

Company No. 349201

**ARTICLES OF ASSOCIATION**

**of**

**ST. MODWEN PROPERTIES PLC**

(Adopted by Special Resolution passed on [21 July 2021])



Park Point  
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**PUBLIC COMPANY LIMITED BY SHARES  
INCORPORATED UNDER THE COMPANIES ACT 1985**

ARTICLES OF ASSOCIATION

of

ST. MODWEN PROPERTIES PLC

(Adopted by Special Resolution passed on 24 April 2020)

**INTERPRETATION**

The Company is a public limited company limited by shares.

**1. Exclusion of model articles**

No articles set out in any statute or other instrument having statutory force apply to the Company and the following are the Company's articles of association.

**2. Definitions and interpretation**

2.1 In these Articles unless the context otherwise requires:

**"Act"** means the Companies Act 2006;

**"address"** in relation to a communication made by electronic means includes any number or address used for the purposes of that communication (including, without limitation, in the case of an Uncertificated Proxy Instruction (as defined in Article 88)) an identification number of a participant in the Relevant System concerned);

**"Annual General Meeting"** means an annual general meeting of the Company;

**"Articles"** means these Articles of Association as from time to time altered;

**"Board"** means the board of Directors of the Company or the Directors present or deemed present at a duly convened meeting of the Directors at which a quorum is present;

**"certificated"** means, in relation to any share or other security of the Company, that it is not held or to be held in uncertificated form;

**"clear days"** means in relation to a period of notice the period excluding the day on which the notice is given or deemed to have been given and the day for which it is given or on which it is to take effect;

**"Company"** means St. Modwen Properties PLC;

**"Director"** means a director of the Company;

**"distribution recipient"** means, in respect of a share in respect of which any dividend, interest or other moneys are payable in cash:

(a) the holder of that share; or

(b) if the share has two or more joint holders, the joint holder who is named first in the Register;

**"electronic facility"** means a device, system, procedure, method or facility providing an electronic means of attendance or participation at (or both attendance and participation at) a General Meeting determined by the Directors pursuant to Article 58;

**"electronic form"** has the meaning given in the Act;

**"electronic means"** has the meaning given in the Act;

**"executed"** means any mode of execution;

**"General Meeting"** means a general meeting of the Company;

**"hard copy"** has the meaning given in the Act;

**"holder"** means in relation to shares the person entered in the Register and "shareholder" and "member" shall be construed accordingly;

**"London Stock Exchange"** means London Stock Exchange PLC;

**"month"** means calendar month;

**"Office"** means the registered office of the Company for the time being;

**"Official List"** means the Official List maintained by the UKLA;

**"paid up"** means paid or credited as paid up;

**"principal meeting place"** has the meaning given in Article 69;

**"recognised person"** means any financial institution as that expression is defined in Section 778 of the Act;

**"record date"** has the meaning given in Article 164;

**"Register"** in relation to any period on or before 25 November 2001, means the register of members of the Company and, in relation to any period after that date means, in relation to a certificated share or the holder of it, the register of members maintained by the Company and, in relation to an uncertificated share or the holder of it, the register of members of the Company maintained by the



operator of the Relevant System through which title to that share is evidenced and transferred and **"registered"** shall be construed accordingly;

**"Relevant System"** means any computer-based system, and procedures, permitted by the Uncertificated Securities Regulations and the rules of the UKLA, which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters;

**"satellite meeting place"** has the meaning given in Article 69;

**"Seal"** means the common seal (if any) of the Company and the Securities Seal (if any) or either of them as the case may require;

**"Secretary"** means the Secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company including (subject to the provisions of the Act) a joint, deputy or assistant Secretary;

**"Securities Seal"** means the official seal (if any) kept by the Company under the provisions of Section 50 of the Act;

**"Statutes"** means, without limitation, the Act, Uncertificated Securities Regulations and every other statute and any subordinate legislation, order or regulations made under them for the time being in force concerning companies and affecting the Company;

**"Subsidiary"** means a subsidiary and/or subsidiary undertaking of the Company as each of the terms are defined in the Act;

**"UKLA"** means the Financial Conduct Authority (or any other body from time to time) acting in its capacity as the competent authority under the Financial Services and Markets Act 2000;

**"uncertificated"** means in relation to any share or other security of the Company that title to it is evidenced and transferred or to be evidenced and transferred by means of a Relevant System;

**"Uncertificated Securities Regulations"** means the Uncertificated Securities Regulations 2001, as amended or replaced from time to time and any subordinate legislation or rules made under them or for the time being in force;

**"United Kingdom"** means Great Britain and Northern Ireland;

**"working day"** has the meaning given in the Act;

**"writing"** includes handwriting, typewriting, printing, lithography, photocopying and other modes of representing or reproducing words in legible and non-transitional form,

including, unless provided otherwise, by electronic means or in electronic form; and

**"year"** means calendar year.

- 2.2 Save as aforesaid and unless the context otherwise requires words or expressions contained in these Articles but not defined in these Articles bear the same meaning as in the Statutes.
- 2.3 In these Articles unless the context otherwise requires:
- (a) words in the singular include the plural and vice versa;
  - (b) words importing any gender include all genders;
  - (c) a **meeting** means a meeting convened and held in any manner permitted by these Articles, including a General Meeting at which some of those entitled to be present attend and participate by means of electronic facility or facilities, and those persons shall be deemed to be present at that meeting for all purposes of the Statutes and these Articles and **attend, participate, attending, participating, attendance** and **participation** shall be construed accordingly;
  - (d) a person's **participation** in the business of a General Meeting include, without limitation and as relevant, the right (including in the case of a corporation, through a duly appointed representative) to speak, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes or these Articles to be made available at the meeting, and **participate** and **participating** in the business of a General Meeting shall be construed accordingly;
  - (e) a reference to a person includes any individual, firm, company corporation, government state or agency of state or any association, trust or partnership (whether or not having a separate legal personality);
  - (f) a reference to any statute or provision of a statute includes a reference to any statutory modification, consolidation, re-enactment, modification or replacement of it and any subordinate legislation in force under any of the same for the time being.
- 2.4 The headings and the table of contents are inserted for convenience only and do not affect the interpretation or construction of these Articles.
- 2.5 Where pursuant to any provision of these Articles any notice, appointment of proxy or other document which is in electronic form is required to be signed or executed by or on behalf of any person, that signature or execution includes the affixation by or on behalf of that person of

an electronic signature (as defined in Section 7(2) Electronic Communications Act 2000) in such form as the Directors may approve.

**3. Form of resolution**

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.

**4. Electronic attendance at and participation in General Meetings not precluded**

Nothing in these Articles precludes the holding and conducting of a meeting in such a way that persons who are not present together at the same place may by electronic means attend and participate in it.

**5. Liability of members**

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

**SHARE CAPITAL**

**6. Rights attached to shares**

Subject to the provisions of the Statutes and without prejudice to any rights for the time being conferred on the holders of any class of shares (which rights shall not be varied or abrogated except with such consent or sanction as is required by Article 12), any share in the Company may be issued 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 failing any such determination as the Directors may determine).

**7. Redeemable shares**

Subject to the provisions of the Statutes, the Company may issue shares which are to be redeemed, or are liable to be redeemed, at the option of the Company or the holders on such terms, conditions and in such manner as the Directors may determine prior to the allotment of those shares.

**8. Shares**

Subject to the provisions of these Articles and of the Statutes, and to any direction given by the Company in General Meeting, the unissued shares shall be under the control of the Directors who may allot, (with or without conferring a right of renunciation) grant options over, or otherwise dispose of them to such persons (including the Directors themselves) at such times and on such terms as the Directors may think proper.

## **9. Payment of commission**

The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent permitted by the Statutes. Subject to the provisions of the Statutes, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

## **10. Trusts and joint holders**

- 10.1 Except as required by law and notwithstanding any information received pursuant to a notice served under Section 793 of the Act, the Company shall not recognise any person as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise even when having express notice of it any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as otherwise provided by these Articles or by law) any other right in respect of any share, except an absolute right to the entirety in the holder.
- 10.2 Neither the Company nor the operator of any Relevant System shall be bound to register more than four persons as the joint holders of any share or shares (except in the case of executors or trustees of a deceased member).
- 10.3 The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to any one of joint holders shall be sufficient delivery to all of them.
- 10.4 In the case of shares held jointly by several persons any request for a replacement certificate may be made by any one of the joint holders.

## **11. Renunciation**

The Directors may, at any time after the allotment of any share but before any person has been entered in the Register as the holder, recognise a renunciation of such allotment by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

## **VARIATION OF RIGHTS**

### **12. Variation of rights**

#### **12.1 Variation of rights**

Whenever the capital of the Company is divided into different classes of shares, the rights or privileges attached to any class may (unless otherwise provided by

the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares), or with the sanction of a Special Resolution passed at a separate General Meeting of such holders (but not otherwise). The provisions of these Articles relating to General Meetings shall apply, with necessary modifications, to every such separate General Meeting, except that:

- (a) the necessary quorum shall be two persons present holding at least one-third in nominal value of the issued shares of the class, excluding any shares of that class held as treasury shares (but so that if at any adjourned meeting a quorum as defined above is not present, those members who are present in person or by proxy shall be a quorum) provided that where a person is present by proxy or proxies, he is treated as holding only the shares in respect of those proxies which are authorised to exercise voting rights;
- (b) any holder of shares of the class present in person or by proxy may demand a poll; and
- (c) every such holder shall, on a poll, have one vote for every share of the class held by him.

#### **12.2 Pari passu issues and purchase of own shares**

Unless otherwise expressly provided by these Articles or by the rights conferred upon the holders of any class of shares, those rights are not deemed to be varied by:

- (a) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu with the first-mentioned shares but in no respect in priority; or
- (b) the purchase by the Company of any of its own shares.

### **ALTERATION OF CAPITAL**

#### **13. Sub-division**

Any resolution authorising the Company to sub-divide its shares or any of them may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

#### 14. Fractions arising upon consolidation or sub-division

Subject to any direction by the Company in General Meeting, whenever as the result of any consolidation or sub-division of shares, members of the Company are entitled to any issued shares of the Company in fractions, the Directors may:

- (a) deal with such fractions as they think fit and in particular (but without prejudice to the foregoing) may sell the shares representing the fractions to any person (including, subject to the Statutes, the Company) for the best price reasonably obtainable and distribute the net proceeds of sale to and among the members entitled to such shares in due proportions and may treat a holders' certificated and uncertificated shares of the same class as if they were separate holdings. For the purpose of giving effect to any such sale, in the case of shares in certificated form, the Directors may nominate some person to execute a transfer or deliver the shares sold to or in accordance with the directions of the purchaser, and in the case of shares in uncertificated form, the Directors may, to enable the Company to deal with the share in accordance with the provisions of this Article, require the operator of a Relevant System to convert the share into certificated form, and after such conversion, authorise any person to execute an instrument of transfer and/or take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as they think fit to effect the transfer. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale; or
- (b) if the necessary unissued shares are available and subject to the Statutes, issue to each such holder credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding to a whole number (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at their discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including any share premium account or capital redemption reserve) or to the credit of the profit and loss account (or income statement) and capitalised by applying the same in paying up such shares.

## **SHARE CERTIFICATES**

### **15. Rights to a share certificate**

- 15.1 Subject to the Statutes, every person whose name is entered as a member in the Register (other than a recognised person in respect of whom the Company is not required by law to complete and have ready for delivery a share certificate) is (except where the Directors have passed a resolution pursuant to Article 18.2) entitled without payment to receive one certificate for all the shares of each class held by him or, upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Directors shall from time to time determine, to several certificates each for one or more of his shares.
- 15.2 Every certificate shall be issued within two months (or such longer period as the terms of issue shall provide) after allotment or within fourteen days after lodgement with the Company of the transfer of the shares provided that this is not a transfer which the Company is for any reason entitled to refuse to register and does not register.
- 15.3 Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
- 15.4 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- 15.5 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request, and on payment of such reasonable sum as the Board may decide.

### **16. Execution and signing of certificates**

Every certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, under an official seal for use in the relevant territory) or, subject to the provisions of the Statutes, in such other manner as the Directors may resolve, having regard to the terms of allotment or issue of the shares and the requirements of the UKLA. Each share certificate shall specify the number and class of shares to which it relates and the amount paid up on them. Whether or not certificates are issued under the Seal, the Directors may by resolution decide that any signatures on any certificates need not be autographic but may be affixed by some method or system of mechanic

or electronic signature or that certificates need not be signed by any person.

#### **17. Replacement share certificates**

If a share certificate or any other document of title is worn out, defaced, lost, stolen or destroyed, it must be renewed (free of charge) on such terms (if any) as to evidence and indemnity with or without security as the Directors require. In the case of loss, theft or destruction the person to whom the new certificate is issued shall pay to the Company any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity and in the case of defacement or wearing out he shall deliver up the old certificate to the Office.

#### **18. Uncertificated securities**

18.1 Nothing in these Articles shall require title to any shares or other securities of the Company to be evidenced by a certificate if the Statutes and the UKLA permit otherwise.

18.2 Subject to the Statutes and the rules of the London Stock Exchange and UKLA (to the extent applicable), the Directors without further consultation with the holders of any shares or other securities of the Company may resolve that any class or classes of shares or other securities of the Company from time to time in issue or to be issued may be in uncertificated form and no provision of these Articles will apply to any uncertificated shares or other securities of the Company to the extent they are inconsistent with the holding of such shares or other securities in uncertificated form or the transfer of title to any such shares or other securities by means of a Relevant System.

18.3 To the extent that any provision of these Articles is inconsistent in any respect with the terms of the Uncertificated Securities Regulations in relation to any uncertificated shares or other uncertificated securities of the Company, such provision shall not apply to those shares or securities and instead the Uncertificated Securities Regulations shall apply.

#### **CALLS ON SHARES**

#### **19. Calls**

Subject to the terms of issue of the shares and to the provisions of these Articles, the Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium).



