to prove that the cover containing the notice or document was properly addressed, stamped and posted.
- 39.3 Any notice or document sent by fax or by electronic form shall be deemed to be served on the day of transmission. A notice to be given by newspaper advertisement is deemed to have been served on the day on which the advertisement appears. Proof that a notice or other document sent in electronic form was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that notice was given.
- 39.4 Where these articles and (for so long as the company's securities are admitted to trading on AIM) the AIM Rules for companies (published by the London Stock Exchange from time to time) and any other applicable rules of the London Stock Exchange require the company to send, circulate or despatch notices or documents to its members, the company shall be deemed to have complied with that requirement in relation to any member if either:
- 39.4.1 the company and the members have agreed to use electronic form to send such notices or documents and:
 - (a) the notices or documents are notices or documents to which the agreement applies; and
 - (b) copies of the notices or documents are sent in electronic form to the address, number or other location notified by the member to the company for that purpose; or

- 39.4.2 the company and the member have agreed to the member having access to notices or documents on a website, and:
- (a) the notices or documents are notices or documents to which the agreement applies;
 - (b) the member is notified of the publication of the notices or documents on the website, the address of the website, the place on the website where the notices or documents can be accessed and how they can be accessed, and the period of time for which the notices or documents will be available on the website.
- 39.5 The period of time referred to in article 39.4.2 (b) must not be less than 21 days from the date of notification or, if later, until the conclusion of any general meeting to which the notices or documents relate.
- 39.6 If the notices or documents are published on the website for a part only of the period of time referred to in article 39.4.2 (b) they will be treated as being published throughout the period if the failure to publish throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the company to prevent or avoid.
- 39.7 Where the company sends notices or documents to shareholders in electronic form in accordance with article 39.1 it must also make the notices or documents available to members in printed form and free of charge on request during normal business hours for a period of not less than 21 days from the date of communication or notification or, if later, until the conclusion of any general meeting to which the notices or documents relate.
- 39.8 The printed copies referred to in article 39.7 must be made available in sufficient numbers to satisfy demand from its members and be made available at the company's registered offices and also at the offices of any of the company's paying agents in the United Kingdom.
- 39.9 Any member described in the register of members by an address not within the United Kingdom, who from time to time gives to the company an address within the United

Kingdom at which notices may be served upon him, is entitled to have notices served upon him at such address but otherwise no member, other than a member described in the register of members by an address within the United Kingdom, is entitled to receive any notice from the company.

39.10 Any member present, either in person or by proxy, at any meeting of the company is for all purposes deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

39.11 Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share is bound by any notice, other than a Section 793 Notice, in respect of such share which, prior to his name and address being entered on the register of members, was duly given to the person from whom he derives his title to such shares.

39.12 Any notice or document delivered or sent by post or delivered in electronic form to or left at the registered address of any member in pursuance of these articles is, notwithstanding that such 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 such member, be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder, unless his name has at the time of the service of the notice or document been removed from the register of members as the holder of the share. Such service is, for all purposes, deemed a sufficient service of such notice or document on all persons interested, whether jointly with or as claiming through or under him, in the share.

39.13 The signature on any notice to be given by the company may be written or printed.

40. **Untraced shareholders**

40.1 The company is entitled to sell at the best price reasonably obtainable any share or stock of a member or any share of stock to which a person is entitled by transmission if and provided that:

40.1.1 during a period of 12 years:

- 40.1.1.1 the company has paid at least 3 dividends, whether interim or final in respect of the shares in question;
 - 40.1.1.2 no cheque or warrant in respect of any such dividend sent by the company through the post in a pre-paid letter addressed to the member, or to the person entitled by transmission to the share or stock, at his address on the register or the last known address given by the member, or the person entitled by transmission to which cheques and warrants are to be sent, has been cashed; and
 - 40.1.1.3 no communication has been received by the company from the member or the person entitled by transmission;
- 40.1.2 the company has, at the expiry of the period of 12 years, by advertisement in both a national daily newspaper and in a newspaper circulating in the area in which the address referred to in article 40.1.1.2 is located given notice of its intention to sell such share or stock;
- 40.1.3 the company has not, during the further period of 3 months after the date of the advertisement and prior to the exercise of the power of sale, received any communication from the member or person entitled by transmission; and
- 40.1.4 the company has first given notice in writing to the London Stock Exchange of its intention to sell such shares or stock.
- 40.2 To give effect to any such sale, the company may appoint any person to execute as transferor an instrument of transfer of such share or stock and such instrument of transfer is as effective as if it had been executed by the registered holder of or person entitled by the transmission to such share or stock. The company must account to the member or other person entitled to such share or stock for the net proceeds of such sale by crediting all money in respect of those proceeds to a separate account, which are a permanent debt of the company, and the company is deemed to be a debtor and not a trustee in respect of it for such member or other person. Money carried to such separate account may either be employed in the business of the company or invested in such investments, other than shares of the company or its holding company if any, as the directors may from time to time think fit.

41. **Destruction of documents**

41.1 The company may destroy:

41.1.1 any share certificate which has been cancelled at any time after the expiry of 1 year from the date of such cancellation;

41.1.2 any dividend mandate or any variation or cancellation of it or any notification of change of name or address at any time after the expiry of 2 years from the date such mandate, variation, cancellation or notification was recorded by the company;

41.1.3 any instrument of transfer of shares which has been registered at any time after the expiry of 6 years from the date of registration; or

41.1.4 any other document on the basis of which any entry in the register is made at any time after the expiry of 6 years from the date an entry in the register was first made in respect of it.

41.2 It will conclusively be presumed in favour of the company that every share certificate so destroyed was a valid certificate duly and properly sealed, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed under article 41.1 was a valid and effective document, in accordance with its recorded particulars in the books or records of the company, provided that:

41.2.1 the provisions of article 41.1 apply only to the destruction of a document in good faith and without express notice to the company that the preservation of such document was relevant to a claim;

41.2.2 nothing contained in article 41.1 is construed as imposing upon the company any liability in respect of the destruction of any such document earlier than as set out in article 41.1 or in any case where the conditions of article 41.2.1 are not fulfilled; and

41.2.3 references in this article to the destruction of any document include references to its disposal in any manner.

42. **Provision for Employees on Cessation of Business**

42.1 The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary

43. **Indemnity**

43.1 Subject to article 43.2, a relevant director of the company or an Associated company may be indemnified out of the company's assets against:

43.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an Associated Company,

43.1.2 any liability incurred by that director in connection with the activities of the company or an Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act),

43.1.3 any other liability incurred by that director as an officer of the company or an Associated.

43.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the 2006 Act or by any other provision of law.

43.3 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

43.4 In this article:

43.4.1 a "relevant director" means any director or former director of the company or an Associated Company, and

43.4.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in

relation to the company, any Associated Company or any pension fund or employees' share scheme of the company or Associated Company,

44. Indemnity against claims in respect of shares

44.1 The provisions of article 44.2 will apply whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability on the company to make any payment, or empowers any government or taxing authority or government official to require the company to make any payment, in respect of any shares held either jointly or solely by a member or in respect of any dividends or other money due or payable or accruing due or which may become due or payable to such members by the company or in respect of any such shares or for or on account or in respect of any member in consequence of:

44.1.1 the death of such member; or

44.1.2 the non-payment of any income tax or other tax by such member in respect of any shares in the company or dividend or other payment in respect of such shares; or

44.1.3 the non-payment of any estate, probate, succession, death, stamp or other duty by the executor or administrator of such member or by or out of his estate.

44.2 In the circumstances described in article 44.1 the company:

44.2.1 will be fully indemnified by such member or his executor or administrator from all liability arising by virtue of such law; and

44.2.2 may recover as a debt due from such member or his executor or administrator, wherever constituted or residing, any money paid by the company under or in consequence of any such law, together with interest on it at the rate of 15 per cent. per annum from the date of payment to the date of repayment.

44.3 Nothing contained in articles 44.1 and 44.2 prejudices or affects any right or remedy which any law may confer or purport to confer on the company and, as between the company and every such member as is referred to in article 44.1, his executor, administrator, and estate wherever constituted or situated, any right or remedy which

such law confers or purports to confer on the company will be enforceable by the company.