**20. Timing of call**

A call shall be deemed to have been made when the resolution of the Directors authorising the call was passed. A call may be revoked or postponed in whole or part as the Directors may determine at any time prior to the date on which payment in respect of the call is due by a further notice in writing to the member in respect of whose shares the call is made.

**21. Payment upon calls**

Each member shall (subject to receiving at least fourteen clear days' notice specifying the time and place of payment) pay to the Company, at the time or times and place of payment so specified the amount called on his shares. A call may be required to be made payable by instalments. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

**22. Liability of joint holders**

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

**23. Interest due on non-payment**

If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on such sum from the day fixed for payment of such sum to the time of actual payment at the rate specified by the terms of issue of the share or, if no rate is specified, at an appropriate rate or at such rate as the Directors may determine not exceeding 15 per cent. per annum together with all expenses that may have been incurred by the Company by reason of such non-payment but the Directors shall be at liberty in any case or cases to waive payment of such interest and expenses either wholly or in part.

**24. Sums due on allotment treated as calls**

Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable on allotment or at any fixed date shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise and all other relevant provisions of these Articles shall apply as if such sum had become payable by virtue of a call duly made and notified.

**25. Payment of calls in advance**

- 25.1 The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid on any shares held by him. The Company may pay interest upon the money so received, or as much of it as exceeds for the time being the amount called up on the shares in respect of which such advance has been made, at such rates as the member paying such sum and the Directors agree not exceeding 15 per cent. per annum in addition to the dividend payable on such part of the share in respect of which such advance has been made as is actually called up. No dividend shall be payable on so much of the moneys paid up on a share as exceeds the amount for the time being called up on a share. The Directors may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of their intention to do so, unless before the expiration of such notice the amount so advanced shall have been called up on the share in respect of which it was advanced.
- 25.2 Except in a liquidation, sums paid in advance of calls shall not, until the same would, but for such advance, have become payable, be treated as paid up on the shares in respect of which they have been paid.

**26. Power to differentiate on calls**

The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the time of payment of such calls.

**27. Delegation of power to make calls**

If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be.

**LIEN ON SHARES**

**28. Company's lien on shares not fully paid**

The Company shall have a first and paramount lien on any of its shares which are not fully paid in the circumstances and to the extent permitted by the Statutes for all amounts (whether presently payable or not) called or payable in respect of that share; but the Directors may waive any lien which has arisen and may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any)

on a share shall further extend to all dividends and interest payable on such share.

**29. Enforcing lien by sale**

The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is due and payable, nor until a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of the intention to sell in default, shall have been given to the holder for the time being of the share, or to the person entitled to the share by reason of his death or bankruptcy and default in payment shall have been made by him or them for seven clear days after the date of the notice.

**30. Giving effect to a sale**

To give effect to any permitted sale of any shares on which the Company has a lien the Directors may authorise a person to execute a transfer of the shares sold to, or in accordance with the directions of, the purchaser. Subject to payment of any stamp or other duty due the purchaser shall be entered in the Register as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

**31. Application of proceeds of sale**

The net proceeds of a permitted sale of shares in which the Company has a lien shall be received by the Company and, after payment of the costs of such sale, be applied in or towards satisfaction of the amount due to the Company in respect of which the lien exists, so far as the same is presently payable, and the balance (if any) shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the holder at the date of the sale.

**FORFEITURE AND SURRENDER OF SHARES**

**32. Notice if call or instalment not paid**

If a member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Directors may, at any time after such date, serve a notice on him requiring payment of so much of the

call or instalment as is unpaid, together with any accrued interest and any expenses incurred by the Company by reason of such non-payment.

**33. Form of notice**

The notice shall name a further day (not being less than fourteen clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment in accordance with such notice, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

**34. Forfeiture if non-compliance with notice**

If the notice is not complied with, any share in respect of which such notice was given may at any time after that, before payment of all calls or instalments and interest and expenses due in respect of it has been made, be forfeited by a resolution of the Directors to that effect. Every forfeiture shall include all dividends declared or other amounts payable in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any share which they are in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

**35. Sale of forfeited or surrendered shares**

Subject to the Statutes, a forfeited or surrendered share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who before such forfeiture was the holder of such share or to any other person upon such terms and such conditions as the Directors shall think fit and the Company may receive the consideration, if any, for such sale, re-allotment or disposal. The Directors may if they reasonably consider it necessary authorise some person to execute the transfer of a forfeited or surrendered share. At any time before sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Directors think fit. Any share not disposed of in accordance with this Article within a period of three years from the date of its forfeiture or surrender shall, at the expiry of that period, be cancelled in accordance with the provisions of the Statutes.

**36. Notice after forfeiture**

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

**37. Arrears to be paid notwithstanding forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate in relation to such shares, but shall, notwithstanding the forfeiture or surrender, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were then payable by him to the Company in respect of those shares, with interest on those moneys at such rate (not exceeding 15 per cent. per annum) as the Directors shall think fit from the date of forfeiture or surrender until payment, and he shall remain liable to satisfy all (if any) claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture or surrender without any reduction or allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares, but the Board shall be at liberty to waive such payment either wholly or in part.

**38. Effects of forfeiture**

The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

**39. Statutory declaration as to forfeiture or sale to satisfy lien**

A statutory declaration in writing by a Director or the Secretary that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. Such declaration shall (subject to the execution of any necessary instrument of transfer) constitute a good title to the share. The person to whom the share is sold or disposed shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity in, or invalidity of the proceedings with reference to the forfeiture or surrender, sale, re-allotment or disposal of the share.

## **TRANSFER OF SHARES**

### **40. Form of transfer**

Subject to such of the restrictions contained in these Articles as may be applicable, any member may transfer all or any of his shares by transfer in writing in any usual or common form or in any other form acceptable to the Directors or by any other manner acceptable to the Directors and permitted by the Statutes and the UKLA.

### **41. Execution of transfer**

Every written instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of that share.

### **42. Right to decline registration of partly paid shares**

The Directors may, in their absolute discretion, refuse to register the transfer of a share which is not fully paid or on which the Company has a lien provided that, where any such share is listed on the Official List, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

### **43. Other rights to decline registration**

The Directors may also refuse to register a transfer of a share unless:

- (a) the transfer is lodged, duly stamped (if it is required to be stamped), at the Office or at such other place as the Directors may appoint and (except in the case of a transfer by a recognised person or in any other circumstance where a certificate has not been issued in respect of the share) is accompanied by the certificate for the share 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;
- (b) the transfer is in respect of only one class of share; and
- (c) in the case of a transfer to joint holders of a share, the number of joint holders to whom the share is to be transferred does not exceed four.

If the Board refuses to register a transfer of shares it shall, as soon as practicable but in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal together with its reasons for the refusal.

#### **44. Recognition of renunciation**

Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

#### **45. Retention and return of instruments of transfer**

The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall (except in the case of actual or suspected fraud or forgery) be returned to the person lodging it when notice of the refusal is given.

#### **46. No fees for registration**

No fee shall be charged by the Company for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

#### **47. Requirement for written transfer to evidence title**

For the avoidance of doubt nothing in these Articles shall require shares to be transferred by a written instrument if the Statutes provide otherwise and the Directors shall be empowered to implement such arrangements as they consider fit in accordance with and subject to the Statutes and the rules of the London Stock Exchange and UKLA (to the extent applicable) to evidence and regulate the transfer of title to shares in the Company and to approve (or disapprove as the case may be) the registration of such transfers or the operation of any Relevant System of the registration of those transfers.

### **DESTRUCTION OF DOCUMENTS**

#### **48. Documents Company entitled to destroy**

The Company shall be entitled to destroy:

- (a) all share certificates and dividend mandates and dividend warrants which have been cancelled or have ceased to have effect at any time after the expiration of two years from the date of such cancellation or cessation;
- (b) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration;
- (c) any other document on the basis of which any entry in the Register is made, at any time after the expiration of six years from the date of its registration; and
- (d) all notifications of change of name or address after

the expiration of one year from the date on which they are recorded.

**49. Presumptions where documents destroyed**

It shall conclusively be presumed in favour of the Company that every share certificate destroyed as permitted by Article 48 was a valid certificate duly and properly cancelled, that every entry in the Register purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the particulars of it recorded in the books or records of the Company, provided always that:

- (a) this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document might be relevant to a claim;
- (b) nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as provided for in this Article or in any other circumstances which would not attach to the Company in the absence of this Article;
- (c) reference in this Article to the destruction of any document includes references to its disposal in any manner; and
- (d) any document referred to in Article 48 may be destroyed at a date earlier than that authorised by that Article provided that a permanent copy of such document shall have been made which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Directors shall take adequate precautions for guarding against falsification and for facilitating its production.

**UNTRACED SHAREHOLDERS**

**50. Power to sell shares**

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

- (a) during a period of at least 12 years (provided that in that period at least three dividends, whether interim or final, shall have been declared and paid):



- (i) no cheque or similar financial instrument sent, in the manner authorised these Articles, by the Company to the member or person entitled by transmission has been cashed;
  - (ii) any payment made by the Company by any other means permitted by Article 158 has failed; and
  - (iii) so far as the Directors are aware, no communication has been received by the Company from the member or person entitled by transmission;
- (b) on the expiry of that period, the Company has sent notice to the member or person entitled by transmission of its intention to sell the share and a period of at least three months has elapsed from the date of sending such notice. The Company must send the notice to the registered address or the last known address of the member or person so entitled. Before sending the notice, the Company must have used such efforts as the Directors consider reasonable to trace the member or other person entitled by transmission including engaging, if the Directors consider it appropriate, a professional asset reunification company or other tracing agent; and
- (c) the Company has not, so far as the Directors are aware, during the period following the date of sending of such notice and prior to the exercise of the power of sale, received any communication from the member or person entitled by transmission.

50.2 The Company is also entitled to sell for the best price reasonably obtainable any additional share issued during either:

- (a) the period of at least 12 years referred to in Article 50.1(a); or
- (b) any longer period ending on the date on when the requirements of Articles 50.1(a) to (c) have been satisfied,

in each case in right of any share held at the beginning of the period referred to in Article 50.1(a) or in right of any additional share previously so issued. The Company may only sell the additional share if the requirements of Articles 50.1(a) to (c) have been satisfied in relation to it.

50.3 To give effect to the sale of any share pursuant to Article 50.1, the Company may appoint any person to execute as transferor any necessary instrument of transfer of such share and such instrument of transfer shall be as effective as if it had been executed by the holder or person entitled by transmission to the share.

The transferee shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale, together with any unpaid or unclaimed dividends or other moneys payable, in each case in respect of such shares and to the extent not already forfeited under Article 159, shall belong to the Company and on receipt the Company shall be indebted to the member or other person entitled to such share for an amount equal to the net proceeds of such sale but no trust shall be created and no interest shall be payable in respect of the proceeds of sale which may either be employed in the business of the Company or invested in such investment (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

## **TRANSMISSION OF SHARES**

### **51. Transmission on death**

If a member dies, the survivor or survivors where the deceased was a joint holder, or his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only person recognised by the Company as having any title to his interest in the share, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

### **52. Election of person entitled by transmission**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, subject to the following and upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as if the death or bankruptcy of the member had not occurred and the notice or transfer were an instrument of transfer executed by such member.

### **53. Rights of person entitled by transmission**

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member shall (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) be entitled to the same dividends and other advantages as those to which he would be entitled if he

were the holder of the share except that he shall not (except with the authority of the Directors) be entitled in respect of such share to attend or vote at meetings of the Company or to any of the rights or privileges of a member until he shall have been registered as a member in respect of the share. The Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 60 days the Directors may withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

#### **SUSPENSION OF RIGHTS WHERE NON-DISCLOSURE OF INTERESTS**

##### **54. Suspension of rights where non-disclosure of interests**

- 54.1 If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under Section 793 of the Act and is in default for the prescribed period in supplying to the Company the information thereby required, then at any time after that the Directors may in their absolute discretion by notice to such member, or other person, direct:
- (a) that in respect of the default shares the member shall not be entitled to vote either personally or by proxy at a General Meeting of the Company or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to General Meetings of the Company or meetings of the holders of any class of shares of the Company; and/or
  - (b) where the default shares represent at least 0.25 per cent. of the issued shares of any class of shares of the Company (excluding any shares of that class held as treasury shares), that:
    - (i) any dividend or other money which would otherwise be payable in respect of the default shares shall (in whole or any part thereof) be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member and, in circumstances where an option to elect to receive ordinary shares instead of cash in respect of any dividend shall be or has been given to members, any notice of election made under such an option in respect of the default shares shall not be effective; and/or
    - (ii) no transfer, other than an approved transfer, of any of the shares held by such member shall be registered unless:

- (A) the member is not himself in default as regards supplying the information required; and
  - (B) the transfer is of part only of the member's holding and when presented for registration is accompanied by a certificate from the member, in a form satisfactory to the Directors, to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares; and/or
- (iii) any shares held by such member in uncertificated form shall forthwith be converted into certificated form (and the Directors shall be entitled to direct the operator of any Relevant System applicable to those shares to effect that conversion immediately) and that member shall not after that be entitled to convert all or any shares held by him into uncertificated form (except with the authority of the Directors) unless:
- (A) the member is not himself in default as regards supplying the information required; and
  - (B) the shares which the member wishes to convert are part only of his holding and he has issued a certificate, in a form satisfactory to the Directors, to the effect that after due and careful enquiry the member is satisfied that none of the shares he is proposing to convert into uncertificated form are default shares.

54.2 The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice. Neither the Company nor the Directors shall in any event be liable to any person as a result of the Directors having imposed any restrictions pursuant to Article 54.1 if the Directors have acted in good faith.

54.3 Any direction notice shall have effect in accordance with its terms until seven days (or such shorter period as the Directors may resolve) after the earlier of the date on which:

- (a) the Company is satisfied that the default in respect of which the direction notice was issued has been rectified; and
- (b) notification shall be received by the Company that the default shares shall have been transferred to a

third party by means of an approved transfer.

54.4 The Directors may at any time give notice cancelling a direction notice, in whole or in part, or suspending, in whole or in part, the imposition of any restrictions contained in the direction notice for a given period. If dividends or other moneys payable in respect of any default shares shall be withheld as a result of any restrictions imposed by a direction notice such dividends or other money shall accrue and shall be payable (without interest) upon the relevant restrictions ceasing to apply.

54.5 For the purposes of this Article:

- (a) a person shall be treated as appearing to be interested in any shares if the member holding such shares or any other person has given to the Company information under Section 793 of the Act which either:
  - (i) names such person as being so interested; or
  - (ii) fails to establish the identities of those interested in the shares and (after taking into account the said information and any other information given under Section 793 of the Act) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
- (b) **"default shares"** means shares in relation to which a default has occurred entitling the Company to issue a direction notice and any further shares which are issued in respect of those shares;
- (c) **"direction notice"** means a notice issued by the Company pursuant to Article 54.1;
- (d) **"interested"** shall be construed as it is for the purpose of Section 793 of the Act;
- (e) **"prescribed period"** is fourteen days from the date of service of the notice under Section 793 of the Act;
- (f) a transfer of shares is an approved transfer if and only if:
  - (i) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer for a company (as defined in Section 974 of the Act); or
  - (ii) the Directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with

other persons appearing to be interested in such shares; or

(iii) the transfer results from a sale made through a recognised investment exchange as defined in the Part XVIII of the Financial Services and Markets Act 2000 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; and

(g) reference to a person being in default in supplying to the Company the information required by a notice under Section 793 of the Act includes:

(i) reference to his having failed or refused to give all or any part of it; and

(ii) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular.

54.6 Nothing in this Article shall limit the powers of the Company under Section 794 of the Act or any other powers whatsoever.

#### **GENERAL MEETINGS**

##### **55. Annual General Meetings**

55.1 The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. The Annual General Meeting shall be held at such time and place, including partly (but not wholly) by means of electronic facility or facilities, as may be determined by the Directors.

##### **56. General Meetings**

56.1 The Directors may call a General Meeting. The Directors must call a General Meeting if the members and the Act requires them to do so.

##### **57. Means of attendance and participation in General Meetings**

57.1 The Directors shall determine in relation to each General Meeting the means of attendance and participation at the meeting, including whether the persons entitled to attend, speak and vote at the meeting shall be enabled to do so:

(a) subject to Article 59, by means of electronic facility or facilities pursuant to Article 58;

- (b) by simultaneous attendance and participation at a satellite meeting place or places pursuant to Article 69.

**58. Simultaneous attendance and participation by electronic facilities**

- (a) The Directors may resolve to enable persons entitled to attend and participate in a General Meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the General Meeting.
- (b) The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Directors) shall be counted in the quorum for, and be entitled to participate in, the General Meeting.
- (c) The meeting shall be duly constituted and its proceedings valid if the Chairman is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of electronic facility or facilities) are able to:
  - (i) participate in the business for which the meeting was convened;
  - (ii) hear all persons who speak at the meeting; and
  - (iii) be heard by all other persons attending and participating in the meeting.
- (d) The inability of any member present in person or by proxy at a meeting by means of an electronic facility or facilities to participate in the business for which the meeting has been convened, hear all persons who speak at the meeting or be heard by all other persons present at the meeting on account of a breakdown in electronic facilities shall not in any way affect the validity of the proceedings of the meeting.

**59. Virtual only General Meetings not permitted**

59.1 No provision of these Articles authorises or allows a General Meeting to be held exclusively on an electronic basis.

**NOTICE OF GENERAL MEETINGS**

**60. Length of notice**

The Board shall call any Annual General Meeting by at

least 21 clear days' notice. Any other General Meeting of the Company will be called by at least 14 clear days' notice. Notice of General Meetings must be sent or supplied in accordance with these Articles.

## **61. Contents of notice**

61.1 Every notice of meeting of the Company shall:

- (a) be given to all members other than those who under the provisions of these Articles are not entitled to receive such notices from the Company;
- (b) specify:
  - (i) the time, date and place (including any satellite meeting place or places determined pursuant to Article 69) of the meeting;
  - (ii) the means, or all different means of attendance at and participation in the meeting; and
  - (iii) any electronic facility or facilities which the Directors have determined are to be used to enable attendance at and participation in the meeting in accordance with Article 58;
- (c) include the statements required by Section 311(3) of the Act;
- (d) with reasonable prominence state that a member may appoint:
  - (i) a proxy to exercise all or any of the member's rights to attend, speak and vote; and
  - (ii) more than one proxy in relation to the meeting if each proxy is appointed to exercise the rights attached to a different share or shares held by the member;
- (e) in the case of an Annual General Meeting, specify the meeting as such;
- (f) if any resolution is to be proposed as a Special Resolution, contain the text of the resolution and the intention to propose the resolution as a Special Resolution.

61.2 Ordinary business includes business transacted at an Annual General Meeting of the following classes, that is to say:

- (a) declaring dividends;
- (b) considering and/or adopting the accounts, the reports of the Directors and auditors and other documents required to be attached or annexed to the



accounts;

- (c) appointing auditors;
- (d) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement or under these Articles or otherwise;
- (e) settling the remuneration of the auditors or determining the manner in which the remuneration is to be settled; and
- (f) considering and/or approving any report or policy on the remuneration of Directors.

#### **62. Omission or non-receipt of notice or resolution**

If the Company gives notice of a General Meeting or a resolution intended to be moved at a General Meeting, an accidental failure to give notice to one or more persons is to be disregarded for the purpose of determining whether notice of the meeting or resolution is properly given but this is subject to the exceptions prescribed by the Act. The non-receipt of a notice of a General Meeting or a resolution intended to be moved at a General Meeting is to be disregarded for the purpose of determining whether notice of the meeting or resolution is properly given.

### **PROCEEDINGS AT GENERAL MEETINGS**

#### **63. Quorum**

No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business but the absence of a quorum shall not preclude the appointment of a Chairman which shall not be treated as part of the business of the meeting. Two qualifying persons (as defined in the Act) present at a meeting are a quorum unless each is a qualifying person only because:

- (a) he is authorised to act as the representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or
- (b) he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

#### **64. Procedure if quorum is not present**

If within 15 minutes from the time appointed for the meeting (or such longer interval not exceeding one hour as the Chairman of the meeting may decide) a quorum is not present or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case:

- (a) it stands adjourned to such time, date and place as may be fixed by the Chairman of the meeting and, when fixing the date of the adjourned meeting, it must be at least 10 days after the date of the original meeting (excluding the day of the original meeting and the day of the adjourned meeting); and
- (b) if at that adjourned meeting a quorum is not present within 30 minutes from the time appointed for holding the meeting, a qualifying person is a quorum.

**65. Chairman of General Meetings and right to attend and speak**

65.1 The Chairman (if any) of the Directors, or, failing whom, the deputy Chairman (if any) shall preside as Chairman at every General Meeting of the Company. If at any meeting neither shall be present at the principal meeting place within 15 minutes after the time fixed for holding the meeting and willing to act as Chairman, the Directors present at the principal meeting place shall choose one of their number to be Chairman of the meeting. If no Director is present at the principal meeting place, or if all the Directors present at the principal meeting place decline to take the chair, the members present at the principal meeting place and entitled to vote shall choose one of their number to be Chairman of the meeting by a resolution passed at the meeting.

65.2 Subject to the Statutes, a Director who is not a member of the Company shall nevertheless be entitled to attend and speak at any General Meeting of the holders of any class of shares.

65.3 Subject to the Statutes, the Chairman may invite any person to attend and speak at any General Meeting whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the General Meeting. In addition, the Chairman may invite any person who has been put forward by a member of the Company (provided that the Chairman is satisfied that at such time as the Chairman may determine, the member holds any shares in the Company as such person's nominee) to attend and, if the Chairman considers it appropriate, to speak at General Meetings of the Company.

**66. Adjournments**

- (a) The Chairman of a meeting at which a quorum is present may with the consent of that meeting (and must if so directed by the meeting) adjourn the meeting:

- (i) from time to time and from place to place (or, in the case of a meeting to which Article 69 applies, such other places) and, if applicable, from such electronic facility or facilities for attendance and participation to such other electronic facility or facilities as the meeting may determine; or
  - (ii) without specifying a time or place.
- (b) The Chairman may also at any time without the consent of the meeting (and irrespective of whether a quorum is present) interrupt or adjourn any meeting from time to time and from place to place (or, in the case of a meeting to which Article 69 applies, such other places) and/or from electronic facility to electronic facility or without specifying a time and place if it appears to the Chairman that it has become necessary to do so:
  - (i) to secure the proper and orderly conduct of the meeting;
  - (ii) to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting; or
  - (iii) to ensure the business of the meeting is properly disposed of.
- (c) If it appears to the Chairman of the meeting that the facilities at the principal meeting place or any satellite meeting place or an electronic facility or facilities have become inadequate for the purposes referred to in Article 69 or Article 58, then the Chairman may, without the consent of the meeting, interrupt or adjourn the meeting.
- (d) All business conducted at a meeting up to the time of any adjournment shall be valid.
- (e) No business shall be transacted at any adjourned meeting except business that might lawfully have been transacted at the meeting from which the adjournment took place.
- (f) Where a meeting is adjourned without specification of a time or place, the time and place for the adjourned meeting shall be fixed by the Directors.

## **67. Notice of adjournment**

- (a) Any adjournment of a meeting, may subject to the Statutes, be for such time and with such means of attendance and participation (including at such place or places and/or by means of such electronic facility or facilities) as the Chairman may, in his absolute discretion, determine even if by reason of

the adjournment some members may be unable to attend and participate in the adjourned meeting.

- (b) When a meeting is adjourned for 30 days or more or for an indefinite period, not less than seven clear days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting, but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **68. Amendments to resolutions**

- 68.1 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 68.2 In the case of a resolution duly proposed as a Special Resolution no amendment to that resolution (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon, and in the case of a resolution duly proposed as an Ordinary Resolution no amendment to that resolution (other than a mere clerical amendment to correct a patent error) may be considered or voted upon unless, at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such Ordinary Resolution is to be proposed, notice in writing of the terms of the amendment and intention to move the same has been lodged at the Office.

## **69. General meeting with satellite meetings**

- (a) The Directors may resolve to enable persons entitled to attend and participate in a General Meeting or an adjourned meeting to do so by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world. The provisions of this Article shall apply if any General Meeting (or adjourned meeting) is held at or adjourned to more than one place.
- (b) The notice of the meeting shall specify the place at which the Chairman of the meeting presides (referred to in these Articles as the "**principal meeting place**", with any other location where that meeting takes place being referred to in these Articles as a "**satellite meeting place**").
- (c) The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the General Meeting in question.
- (d) The meeting shall be duly constituted and its proceedings valid if the Chairman of the meeting is satisfied that adequate facilities are available

throughout the meeting to ensure that members attending at the principal meeting place and at other satellite meeting places are able to:

- (i) participate in the business of the meeting;
  - (ii) hear (by means of audio visual communications equipment or otherwise) all persons who speak in the principal meeting place and any satellite meeting place; and
  - (iii) be heard by all other persons so present in the same way.
- (e) The powers of the Chairman of the meeting shall apply equally to the principal meeting place and each satellite meeting place, including the power to adjourn the meeting as referred to in Article 66.
- (f) A member who is not entitled because of those arrangements to attend, in person or by proxy, at any particular place shall be entitled so to attend at one of the other places subject to any arrangements as may from time to time be in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.
- (g) The inability of any member present in person or by proxy at a satellite meeting place to participate in the business for which the meeting has been convened, hear all persons who speak at the meeting or be heard by all other persons present at the meeting on account of a breakdown in electronic facilities shall not in any way affect the validity of the proceedings of the meeting.
- (h) If a meeting is adjourned to more than one place, not less than seven clear days' notice of the adjourned meeting shall be given despite any other provision of these Articles.

#### **70. General meetings take place where the Chairman is present**

Unless otherwise specified in the notice of meeting or determined by the Chairman of the meeting, a General Meeting is deemed to take place at the physical place where the Chairman of the meeting is present at the time of the meeting.

#### **VOTING**

##### **71. Method of voting**

- 71.1 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show

of hands) a poll is demanded. Subject to the provisions of the Act, a poll may be demanded:

- (a) by the Chairman of the meeting; or
- (b) in writing by at least five members present in person, by proxy or being a duly authorised representative of a corporation, which is a member and entitled to vote; or
- (c) in writing by any member or members present in person or by proxy or being a duly authorised representative of a corporation, which is a member and representing not less than 10 per cent. of the total voting rights of all the members having the right to vote at the meeting (excluding any voting rights attached to shares held as treasury shares); or
- (d) in writing by a member or members present in person or by proxy or being a duly authorised representative of a corporation which is a member holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 10 per cent. of the total sum paid up on all the shares conferring that right (excluding any shares conferring a right to vote on the resolution which are held as treasury shares).

A resolution put to the vote at a General Meeting held partly by means of electronic facility or facilities shall be held on a poll in such manner as the Directors (or Chairman of the meeting) in their sole discretion deem appropriate for the purposes of the meeting.

71.2 Unless a poll is demanded, a declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority or lost, or not carried by a particular majority and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded for or against such resolution.

## **72. Procedure if poll demanded**

If a poll is demanded, it shall be taken in such manner (including the use of ballot or voting papers or cards) as the Chairman of the meeting may direct. The Chairman may (and if so directed by the meeting, or by members exercising their rights pursuant to Section 342 of the Act, shall) appoint independent assessors (who need not be members) and may adjourn the meeting to some place, date and time fixed by him for the purpose of declaring the result of the poll.

**73. Timing of a poll**

A poll demanded on the election of a Chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at some time later during or at the end of the meeting or at such subsequent time, date (not being more than 30 days from the date of the meeting) and place and by such means of attendance and participation (including such place and/or by means of such electronic facility) as the Chairman may direct. No notice need be given of a poll not taken immediately if the time, date and place at and means by which it is to be taken are announced at the meeting. In any other case, at least seven clear days' notice shall be given specifying the time, date and place at which the poll shall be taken.

**74. Continuance of other business after demand for a poll**

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

**75. Withdrawal of demand for a poll**

The demand for a poll may at any time before the conclusion of the meeting be withdrawn but only with the consent of the Chairman, and if it is so withdrawn:

- (a) before the result of a show of hands is declared, the meeting shall continue as if the demand had not been made; or
- (b) after the result of a show of hands is declared, the demand shall not be taken to have invalidated that result,

but if a demand is withdrawn, the Chairman of the meeting or other member or members so entitled may himself or themselves demand a poll.

**VOTES OF MEMBERS**

**76. Votes of members**

76.1 Subject to any other provision of these Articles and without prejudice to any special rights, privileges or restrictions as to voting attached to any shares for the time being forming part of the capital of the Company:

- (a) on a show of hands:
  - (i) each member present in person has one vote;
  - (ii) except as provided in Article 76.1(a)(iii) or (iv), each proxy present in person who has been duly appointed by one or more members entitled to vote on a resolution has one vote;

- (iii) each proxy present in person has one vote for and one vote against a resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; and
  - (iv) each proxy present in person has one vote for and one vote against a resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and either:
    - (A) the proxy has been instructed by one or more of those members to vote for the resolution and has been given any discretion by one or more other of those members to vote and the proxy exercises that discretion to vote against it; or
    - (B) the proxy has been instructed by one or more of those members to vote against the resolution and has been given any discretion by one or more other of those members to vote and the proxy exercises that discretion to vote for it; and
  - (v) each duly authorised representative present in person of a member that is a corporation has one vote; and
- (b) on a poll each member present in person or by proxy or (being a corporation) by a duly authorised representative has one vote for each share held by the member.

76.2 For the avoidance of doubt, the Company itself is prohibited (to the extent specified by the Statutes) from exercising any rights to attend or vote at meetings in respect of any shares held by it as treasury shares.

**77. Votes on a show of hands or on a poll**

On a show of hands or on a poll, votes may be given either personally or by proxy or (in the case of a corporate member) by a duly authorised representative and on a poll a person 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.

**78. Votes of joint holders**

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



names of the holders appear in the Register in respect of the share.

**79. Voting on behalf of incapable member**

A member in respect of whom an order has been made by any Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by any person authorised in that behalf by that Court, and any such person may vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at or delivered to the Office (or at such other place or address as is specified in accordance with these Articles for the deposit or delivery of instruments appointing a proxy) not later than the last time at which an instrument of proxy should have been deposited or delivered in order to be valid for use at that meeting or on the holding of that poll.

**80. No right to vote where sums overdue on shares**

No member (whether in person or by proxy or in the case of a corporate member, by a duly authorised representative) shall (unless the Directors otherwise determine) be entitled to vote or to exercise any other right of membership at any General Meeting or at any separate meeting of the holders of any class of shares in the Company in respect of any share held by him unless all calls or other sums presently payable by him in respect of that share in the Company have been paid.

**81. Objections to votes**

No objection shall be raised to the admissibility of any vote or to the counting of or failure to count any vote unless it is raised at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

**82. A proxy's obligations to vote**

The Company is not required to check whether a proxy or corporate representative has complied with any obligation to vote in accordance with instructions given by the member by whom the proxy or corporate representative is appointed. The validity of anything done at a meeting is not affected by any failure by a proxy or corporate representative to comply with such an obligation.

**PROXIES**

### **83. Appointment of proxy**

A member may appoint:

- (a) another person (whether a member or not) as his proxy to exercise all or any of his rights to attend, speak and vote at the meeting; and
- (b) more than one proxy in relation to a meeting if each proxy is appointed to exercise the rights attached to a different share or shares held by the member.

### **84. Member's rights when proxy appointed**

Deposit or delivery of an instrument of proxy shall not preclude a member from attending and voting at the meeting or any adjournment of it.

### **85. Form and execution of proxy**

85.1 The instrument of proxy shall:

- (a) be in any usual or common form or in any other form which the Directors may accept;
- (b) be signed by the appointor or his attorney or, in the case of a corporation shall either be given under its common seal (or such form of execution as has the same effect) or signed on its behalf by an attorney or a duly authorised officer of the corporation;
- (c) be deemed to include the power to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit;
- (d) unless the contrary is stated therein be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
- (e) be notified to the Company in writing.

85.2 The signature on such instrument of proxy need not be witnessed. Where an instrument appointing a proxy is signed on behalf of a corporation by an officer or on behalf of any appointor by an attorney the Directors may, but shall not be bound to, require evidence of the authority of any such officer or attorney.

85.3 The Directors must send or supply proxy forms to all persons entitled to notice of, and to attend and vote at, any General Meeting or separate meeting of the holders of any class of shares in the Company.

85.4 Such proxy forms shall provide for at least three way voting on all resolutions proposed at that meeting other than resolutions relating to the procedure of the meeting and may either be in blank or may nominate any one or

more of the Directors or any other person to exercise all or any of a member's rights to attend, speak and vote at the meeting.

- 85.5 The accidental omission to send an appointment of proxy or the non-receipt of such appointment by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

**86. Delivery of proxy**

The instrument appointing a proxy and any authority under which it is executed, or a copy of the authority certified notarially or in some other way approved by the Directors, must:

- (a) in the case of an appointment sent by post or by hand, be received at the Office or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting or in any appointment of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or the adjourned meeting at which the person named in the instrument proposes to vote;
- (b) in the case of an appointment sent by electronic means be received at any address specified or deemed to be specified by the Company for the purpose of receiving a proxy by electronic means not less than 48 hours before the time for holding the meeting or the adjourned meeting at which the person named in the instrument proposes to vote;
- (c) in the case of a poll taken more than 48 hours after it was demanded, be received in either manner already described after the poll has been demanded but not less than 24 hours before the time appointed for taking the poll; or
- (d) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting to the Chairman, Secretary or any Director,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid. In calculating periods mentioned in this Article, account may not be taken of any part of a day which is not a working day, unless the Directors decide otherwise in relation to a specific General Meeting.

**87. Use of Uncertificated Proxy Instruction**

Without limiting any other provision of these Articles, in relation to an uncertificated share the Directors may from time to time:

- (a) permit appointments of a proxy to be made by means of an Uncertificated Proxy Instruction;
- (b) where a proxy has been appointed by means of an Uncertificated Proxy Instruction, permit the revocation of the appointment by means of an Uncertificated Proxy Instruction;
- (c) prescribe the method for determining the time at which any such Uncertificated Proxy Instruction is to be treated as received by the Company (or a participant in the Relevant System concerned on its behalf); and
- (d) treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

**88. Meaning of "Uncertificated Proxy Instruction"**

For the purposes of Article 87, "Uncertificated Proxy Instruction" means a communication in the form of:

- (a) an instruction which is properly authenticated as determined by the Uncertificated Securities Regulations;
- (b) any other instruction or notification; or
- (c) any supplemented or amended instruction or notification,

in each case sent by means of the Relevant System concerned and received by such participant in that system acting on behalf of the Company (and in such form and on such terms and conditions) as the Directors may determine subject to the facilities and requirements of that system.

**89. Cancellation of proxy's authority**

No instrument of proxy shall be valid after the expiration 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 where the meeting was originally held within 12 months from such date or otherwise for such duration as may be specified by the Directors.

**90. Termination of proxy's authority**

- (a) The termination of the authority of a person to act as proxy must be notified to the Company in writing.
- (b) The termination of the authority of a person to act as proxy does not affect:

- (i) whether that person counts in deciding whether there is a quorum at a meeting or the validity of a poll demanded by that person at a meeting unless the Company receives notice of termination before the commencement of the meeting;
  - (ii) the validity of a vote given by that person unless the Company receives notice of termination before the commencement of the meeting or adjourned meeting at which the vote is given or, in the case of a poll taken more than 48 hours after it is demanded, before the time appointed for taking the poll.
- (c) The notice of the termination must be received at an address that is specified in Article 86(a) or, if the appointment of the proxy was sent by electronic means, at an address that is specified or deemed to be specified in Article 86(b).

#### **91. Corporations acting by representatives**

Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person or persons as it thinks fit (who need not be a member) to act as its representative or representatives at any meeting of the Company or at any separate General Meeting of the holders of any class of shares. The person or persons so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it or they were an individual member(s) of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person or persons at any such meeting if a person or persons so authorised is or are present at it.

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

##### **92. Number of Directors**

92.1 Unless and until the Company in General Meeting shall otherwise determine, the number of Directors shall not be subject to any maximum but shall not be less than three.

92.2 The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Director or Directors may act for the purpose of filling up vacancies in his or their number or of calling a General Meeting of the Company, but not for any other purpose.

##### **93. Power of the Directors to appoint additional Directors**

The Directors shall have power to appoint any person who

is permitted by the Statutes and who is willing to act to be a Director, either to fill a casual vacancy or as an additional Director. Any Director so appointed shall retire from office at the Annual General Meeting next following such appointment. Any Director so retiring shall be eligible for reappointment.

**94. Power of the Company to appoint additional Directors**

Subject to the provisions of these Articles, the Company may by Ordinary Resolution elect any person who is willing to act to be a Director either to fill a casual vacancy or as an addition to the existing Directors or to replace a Director removed from office under Article 103.

**95. Re-election**

Each Director shall retire and (unless his terms of appointment with the Company specify otherwise) is eligible for election or re-election at each Annual General Meeting.

**96. Application of following Article**

Article 97 applies if:

- (a) at the Annual General Meeting in any year, any resolution or resolutions for the election or re-election of the persons eligible for election or re-election as Directors are put to the meeting and lost; and
- (b) at the end of that meeting, the number of Directors is fewer than any minimum number of Directors fixed by or in accordance with these Articles.

**97. Procedure if not enough Directors elected or re-elected at any Annual General Meeting**

All retiring Directors who stood for election or re-election at that meeting:

- (a) shall be deemed to have been elected or re-elected as Directors with effect from the conclusion of the meeting; and
- (b) may only act for the purposes of convening General Meetings of the Company; and performing such duties as are essential to maintain the Company as a going concern but not for any other purpose.

As soon as reasonably practicable after that meeting, they shall convene another General Meeting at which they shall retire from office. If, at the end of any meeting convened pursuant to this Article 97, the number of Directors is, or would be, fewer than any minimum number

of Directors fixed by or in accordance with these Articles, the provisions of this Article 97 shall apply to that meeting and, if relevant, any subsequent meetings.

#### **98. Filling rotation vacancies**

98.1 At the meeting at which a Director retires, the Company may by Ordinary Resolution (subject to Article 100) fill the vacated office by electing or re-electing a person to it, and in default the retiring Director shall be deemed to have been elected or re-elected except in the following cases:

- (a) such Director has given notice to the Company that he is unwilling to be elected or re-elected; or
- (b) at such meeting it is expressly resolved not to fill such vacated office or a resolution for the election or re-election of such Director shall have been put to the meeting and not passed.

98.2 In the event of the vacancy not being filled at such meeting, it may be filled by the Directors as a casual vacancy in accordance with Article 93.

98.3 The retirement of a Director pursuant to Article 95 shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his election or re-election is put to the meeting and not passed and accordingly a retiring Director who is elected or re-elected or deemed to have been elected or re-elected will continue in office without break.

#### **99. No single resolution to appoint two or more Directors**

Except as otherwise authorised by Section 160 of the Act, the appointment of each person proposed as a Director shall be effected by a separate resolution.

#### **100. Persons eligible as Directors**

No person, other than a Director retiring at the meeting, shall be eligible for election as a Director at any General Meeting unless:

- (a) he is recommended by the Directors; or
- (b) not less than seven nor more than 42 days before the date appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his

willingness to be elected and stating all such particulars of him as would, on his election, be required to be included in the Company's register of Directors and register of Director's residential addresses.

**101. Power of removal by Special Resolution**

Subject to Section 168 of the Act, the Company in General Meeting may by Special Resolution remove any Director before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company.

**102. No share qualification for Directors**

A Director need not hold any share qualification but shall be entitled to receive notice of and to attend and speak at any General Meeting of the Company or at any separate meeting of the holders of any class of shares of the Company.

**103. Vacation of office by Directors**

The office of a Director shall be vacated in any of the following events, namely:

- (a) he resigns by notice in writing to the Company;
- (b) he offers in writing to resign and the Directors resolve to accept such offer;
- (c) a bankruptcy order or an interim order is made against him or he makes any arrangement or composition with his creditors generally;
- (d) a registered medical practitioner who is treating him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- (e) he and his alternate (if any) is absent from meetings of the Directors for six successive months without the permission of the Directors and the Directors resolve that his office is vacated;
- (f) in the case of a Director who holds any employment or executive office within the Company or any Subsidiary his employment with the Company and/or Subsidiary shall be determined and the Directors shall resolve that he has by reason of such determination vacated office; or
- (g) he becomes prohibited by law from acting as a



Director.

#### **104. Appointment of executive Directors**

104.1 The Directors may from time to time:

- (a) appoint one or more of their number to hold any employment or executive office with the Company (including, where considered appropriate, but without limitation the office of Chairman, Deputy Chairman, Managing Director, Joint Managing Director or Chief Executive) on such terms and for such periods (subject to the provisions of the Statutes) as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment; and
- (b) permit any person appointed to be a Director to continue in any executive office or employment held by him before he was so appointed.

104.2 Any such appointment shall automatically determine if the appointee ceases to be a Director but without prejudice to any rights or claims which he may have against the Company by reason of such determination.

#### **DIRECTORS' REMUNERATION**

##### **105. Directors' fees**

105.1 Each of the Directors may be paid out of the funds of the Company such sum by way of Directors' fees (in addition to any amounts payable under Articles 106 or 107 or any other provision of these Articles) as the Directors may from time to time determine provided that the aggregate of all such fees so paid to such Directors shall not in any year exceed the sum of £800,000 exclusive of value added tax (if applicable) or such higher amount as may from time to time be decided by Ordinary Resolution of the Company and provided further that the maximum aggregate level of non-executive Directors' fees shall in any event be increased on each anniversary of the date of adoption of these Articles by the same percentage by which the Index of Retail Prices for all items last published by the Office for National Statistics of Her Majesty's Government (or any successor index or publishing body thereto) before such anniversary shall have increased over the Index last published before the date falling one year before such anniversary.

105.2 Such fees shall be divided among the Directors in such manner as the Directors shall direct and shall be deemed to accrue from day to day.

##### **106. Additional remuneration for Directors**

Any Director who is appointed to hold any employment or

executive office with the Company or who, by request of the Company, goes or resides abroad for any purposes of the Company or who otherwise performs services which in the opinion of the Directors are outside the scope of his ordinary duties as a Director may be paid such additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Directors (or any duly authorised committee of the Directors) may determine and either in addition to or in lieu of any remuneration provided for by or pursuant to any other Article.

#### **107. Expenses**

Each Director may be paid his reasonable travelling expenses (including hotel and incidental expenses) of attending and returning from meetings of the Directors or committees of the Directors or General Meetings or any separate meeting of the holders of any class of shares in the Company or any other meeting which as a Director he is entitled to attend and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

#### **108. Pensions and gratuities for Directors**

The Directors may exercise all the powers of the Company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any Director or former Director who is or was at any time employed by, or held an executive or other office or place of profit in, the Company or any body corporate which is or has been a Subsidiary of the Company or a predecessor of the business of the Company or of any such Subsidiary and for the families and dependants of any such persons and for the purpose of providing any such benefits contribute to any scheme trust or fund or pay any premiums.

#### **109. President**

109.1 The Directors may by resolution from time to time appoint any person (whether a Director or not) to be President of the Company either for life or for a fixed or unspecified period and upon such terms as to remuneration, reimbursement of expenses and other matters as the Directors may determine. The Directors may also vary or terminate such appointment at any time but without prejudice to any claims by such President for breach of the terms of his appointment.

109.2 The functions of the President shall be such as may be determined by the Directors, but he shall not by virtue of his appointment as such be a Director or officer of the Company nor have any executive powers or duties in the management of the Company.

109.3 The President shall have the same rights to receive notice of and to attend and speak at meetings of the Directors and General Meetings as respectively belong to Directors and members of the Company, but his appointment as such shall not entitle him to voting or other rights belonging to Directors or members.

109.4 The President's appointment shall lapse on the happening of the events specified in Article 103(a), (b), (c) or (d).

## **POWERS AND DUTIES OF DIRECTORS**

### **110. General powers of Company vested in Directors**

Subject to the provisions of the Statutes, these Articles and to any directions given by the Company in General Meeting, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No such direction and no alteration of these Articles shall invalidate any prior act of the Directors which would have been valid if that direction or alteration had not been given or made.

### **111. Power to establish local boards**

The Directors may establish any 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 and may determine their remuneration. The Directors may delegate to any 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 therein 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 either collaterally with or to the exclusion of its own powers, 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 shall be affected by it. Subject to this, the proceedings of any local board shall be governed by such of these Articles as regulate the proceedings of the Directors so far as they are capable of applying.

### **112. Delegation to committees**

112.1 The Directors may delegate any of their powers or discretions (including, without limitation, the power to determine Directors' fees or additional remuneration and to vary the terms and conditions of employment of or confer any other benefit on any of the Directors) to committees. No such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to sub-committees any of the powers or discretion delegated to

it. Any such committee or sub-committee shall consist of two or more Directors and (if thought fit) one or more other persons provided that a majority of the members of the committee shall be Directors and no resolutions of the committee shall be effective unless a majority of those present when it is passed are Directors.

112.2 Any committee or sub-committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed on it by the Directors.

112.3 Subject to this, the meetings and proceedings of any such committee or sub-committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under Article 112.2.

### **113. Powers of attorney**

The Directors may from time to time, and at any time by power of attorney or otherwise, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney 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 or the Statutes) and for such period and subject to such conditions as they may think fit, and any such power of attorney 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 attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

### **114. Delegation of powers to individual Directors**

The Directors may entrust to and confer upon any Director any of the powers exercisable by them as Directors 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 but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

### **115. Provision for employees**

The Directors may exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its Subsidiaries in connection with the transfer to any person of the whole or part of the undertaking of the Company or that Subsidiary or the cessation of its business.

#### **116. Designation of "Director" not to imply directorship**

The Directors may from time to time appoint any person to an office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company or any of its Subsidiaries such a designation or title. The inclusion of the word "Director" in the designation or title of any office or employment with the Company or any of its Subsidiaries (other than the office of Managing or Joint Managing Director) shall not imply that such person is a Director of the Company nor shall such person by virtue of such designation or title be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any purpose, including any of the purposes of these Articles.

#### **117. Company name**

The Directors may resolve to change the Company's name.

#### **118. Borrowing powers**

118.1 Subject as hereinafter provided and to the provisions of the Statutes, 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 or parts thereof and 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.

118.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiaries so as to secure (so far as regards Subsidiaries as by such exercise it can secure) that the aggregate principal amount (including any premium payable on final payment) for the time being outstanding of all moneys borrowed by the Group (exclusive of money borrowed by the Company from and for the time being owing to any Subsidiary or by any Subsidiary and for the time being owing to the Company or another Subsidiary) shall not at any time without the previous sanction of an Ordinary Resolution of the Company, exceed an amount equal to three times the Adjusted Share Capital and Reserves.

118.3 For the purposes of this Article:

- (a) the "Group" means on any date on which the calculation of moneys borrowed falls to be made the Company and such Subsidiaries of the Company as would pursuant to the Statutes be required to be included in any group accounts prepared by the Company as at that date but excluding any Subsidiary which in the opinion of the Directors would not be consolidated in the group accounts prepared at such

date by reason of any exemption or permission then available under the Statutes;

- (b) in applying the provisions of these Articles to subsidiary undertakings which are not companies references to equity share capital:
  - (i) in relation to a subsidiary undertaking with capital but no share capital are to rights in the capital of the undertaking;
  - (ii) in relation to an undertaking without capital are to interests:
    - (A) conferring any right to share in the profits or liability to contribute to the losses of the undertaking; or
    - (B) giving rise to an obligation to contribute to the debts or expenses of the undertaking in the event of a winding up;
- (c) moneys borrowed by the Group should be deemed to include (to the extent that the same would not otherwise fall to be taken into account):
  - (i) the principal amount (together with any premium payable on final repayment) of all debentures of any member of the Group which are not for the time being beneficially owned by the Company and/or any of its Subsidiaries;
  - (ii) the outstanding amount of acceptances (not being acceptances of trade bills in respect of a purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group; and
  - (iii) the nominal amount of any issued or paid up share capital and the principal amount of any debentures or other borrowed moneys (not being shares or debentures which or moneys borrowed the indebtedness in respect of which is for the time being beneficially owned within the Group) of any body whether corporate or unincorporate the redemption or repayment of which is guaranteed or wholly or partly secured by any member of the Group;
- (d) amounts borrowed for the purpose of repaying the whole or any part of any amounts previously borrowed and then outstanding (including any premium payable on final repayment) and to be applied for that purpose within four months of the borrowing shall not, pending such application, be taken into account as money borrowed;

- (e) any amount borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credits Guarantee Department or other like institution carrying on a similar business shall be deemed not to be moneys borrowed;
- (f) moneys borrowed by a partly owned Subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed from a partly owned Subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion and for the purposes of this paragraph "minority proportion" shall mean the proportion of the issued equity share capital of such partly owned Subsidiary which is not attributable directly or indirectly to the Company;
- (g) moneys borrowed by any member of the Group expressed in or calculated by reference to a currency other than sterling shall be translated into sterling:
  - (i) by reference to the rate of exchange used for the conversion of such currency in the latest audited balance sheet of the relevant member of the Group or;
  - (ii) (in the absence thereof) by reference to the middle market rate of exchange prevailing in London at the close of business on the date of such balance sheet,but if the amount in sterling resulting from conversion at that rate would be greater than the middle market rate prevailing in London at the close of business on the business day immediately preceding the day on which the calculation falls to be made the latter rate shall apply instead;
- (h) a sum equal to the amount of moneys borrowed by a company which becomes a Subsidiary after the date of adoption of these Articles and which is outstanding at the date when such company becomes a Subsidiary shall for the period of six months from the date of such event be deemed not to be moneys borrowed;
- (i) "Adjusted Share Capital and Reserves" shall mean at any material time the aggregate of:
  - (i) the amount paid up on the issued share capital account of the Company; and
  - (ii) the amount standing to the credit of the consolidated reserves of the Company and its

Subsidiaries (if any) (including any share premium account special reserve or capital redemption reserve or credit balance on profit and loss account) and after deducting any debit balance on the consolidated profit and loss account,

all as showed by the then latest available audited consolidated balance sheet of the Group but after:

- (A) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital or any such reserves subsequent to the relevant balance sheet date and so that for the purpose of making such adjustments if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall, to the extent so underwritten, be deemed to have been paid up on a date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);
- (B) making such adjustments as may be appropriate in respect of any dividends or other distributions declared, recommended, paid or made by the Company or its Subsidiaries (otherwise than payable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or its Subsidiaries (as the case may be) to the extent that such distribution is not provided for in such balance sheet;
- (C) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its Subsidiaries since the date of the latest audited balance sheet of the Company;
- (D) if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a Subsidiary, making such adjustments as would be appropriate if such transaction had been carried into effect;



- (E) excluding therefrom (if not otherwise taken into account) any sum set aside for taxation;
- (F) excluding such amounts (if any) as are attributable to share capital of any Subsidiary not owned by the Company or any Subsidiary;
- (G) excluding any amount for goodwill or other intangible assets (not being an amount representing part of the cost of an acquisition of shares or other property) incorporated as an asset in the audited balance sheet;
- (H) adding back to the consolidated reserves the total aggregate amount of any sums which have after 30 November 1997 been charged to such reserves in respect of goodwill arising (whether on consolidation or otherwise) as a result of the acquisition of any asset by the Company or any of its Subsidiaries or any associated undertaking (within the meaning of paragraph 19, Schedule 6 The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008) but only if and to the extent that such asset shall at the relevant time remain in the beneficial ownership of the Group or any such associated undertaking ("a relevant asset") after deducting therefrom a sum equal to the aggregate of the amounts of any permanent diminution in value of any of the relevant assets; and
- (I) making such other adjustments (if any) as the Auditors may consider appropriate including in particular any further adjustments as may be appropriate to provide for the carrying into effect of the transaction for the purposes of or in connection with which the Adjusted Share Capital and Reserves are required to be calculated.

118.4 A certificate or report by the Auditors as to the amount of the Adjusted Share Capital and Reserves or the amount of moneys borrowed or secured or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this Article. For the purposes of their computation, the Auditors may at their discretion make such further or other adjustments (if any) as they think fit. Nevertheless for the purposes of this Article the Directors may act in reliance on a bona fide estimate of

the amount of the Adjusted Share Capital and Reserves at any time and if in consequence such limit is inadvertently exceeded an amount of moneys borrowed equal to the excess may be disregarded until the expiration of 60 days after the date on which (by reason of a determination of the Auditors or otherwise) the Directors become aware that such a situation has or may have arisen.

118.5 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this Article shall be invalid or ineffectual unless the lender or recipient of the security had express notice at the time when the debt was incurred or security given that the limit hereby imposed had been exceeded but no lender shall be concerned to see or enquire whether such limit is observed.

## **ALTERNATE DIRECTORS**

### **119. Appointment**

Each Director (other than an alternate Director) at any time by notice in writing signed by him and deposited at the Office, delivered at a meeting of the Directors or sent by facsimile, or at the Company's option, by any other electronic means to an address provided for that purpose by the Company may appoint to the office of an alternate Director either another Director or any other person willing to act approved for that purpose by a resolution of the Directors, and may at any time terminate such appointment. The appointment of a person who is not a Director shall, unless previously approved by the Directors, have effect only upon and subject to being so approved. Any such alternate is referred to in these Articles as an alternate Director.

### **120. Determination of appointment**

The appointment of an alternate Director shall automatically determine in any of the following events:

- (a) if the Director appointing him shall terminate the appointment;
- (b) on the happening of any event which, if he were a Director, would cause him to vacate such office;
- (c) if by a written statement signed by him and sent or supplied to the Company at the Office or to an address specified for the purpose by the Company he shall resign such appointment; or
- (d) if his appointor shall cease for any reason to be a Director but, if a Director retires but is re-

appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.

#### **121. Rights and powers of alternate Directors**

An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of meetings of the Directors and of any committee or sub-committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which his appointor is not personally present, and at such meeting generally to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If the alternate Director is a Director or if he shall attend a meeting as an alternate for more than one Director his voting rights shall be cumulative but he shall not be counted more than once in a quorum. If his appointor is absent from the United Kingdom or otherwise not available, the alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Apart from this, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles but he shall be an officer of the Company and shall not be deemed to be the agent of the Director appointing him.

#### **122. Contracts and remuneration**

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### **MEETINGS AND PROCEEDINGS OF DIRECTORS**

#### **123. Directors' proceedings**

Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote. A Director may, and the

Secretary on the requisition of a Director shall, call a meeting of the Directors.

**124. Notice of Directors' meetings**

A Director absent or intending to be absent from the United Kingdom may request that notices of meetings of Directors shall during his absence be sent to him at his last known address or any other address given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting of Directors to any Director who is for the time being absent from the United Kingdom if no such request is made or if the address given to the Company for the purpose of this Article is outside the United Kingdom and no address for the purposes of communication by electronic means or facsimile transmission number or otherwise has been provided. Where such address is outside the United Kingdom, notice may be sent by any electronic means but the Company shall not be obliged to give the Director a longer period of notice than he would have been entitled to had he been present in the United Kingdom. Any Director may waive notice of any meeting and such waiver may be retrospective.

**125. Directors' meetings by telephone or other communications equipment**

All or any of the Directors, or the members of any committee or sub-committee of the Directors, may participate in a meeting of the Directors or of such committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and to be counted in a quorum accordingly. Subject to the Statutes, all business transacted in this way by the Board or a committee or sub-committee of the Board is for the purposes of the Articles deemed to be validly and effectively transacted notwithstanding that fewer than three Directors may physically be present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting is present.

**126. Quorum**

The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors, and unless so fixed at any other number shall be three.

**127. Appointment and removal of Chairman**

The Directors may elect from their number a Chairman and a deputy Chairman or in their absence may appoint some

other Director to be Chairman of their meetings. The Directors may also remove the Chairman or deputy Chairman or such other Director from such office or otherwise stipulate the period for which they respectively are to hold the same. If no such Chairman or deputy Chairman is appointed, or if at any meeting neither is present within five minutes after the time appointed for holding that meeting, the Directors present may choose one of their number to be Chairman of the meeting.

#### **128. Resolution in writing**

A resolution in writing signed by all the Directors who would have been entitled to vote on the resolution at a meeting of the Directors or a duly appointed committee or sub-committee for the time being (not being in either case less than the number required to form a quorum) shall be as valid and effective as a resolution duly passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors. A resolution signed by an alternate Director need not also be signed by the Director who appointed him.

#### **129. Validity of acts of Directors or committee**

All acts done by any meeting of the Directors, or of a committee or sub-committee of the Directors, or by any person acting as a Director or as an alternate Director or as a member of any such committee or sub-committee, shall (as regards all persons dealing in good faith with the Company notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote) be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or, as the case may be, an alternate Director or member of the committee or sub-committee and had been entitled to vote.

#### **130. Directors' interests**

A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company or arrangement or proposed arrangement with which the Company or any Subsidiary is connected shall declare the nature of his interest to the other Directors, subject to these Articles and the Statutes.

#### **131. Authorisation by the Board**

131.1 The Board may, in accordance with these Articles, authorise any matter proposed or declared to it which would, if not so authorised, involve a breach of duty by a Director of his duty under Section 175 of the Act to avoid a situation in which he has, or can have, a direct

or indirect interest that conflicts or possibly may conflict with the Company's interests. In giving any authorisations under this Article, the Board may impose such limits or conditions or authorise a matter on such terms and for such a duration as it thinks fit.

131.2 A matter is proposed or declared to the Board by its being submitted:

- (a) in writing for consideration at a meeting of the Board or for the authorisation of the Board by resolution in writing; and
- (b) in accordance with the Board's normal procedures or in such other manner as the Board may approve.

131.3 For the purposes of this Article 131, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

131.4 An authorisation referred to in this Article 131 is effective only if it is given in accordance with the requirements of the Act.

131.5 In the case of an authorisation given at a meeting of the Board, any authorisation will be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other Director interested in the matter under consideration; and
- (b) the matter was agreed to without such Director(s) voting or would have been agreed to if the votes(s) of such Director(s) had not been counted.

131.6 In the case of an authorisation given by resolution in writing:

- (a) the resolution must be signed by all the Directors; and
- (b) the number of Directors that sign the resolution (disregarding the Director in question and any other Director who has a direct or indirect interest in the matter being authorised) must not be less than the number required to form a quorum.

131.7 The Board may vary the terms or duration of such authorisation (including any limits or conditions imposed on it) or revoke it. Any terms, limits or conditions imposed by the Board in respect of its authorisation of a Director's conflict of interest or possible conflict of

interest (whether given pursuant to this Article 131 or otherwise) may provide (without limitation) that:

- (a) if the relevant Director has (other than through his position as Director) information in relation to the relevant matter in respect of which he owes a duty of confidentiality to another person, he is not obliged to disclose that information to the Company or to use or apply it in performing his duties as a Director;
- (b) the Director is to be excluded from discussions in relation to the relevant matter whether at a meeting of the Board or any committee or sub-committee of the Board or otherwise;
- (c) the Director is not to be given any documents or other information in relation to the relevant matter; and
- (d) the Director may or may not vote (or may or may not be counted in the quorum) at a meeting of the Board or any committee or sub-committee of the Board in relation to any resolution relating to the relevant matter.

131.8 A Director does not infringe any duty he owes to the Company by virtue of Sections 171 to 177 of the Act if he acts in accordance with such terms, limits and conditions (if any) as the Board imposes in respect of its authorisation of the Director's conflict of interest or possible conflict of interest (whether given pursuant to this Article 131 or otherwise).

## **132. Interested Directors precluded from voting**

132.1 Except as provided by the terms of any authorisation of a conflict of interest or potential conflict of interest given by the Directors (whether pursuant to Article 131 or otherwise), if a meeting (or part of a meeting) of the Board is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director may not vote on or be counted in the quorum at that meeting or part of the meeting.

132.2 However, a Director who is interested in an actual or proposed transaction or arrangement with the Company may vote and count in the quorum at that meeting or part of the meeting if:

- (a) the Director's interest arises solely through an interest in shares, debentures or other securities of or otherwise in or through the Company;
- (b) the Company by Ordinary Resolution disapplies the provision of these Articles which would otherwise prevent a Director from being counted as

participating in, or voting at, a meeting of the Board;

- (c) the Director's interest cannot reasonably be regarded as likely to give rise to a material conflict of interest; or
- (d) the Director's conflict of interest arises from one of the following permitted causes:
  - (i) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by the Director or any other person at the request of or for the benefit of the Company or any of the Subsidiaries;
  - (ii) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its Subsidiaries for which the Director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
  - (iii) a transaction or arrangement concerning an offer of shares, debentures or other securities of the Company or any of its Subsidiaries for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub underwriting of which he is to participate;
  - (iv) the giving to a Director of an indemnity against liabilities incurred or to be incurred by that Director in the execution and discharge of his duties;
  - (v) the provision to a Director of funds to meet expenditure incurred or to be incurred by that Director in defending criminal or civil proceedings against him or in connection with any application under any of the provisions mentioned in Section 205(5) of the Act or otherwise enabling him to avoid incurring that expenditure; or
  - (vi) a proposed or actual transaction or arrangement to which the Company is or is to be a party concerning another company (including any Subsidiary) in which he and any persons connected with him (within the meaning of Section 252 of the Act) is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "relevant company"), if he does not to his knowledge hold an interest in shares (as that term is used in Sections 820 to 825 of the Act) representing



one per cent. or more of any class of the equity share capital or of the voting rights available to members in the relevant company or of any third company through which his or their interest is derived;

(vii) a transaction or arrangement for the benefit of the employees and Directors or former employees and Directors of the Company or any of its Subsidiaries (including any pension fund or retirement, death or disability scheme) which does not award privileges or special benefits to Directors or former Directors; and

(viii) a transaction or arrangement concerning the purchase or maintenance of any insurance policy which the Company is empowered to purchase or maintain for the benefit of Directors or any other officer of the Company under which he may benefit.

132.3 A Director may not vote on or be counted in the quorum in relation to a resolution of the Board or committee or sub-committee of the Board concerning his own appointment (including, without limitation, fixing or varying the terms of his appointment or its termination) as the holder of an office, employment or place of profit with the Company or any company in which the Company is interested. However, where proposals are under consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment or termination of that appointment) of two or more Directors to offices, employment or places of profit with the Company or a company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In that case, each of the Directors concerned (if not otherwise debarred from voting under these Articles) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

### **133. Materiality of Directors' interests**

133.1 If a question arises at any meeting of the Board or committee or sub-committee of the Board as to the materiality of a Director's interest (other than the interest of the Chairman of the meeting) or as to the entitlement of a Director (other than the Chairman of the meeting) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the Chairman of the meeting and his ruling in relation to the Director concerned is conclusive and binding on all concerned, except in a case where the nature of extent of the interests of the Director concerned have not been fairly disclosed.

133.2 If a question arises at a meeting of the Board or committee or sub-committee of the Board as to the materiality of the interest of the Chairman of the meeting or as to the entitlement of the Chairman of the meeting to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman of the meeting) whose majority vote is conclusive and binding on all concerned except in a case where the nature or extent of the interests of the Chairman concerned has not been fairly disclosed.

#### **134. Directors permitted to retain benefits**

134.1 A Director shall not, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), be accountable to the Company for any remuneration or other benefit which he derives from or in connection with a relationship involving a conflict of interest or possible conflict of interest which has been authorised by the Board (whether pursuant to Article 131 or otherwise), by the Company in a General Meeting, or otherwise (subject in each case to any terms, limits or conditions attaching to that authorisation).

134.2 If he has disclosed to the Board the nature and extent of his interest to the extent required by the Act, a Director shall not, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), be accountable to the Company for any remuneration or other benefit which he derives from or in connection with:

- (a) being a party to, or otherwise interested in, any transaction or arrangement with:
  - (i) the Company or in which the Company is interested; or
  - (ii) a body corporate in which the Company is interested.
- (b) acting (otherwise than as auditor) alone or through his organisation in a professional capacity for the Company (and he or that organisation is entitled to remuneration for professional services as if he were not a Director); or
- (c) being a director or other officer of, or employed by, or otherwise interested in the Subsidiaries or any other body corporate in which the Company is interested.

134.3 A Director's receipt of any such remuneration or other benefit referred to in this Article 134 does not

constitute a breach of his duty under Section 176 of the Act. No transaction or arrangement approved or permitted pursuant to these Articles shall be liable to be avoided on the ground of any such remuneration interest or benefit referred to in this Article 134.

### **135. Directors' power relating to other companies**

The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing any of them Directors of such company, or voting or providing for the payment of remuneration to the Directors of such company).

### **136. Connected persons and alternate Directors**

For the purposes of these Articles, any interest of a person who is for the purposes of the Act connected with (within the meaning of Section 252 of the Act) a Director is treated as the interest of the Director and, in relation to an alternate Director, the interest of his appointor is treated as the interest of the alternate Director in addition to any interest which the alternate Director otherwise has.

## **SECRETARY**

### **137. Appointment, remuneration and removal**

137.1 Subject to the Statutes, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed from office by the Directors but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two or more persons may be appointed as joint Secretaries and the Directors may also appoint from time to time on such terms as they think fit one or more assistant or deputy Secretaries.

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

### **138. Authentication of documents**

Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the 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; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody of them shall be deemed to be a person appointed by the Directors for the above purposes. A document purporting to be a copy of a resolution or an extract from the minutes of a meeting of the Company or of the Directors or any committee, which is certified as described in this Article, shall be conclusive evidence in favour of all persons dealing with the Company, upon the faith of such resolution or extract of minutes, that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

#### **THE SEAL/EXECUTION OF DOCUMENTS**

##### **139. Use of Seal**

139.1 The Directors shall provide for the safe custody of the Seal which shall only be used by the authority of the Directors or of a committee authorised by the Directors.

139.2 Subject to Article 16, every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors or by one Director and some other person appointed by the Directors for the purpose.

139.3 Where the Statutes so permit, any instrument signed by one Director and the Secretary or, by two Directors or by a Director in the presence of a witness who attests the signature and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under the Seal.

##### **140. Securities Seal**

The Securities Seal (if any) shall be used only for sealing shares or debentures or other securities or options in respect of those securities issued by the Company and documents creating or evidencing securities or options so issued. Any securities or documents sealed with the Securities Seal shall not be required to be signed.

##### **141. Resolution to dispense with Seal**

The Directors may resolve (if lawful to do so) that the Company shall not have a Seal.

##### **142. Seal for use abroad**

The Company may have an official seal for use abroad under the provisions of the Statutes.

#### **MINUTES AND BOOKS**

### **143. Minutes**

- 143.1 The Directors shall cause minutes to be made in books provided for the purpose:
- (a) of all appointments of officers made by the Directors;
  - (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and
  - (c) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of the Directors and of all written resolutions of the Directors.
- 143.2 Any such minutes, if purporting to be signed by the Chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence of the facts stated in them without any further proof.

### **144. Statutory books**

Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may, subject to the Statutes, be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

## **ACCOUNTS**

### **145. Records to be kept and inspection of records**

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office or (subject to the provisions of the Statutes) at such other place in the United Kingdom as the Directors think fit, and shall always be open to inspection by the officers of the Company. No member (other than a Director or other officer of the Company) or other person shall have any right of inspecting any account or book or document of the Company, except as conferred by the Statutes or authorised by the Directors or by an Ordinary Resolution of the Company or under an order of a Court of competent jurisdiction.

### **146. Preparation of accounts and reports**

The Directors shall in respect of each financial year in accordance with the Statutes cause to be prepared and to be laid before the Company in General Meeting such annual

accounts and reports as are required by the Statutes.

**147. Publication of annual accounts**

A copy of the Company's annual accounts and reports that are to be laid before the Company in General Meeting shall, not less than 21 days before the date of the meeting, be made available to every member and debenture-holder of the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles. This Article shall not require a copy of these documents to be made available to more than one of joint holders or to any person of whose current address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been made available shall be entitled to have a copy made available free of charge on application to the Office.

**148. Strategic report**

The requirements of Article 147 shall be deemed satisfied in relation to members by sending to each member, where permitted by the Statutes and instead of the copies referred to in Article 147, a strategic report with supplementary material which shall be in the form and contain the information prescribed by the Statutes and any regulations made under them.

**149. Copies to be provided to London Stock Exchange**

Whenever a listing on London Stock Exchange and on the Official List for all or any of the shares or debentures of the Company for the time being shall be in force, there shall be forwarded to the appropriate officer of London Stock Exchange and the UKLA (to the extent applicable) such number of copies of such documents as may for the time being be required under its regulations or practice.

**150. Auditors**

Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes. The auditor's report to the members made pursuant to the Statutes shall be laid before the Company in General Meeting and shall be open to inspection by any member.

**DIVIDENDS**

**151. Declaration of dividends by Company**

Subject to the provisions of the Statutes, the Company may by Ordinary Resolution declare dividends in accordance with the respective rights of the members but no such dividend shall exceed the amount recommended by the Directors. For the avoidance of doubt, no dividend shall be payable to the Company itself in respect of any

shares held by it as treasury shares (except to the extent permitted by Statute).

**152. Payment of fixed and interim dividends**

152.1 The Directors may pay fixed dividends payable on any shares of the Company with preferential rights, half-yearly or otherwise, on fixed dates whenever the profits of the Company in the opinion of the Directors justify that course, and the Directors may also from time to time declare and pay to the holders of any class of shares such interim dividends as appear to the Directors to be justified by such profits.

152.2 The Directors acting in good faith shall not incur any liability to the holders of shares conferring preferential rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferential rights provided that at the time of such declaration no preferential dividend is in arrears.

**153. Dividends paid according to amount and period shares paid up**

Unless and to the extent that the rights attached to or terms of issue of any shares provide otherwise, all dividends shall be:

- (a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, but no amount paid up on a share in advance of a call shall be treated for the purposes of this Article as paid up on the share; and
- (b) apportioned and paid in proportion to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. If any share is issued on terms providing that it shall rank for dividends as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividends accordingly.

**154. Amount due on shares may be deducted from dividends**

The Directors may deduct from any dividend or other moneys 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 shares of the Company.

**155. Dividends paid to member on share register at record date**

All dividends and interest shall belong and be paid (subject to any lien of the Company) to those members whose names shall be in the Register at the record date fixed in accordance with Article 164 notwithstanding any

subsequent transfer or transmission of shares.

**156. Retention of dividends on transmission**

The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions contained in these Articles as to the transmission of shares entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

**157. Retention of dividends where Company has a lien**

The Directors may retain any dividends or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

**158. Dividend payment procedure**

- (a) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by one or more of the following means:
  - (i) transfer to a bank or building society specified by the distribution recipient either in writing or as the Directors may otherwise decide;
  - (ii) sending a cheque or similar financial instrument by post to the distribution recipient at the distribution recipient's registered address;
  - (iii) sending a cheque or similar financial instrument by post to such person at such address as the distribution recipient has specified either in writing or as the Directors may otherwise decide;
  - (iv) in respect of shares held in uncertificated form, by means of a Relevant System in any manner consistent with the facilities and requirements of the Relevant System concerned or as the Directors may otherwise decide; or
  - (v) by any other electronic or other means as the Directors may decide, to an account, or in accordance with the details, specified by the distribution recipient in writing or as the Directors may otherwise decide.
- (b) In respect of the payment of any dividend, interest or other moneys payable in cash in respect of shares, the Directors may notify distribution recipients that:



- (i) one or more of the means described in Article 158(a) will be used for payment and a distribution recipient may elect to receive payment by one of the means so notified in the manner prescribed by the Directors;
- (ii) one or more of those means will be used for payment unless a distribution recipient elects otherwise in the manner prescribed by the Directors; or
- (iii) one or more of those means will be used for payment and that distribution recipients will not be able to elect otherwise.

The Directors may for this purpose decide that different methods of payment may apply to different distribution recipients or different groups of distribution recipients.

- (c) Payment of any dividend, interest or other moneys payable in cash in respect of shares is made at the risk of the distribution recipient. The Company is not responsible for a payment which is lost or delayed. Payment, in accordance with these Articles, of any cheque or similar financial instrument on which it is drawn, or the transfer of funds by any means, or (in respect of shares held in uncertificated form) the making of payment by means of a Relevant System, shall be a good discharge to the Company. Any one, two or more joint holders may give effectual receipts for any dividend, interest or other moneys payable in cash in respect of the shares held by them as joint holders.
- (d) In the event that:
  - (i) a distribution recipient does not specify an address, or does not specify an account of a type prescribed by the Directors, or other details necessary in order to make a payment of a dividend, interest or other moneys payable in cash in respect of shares by the means by which the Directors have decided in accordance with these Articles that a payment is to be made, or by which the distribution recipient has elected to receive payment, and that address or those payment details are necessary in order for the Company to make the relevant payment in accordance with that decision or election; or
  - (ii) if payment can not be made by the Company using the details provided by the distribution recipient,

then the dividend, interest or other moneys payable shall be treated as unclaimed for the purposes of these Articles.

#### **159. Forfeiture of unclaimed dividends**

All dividends unclaimed may be invested or otherwise made use of, at the Directors' discretion, for the benefit of the Company until, subject as provided in these Articles, claimed. Any dividend unclaimed after a period of twelve years from the date when it became due for payment shall be forfeited and shall revert to the Company and the payment by the Directors of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it.

#### **160. Uncashed dividends**

The Company may cease to send any cheque or similar financial instrument through the post or may stop the transfer of any sum by any bank or other funds transfer system or may stop any other means of payment made pursuant to Article 158, as the case may be, for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if either in respect of at least two consecutive dividends payable on those shares the cheques or similar financial instruments have been returned undelivered or remain uncashed or the transfer has failed or in respect of one dividend payable on those shares the cheques or similar financial instruments have been returned undelivered or remain uncashed or the transfer has failed and reasonable enquiries made by the Company have failed to establish any new details necessary in order to make the relevant payment but, subject to the provisions of these Articles, shall recommence sending cheques or similar financial instruments or transferring funds or using other means of payment, as the case may be, in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend in which event the Company shall resume payment of dividend (and arrears) as notified by the claimant or, in the absence of such notification, in the same manner in which payment was effected prior to the suspension of the payment of dividend. If any such cheque or similar financial instrument has or shall be alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled thereto, issue a replacement cheque or similar financial instrument subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors may think fit.

#### **161. No interest on dividends**

No dividend or other moneys payable in respect of a share shall bear interest against the Company.

#### **162. Dividend not in cash**

The Company may, upon the recommendation of the Directors, by Ordinary Resolution, direct payment of a dividend wholly or partly by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution (including, without limitation, in relation to fractional entitlements or legal or practical problems under the law of, or the requirements of any recognised regulatory body or any stock exchange in, any country or territory), the Directors may settle the same as they think fit and in particular may issue fractional certificates (or ignore fractions) and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all members and may vest any assets in trustees, upon trust for the members entitled to the dividend and may determine that cash shall be paid to any overseas holder upon the footing of the value so fixed.

#### **163. Waiver of dividend**

The waiver, in whole or in part, of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the holder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and to the extent that the same is accepted as such or acted upon by the Company.

#### **164. Record dates**

Notwithstanding any other provision of these Articles but subject always to the Statutes, the Company or the Directors may specify a date (the "**record date**") as the date at the close of business (or such other time as the Directors may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, allotment, issue, notice, information, document or circular and such record date may be on or before the date the same is made, paid or despatched or (in the case of any dividend, interest, allotment or issue) after the date on which the same is recommended, resolved, declared or announced but without prejudice to the rights inter se in respect of the same of the transferors and transferees of any such shares or other securities.

#### **165. Scrip dividends**

With the prior approval of an Ordinary Resolution of the Company passed at any General Meeting, the Directors may, in respect of any dividend specified by the Ordinary Resolution, offer any ordinary shareholders (excluding,

for the avoidance of doubt, the Company itself to the extent that it is such a shareholder by virtue only of its holding any shares as treasury shares) the right to elect to receive in lieu of such dividend (or part of any such dividend) an allotment of ordinary shares credited as fully paid. In any such case, the following provisions shall apply:

- (a) the Ordinary Resolution may authorise the Directors to make such offer in respect of a particular dividend (whether or not already declared or recommended) and/or in respect of all or any dividends declared, proposed to be paid or made within a period specified by that Ordinary Resolution;
- (b) the basis of allotment shall be determined by the Directors so that the value (calculated at the Relevant Price) of the additional ordinary shares each holder of ordinary shares who elects to receive the same shall be allotted in lieu of any amount of dividend shall equal as nearly as possible the net cash amount of the dividend that such holder elects to forgo and may (with the sanction of a Special Resolution) exceed such amount. For such purpose the "Relevant Price" of an ordinary share shall be equal to the average middle market quotation for the ordinary shares as derived from the Daily Official List of London Stock Exchange, on such five consecutive dealing days as the Directors shall determine provided the first of such days shall be on or after the day on which such ordinary shares are first quoted "ex" for the relevant dividend or shall be calculated in such manner as the Directors may determine and is set out in the announcement of the availability of the election in respect of the relevant dividend. A certificate or report by the auditors as to the amount of the Relevant Price in respect of any dividend shall be conclusive evidence of that amount and in giving such a certificate or report the auditors may rely on advice or information from brokers or other sources of information as they think fit;
- (c) if the Directors determine to allow such right of election on any occasion they shall give notice in writing to the ordinary shareholders of the right of election offered to them and shall specify the procedure to be followed (which, for the avoidance of doubt, may include an election by means of a Relevant System); the Directors may also establish or vary a procedure for election mandates under which shareholders may elect to receive ordinary shares instead of cash both in respect of the relevant dividend and (until they notify the Company that such mandate is revoked) in respect of future dividends not yet declared or resolved (and accordingly in respect of which the basis of

allotment shall not have been determined) and the Directors may include in the procedure the right to make and revoke such election by means of a Relevant System;

- (d) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable in cash on ordinary shares in respect of which the share election has been duly exercised (for such purpose, the "elected ordinary shares"), and in the place of that dividend additional shares (subject to paragraph (e) below) shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid. For such purpose the Directors shall capitalise, out of such of the sums standing to the credit of the Company's reserve accounts (including any share premium account or capital redemption reserve) and/or to the credit of the profit and loss account (or income statement) as the Directors may determine, whether or not the same is available for distribution, a sum equal to the aggregate nominal amount of additional ordinary shares to be allotted on such basis and shall apply the same in paying up in full the appropriate number of ordinary shares for allotment and distribution to and amongst the holders of the elected ordinary shares on such basis;
- (e) no fraction of any share shall be allotted. The Directors may make provisions as they think fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit of any fractions accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any shareholder and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such shareholder of fully paid shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements;
- (f) the additional ordinary shares so allotted shall rank *pari passu* in all respects with the fully-paid ordinary shares then in issue save only as regards participation in the relevant dividend;
- (g) Articles 167 and 168 shall apply (*mutatis mutandis*) to any capitalisation made pursuant to this Article;
- (h) the Directors may on any occasion determine that rights of election shall not be made available in respect of ordinary shares represented by depository receipts or to any holders of ordinary shares with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of

election would or might be unlawful, undesirable or impracticable and in such event the provisions of this Article shall be read and construed subject to such determination;

- (i) in relation to any particular proposed dividend the Directors may in their absolute discretion amend, suspend or withdraw the offer previously made to holders of ordinary shares to elect to receive additional ordinary shares in lieu of the cash dividend (or any part of it) at any time prior to the allotment of the additional ordinary shares; and
- (j) unless the Directors otherwise determine, or unless the Uncertified Securities Regulations and/or the rules of the Relevant System concerned otherwise require the new ordinary share or shares which a shareholder has elected to receive instead of cash in respect of the whole (or some part) of the specified dividend declared in respect of his elected ordinary shares shall be in uncertificated form (in respect of the shareholder's elected ordinary shares which were in uncertificated form on the date of his election and in certificated form (in respect of the shareholder's elected ordinary shares which were in certificated form on the date of his election).

## **RESERVES**

### **166. Reserves**

166.1 The Directors may, before recommending any dividend, set aside out of the profits of the Company and carry to reserve such sums as they think proper, which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and, pending such application, may either be employed in the business of the Company or be invested in such investments (subject to the provisions of the Statutes) as the Directors may from time to time think fit. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it prudent not to divide. The Directors may divide the reserve into any special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided.

166.2 The Directors shall transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company shall be issued.

## **CAPITALISATION OF RESERVES**

## **167. Power to capitalise reserves and funds**

The Company may, upon the recommendation of the Directors, at any time and from time to time pass an Ordinary Resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account or income statement) whether or not the same is available for distribution and accordingly that the amount to be capitalised be set free for distribution among the members or any class of members who would be entitled to it if it were distributed by way of dividend and in the same proportions, on the footing that it is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by those members respectively or in paying up in full unissued shares, debentures or other obligations of the Company to be allotted and distributed credited as fully paid up among those members, or partly in one way and partly in the other, but so that, for the purposes of this Article, a share premium account and a capital redemption reserve, and any reserve or fund representing unrealised profits, may be applied only in paying up unissued shares of the Company as fully paid. The Directors may resolve that any shares so allocated to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividend only to the extent that the latter shares rank for dividend. The Directors may authorise any person to enter into an agreement with the Company on behalf of the persons entitled to participate in the distribution providing for the allotment to them respectively of any shares, debentures or other obligations of the Company to which they are entitled on the capitalisation and the agreement shall be binding on those persons.

## **168. Settlement of difficulties in distribution**

Where any difficulty arises with regard to any distribution of any capitalised reserve or fund the Directors may settle the matter as they think expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Directors.

## **DOCUMENTS, INFORMATION AND NOTICES**

### **169. Serving of documents etc.**

169.1 A document, information or notice may be sent or supplied by the Company to any person entitled to receive

such documents, information or notice in any of the forms permitted by the Act.

169.2 Any document, information or notice is validly sent or supplied by the Company in hard copy if it is handed to the intended recipient personally or sent or supplied by hand or through the post in a pre-paid envelope:

- (a) to an address specified for the purpose by the intended recipient;
- (b) if the intended recipient is registered as a company, to its registered office;
- (c) to the address shown in the Company's register of members;
- (d) to any address to which any provision of the Act authorises it to be sent or supplied; or
- (e) if the Company is unable to obtain an address falling within paragraphs (a) to (d), to the last address known to the Company of the intended recipient.

169.3 Any document, information or notice is validly sent or supplied by the Company in electronic form:

- (a) to a person if that person has agreed (generally or specifically) that the document, information or notice may be sent or supplied in that form and has not revoked that agreement; or
- (b) to a company that is deemed to have so agreed by the Act.

169.4 Any document, information or notice is validly sent or supplied by the Company by electronic means if it is sent or supplied:

- (a) to an address specified for the purpose by the intended recipient (generally or specifically); or
- (b) where the intended recipient is a company, to an address deemed by the Act to have been so specified.

#### **170. Notices given by publication on a website**

170.1 Any document, information or notice is validly sent or supplied by the Company by being made available on a website, provided that the following conditions are met:

- (a) the intended recipient has agreed (generally or specifically) the document, information or notice may be sent or supplied to him via a website instead of being sent in one of the ways specified in Article 169 or he is taken to have so agreed in accordance with the Act and in either case that



agreement has not been revoked; and

- (b) the Company has notified the intended recipient of:
  - (i) the fact that the document, information or notice has been published on the website;
  - (ii) the address of the website;
  - (iii) the place on the website where the document, information or notice may be accessed and how it may be accessed;
  - (iv) any other information prescribed by the Statutes including, when the document, information or notice is a notice of meeting, that fact, and the place, date and time of the meeting; and
  - (v) whether the meeting is to be an Annual General Meeting.
- (c) the document, information or notice is available on the website throughout the period specified by any applicable provision of the Act or, if no such period is specified, the period of 28 days starting on the date on which the notification referred to in this Article 170 is sent to the intended recipient.

170.2 A document, information or notice sent or supplied under this Article is deemed to be given in accordance with Article 169.

170.3 Where the document, information or notice of a meeting is published on a website in accordance with this Article, it shall continue to be published in the same place on that website from the date of the notification until the conclusion of the meeting to which the notice relates. Where the notice is by accident published in different places on the website or published for part only of that period from the date of notification until the conclusion of the meeting, the proceedings at such meeting are not thereby invalidated.

#### **171. Any other means**

A document, information or notice that is sent or supplied otherwise than in hard copy or electronic form or by means of a website is validly sent or supplied if it is sent or supplied in a form or manner that has been agreed by the intended recipient.

#### **172. Notices to joint holders**

A document information or notice may be sent or supplied to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of such joint holding, and notice so sent or supplied

shall be sufficient notice to all the joint holders. A joint holder whose name stands first in the Register but who has no specified or registered address in the United Kingdom for the service of notices shall be disregarded for this purpose except to the extent that the Company intends to send or supply a notice by electronic means and the joint holder whose name stands first in the Register has agreed (generally or specifically) to the sending or supply of that document, information or notice by electronic means and has not revoked that agreement and he has notified the Company of an address for that purpose. Anything to be agreed or specified in respect of a joint holding may be agreed or specified by the joint holder whose name stands first in the Register. Paragraphs 16(2) and 16(3), Schedule 5 of the Act shall not apply.

**173. Members resident abroad**

A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive any document, information or notice from the Company except to the extent that the Directors decide to send a document, information or notice to that member by electronic means and that member has consented (or is deemed to have consented) to the sending of that document, information or notice by electronic means and he has, where necessary, notified the Company of an address for that purpose.

**174. Presence at meeting evidence in itself of receipt of notice**

A member present either in person or by proxy, or in the case of a corporate member by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

**175. When notice may be given by advertisement**

Unless the Statutes require a document, information or notice to be sent or supplied in a different way, any document, information or notice required to be sent or supplied by the Company shall be sufficiently sent or supplied if published by advertisement, and any document, information or notice required to be or which may be given by advertisement shall be advertised once in a leading daily newspaper with national circulation in the United Kingdom.

**176. Time of service**

- (a) Any document, information or notice sent or supplied by the Company by post to an address in the United

Kingdom, which the Company is able to show was properly addressed, prepaid and posted, is deemed to have been received by the intended recipient 24 hours after it was posted.

- (b) Any document, information or notice sent or supplied by the Company by electronic means, which the Company is able to show was properly addressed, is deemed to have been received by the intended recipient 24 hours after it was sent.
- (c) Any document, information or notice sent or supplied by means of a website is deemed to have been received by the intended recipient when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- (d) A notice given by advertisement shall be deemed to have been given or served on the date on which the advertisement appears.
- (e) In calculating a period of hours for the purposes of this Article, it is immaterial whether a day is a working day (as defined in the Act) or not.
- (f) Where a document, information or notice to be given or sent by electronic means has failed to be transmitted after three attempts, then that document, information or notice shall nevertheless be deemed to have been sent for the purposes of paragraph (b) and, without prejudice to Article 178, that failure shall not invalidate any meeting or other proceeding to which the document, information or notice relates.

#### **177. Manner of giving notice of General Meetings**

Notice of every General Meeting shall, subject to the provisions of these Articles, be given in any manner authorised in these Articles to:

- (a) every member entitled to notice under Articles 169, 172 and 173;
- (b) all persons entitled to a share in consequence of death or bankruptcy of a member, if the Company has been notified in accordance with Article 179;
- (c) the auditors for the time being of the Company; and
- (d) the Directors and alternate Directors of the Company.

No other person shall be entitled to receive notices of General Meetings.

**178. Omission or non-receipt of document etc.**

Without prejudice to Article 62 or 85.5, the accidental failure to send any document, information or notice to or the non-receipt of any document, information or notice by any person entitled to any document, information or notice relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

**179. Notices to persons entitled by transmission**

A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon also supplying an address within the United Kingdom for the sending or supply of documents, information or notice (or, in relation to any document, information or notice which that person agrees (generally or specifically) to receive and which the Company intends to send or supply using electronic means, an address for that purpose), shall be entitled to have sent or supplied to him at such address any document, information or notice to which the member (but for his death or bankruptcy) would have been entitled, and that sending or supply shall for all purposes be deemed a sufficient sending or supply of that document, information or notice on all persons interested (whether jointly with or as claiming through or under him) in the share. Except as already provided, any document, information or notice sent by post to, left at or sent or supplied using electronic means to the address of any member in pursuance of these Articles shall even if the member is then dead or bankrupt and whether or not the Company has notice of such death or bankruptcy, be deemed to have been duly sent or supplied in respect of any share registered in the name of such member as sole or first-named joint holder.

**180. Notice when post not available**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company desires to but is unable effectively to convene a General Meeting by notices sent through the post then, despite the availability of any other method of sending or supplying notices under Article 169.3, 169.4, 170 and 171, a General Meeting may be convened by a notice advertised on the same date in at least one national newspaper published in the United Kingdom and such notice shall be deemed to have been duly sent or supplied to all members entitled to it to whom the Company would otherwise have sent the relevant notice by post at noon on the day on which the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post to all members to whom it would otherwise have sent the original notice by post if at least seven days prior to the meeting the posting of

notices to addresses throughout the United Kingdom again becomes practicable.

**181. Power to stop sending documents etc. to untraced shareholders**

If three separate documents, information or notices have been sent on consecutive occasions through the post to any member at any address specified in Article 169.2, whether the documents, information or notices are duplicates of ones originally sent using electronic means that failed to be transmitted electronically or ones that were originally sent by post, and have been returned undelivered, such member shall not after that be entitled to receive documents, information or notices from the Company until he shall have communicated with the Company and supplied in writing to the Office a new address as specified in Article 169.2 or, in so far as the Company intends to send or supply any document, information or notice using electronic means and the member has agreed (generally or specifically) to the sending or supply of that document, notice or information by electronic means, an address for that purpose.

**182. Reference to documents being served etc.**

The provisions of Articles 169 - 182 apply to any document, information or notice to be sent or supplied under these Articles whether the Articles require the document, information or notice to be "sent" or "supplied" or any other word such as "given", "delivered" or "served".

**WINDING UP**

**183. Distribution of assets otherwise than in cash**

183.1 If the Company is wound up (whether the liquidation is voluntary, under supervision or by the Court), the liquidator may, with the authority of a Special Resolution and any other sanction required by the Statutes, divide among the members (excluding the Company itself to the extent that it is a member by virtue only of its holding any shares as treasury shares) in specie or in kind the whole or any part of the assets of the Company whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like authority determines, and the liquidation of the Company may be closed and the Company dissolved, but so that no members shall be compelled to accept any shares

or other property in respect of which there is a liability.

- 183.2 A Special Resolution sanctioning a transfer or sale to another company duly passed pursuant to Section 110 of the Insolvency Act 1986 may authorise the distribution of any shares or other consideration receivable by the liquidator among the members (whether or not in accordance with the existing rights of members) and any such distribution shall be binding on all members subject to the right of dissent and consequential rights conferred by Section 111 of the Insolvency Act 1986.

## **INDEMNITY AND INSURANCE**

### **184. Indemnity**

Subject to the provisions of and so far as may be permitted by the Statutes, but without prejudice to any indemnity to which he may otherwise be entitled, every Director, Secretary or other officer of the Company shall be indemnified by the Company against:

- (a) any liability incurred by him or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company other than a liability:
  - (i) to the Company or any Associated Company of the Company; or
  - (ii) of the kind referred to in Section 234(3) of the Act; and
- (b) any other liability incurred by or attaching to him in the actual or purported execution or discharge of his duties, the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or office.

### **185. Pension scheme indemnity**

Subject to the provisions of and so far as may be permitted by the Statutes, but without prejudice to any indemnity to which he may otherwise be entitled, every director of an Associated Company of the Company shall be indemnified by the Company against any liability (other than a liability of the kind referred to in Section 235(3) of the Act) incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Associated Company of the Company if:

- (a) the Associated Company is a trustee of an occupational pension scheme (as defined in Section 235(6) of the Act); and

- (b) the liability is incurred in connection with that company's activities as trustee of that scheme.

#### **186. Interpretation**

- (a) For the purposes of Articles 184, 185, and 187:
  - (i) **"officer"** does not include an auditor; and
  - (ii) **"Associated Company"** is to be interpreted in accordance with Section 256 of the Act.
- (b) Where a Director or other officer is indemnified against a liability in accordance with Articles 184 or 185, the indemnity extends to each cost, charge, loss, expense and liability incurred by him in relation to that liability.

#### **187. Insurance**

Without prejudice to the provisions of Article 184 and 185 and subject to the provisions of and so far as may be permitted by the Statutes, the Directors shall have power to purchase, fund and/or maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, or of any Subsidiary or a company in any way allied to or associated with the Company or any such Subsidiary or of any predecessors of the business of the Company or any such company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company or pension fund.

#### **188. Scheme of Arrangement**

- 188.1 In this Article 188, references to the "Scheme" are to the Scheme of Arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme) dated 24 June 2021 (with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Brighton Bidco Limited ("**Bidco**")) and (save as defined in this Article) terms defined in the Scheme shall have the same meanings in this Article.
- 188.2 Notwithstanding any other provisions in these Articles, if the Company issues or transfers out of treasury any

St. Modwen Shares (other than to Bidco, any subsidiary of Bidco, any parent undertaking of Bidco or any subsidiary of such parent undertaking, or any nominee of Bidco (each a "**Bidco Company**")) on or after the date of the adoption of this Article 188 and prior to the Scheme Record Time, such St. Modwen Shares shall be issued or transferred subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or subsequent holder or holders of such St. Modwen Shares shall be bound by the Scheme accordingly.

188.3 Notwithstanding any other provision of these Articles, subject to the Scheme becoming Effective, any shares issued, transferred out of treasury or transferred pursuant to Article 188.4 below, to any person (other than a Bidco Company) after the Scheme Record Time (a "**New Member**") (each a "**Post-Scheme Share**") shall be issued or transferred on terms that they shall (on the Effective Date (as defined in the Scheme) or, if later, on issue or transfer (but subject to the terms of Articles 188.4 and 188.5 below)), be immediately transferred to Bidco (or such person as it may direct) (the "**Purchaser**"), who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the consideration to which a New Member would have been entitled under the Scheme had such Post-Scheme Share been Scheme Share.

188.4 Any person who is beneficially entitled to shares issued or transferred to a New Member (other than, for the avoidance of doubt, a person who becomes beneficially entitled to shares by virtue of a transfer pursuant to this Article 188.4) may, prior to the issue or transfer of Post-Scheme Shares to the New Member pursuant to the exercise of an option under one of the St. Modwen Share Plans (as defined in the Scheme), give not less than two business days' written notice to the Company in such manner as the Board shall prescribe of his or her intention to transfer the beneficial ownership of some or all of such Post-Scheme Shares to his or her spouse or civil partner and may, if such notice has been validly given, on or before such Post-Scheme Shares being issued or transferred to the New Member, immediately transfer to his or her spouse or civil partner beneficial ownership of any such Post-Scheme Shares, provided that such Post-Scheme Shares (including both legal and beneficial ownership thereof) will then be immediately transferred to the Purchaser pursuant to Article 188.3 above. If notice has been validly given pursuant to this Article 188.4 but the beneficial owner does not immediately



transfer to his or her spouse or civil partner both the legal and beneficial ownership of the Post-Scheme Shares in respect of which notice was given, such legal and beneficial ownership will be transferred to the Purchaser pursuant to Article 188.3 above. If notice is not given pursuant to this Article 188.4, both the legal and beneficial ownership of the Post-Scheme Shares will be immediately transferred to the Purchaser pursuant to Article 188.3 above.

188.5 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date (as defined in the Scheme), the value of the consideration per Post-Scheme Share to be paid under Article 188.3 shall be adjusted by the Company in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article 188 to such shares shall, following such adjustment, be construed accordingly.

188.6 To give effect to any transfer of Post-Scheme Shares required pursuant to Article 188.3, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to Article 188.3 above by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder), or by any alternative method communicated by the

Purchaser to the New Member, for the purchase price of such Post-Scheme Shares no later than 14 days after the date on which the Post-Scheme Shares are issued to the New Member.

188.7 If the Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) section 6(B) of the Scheme, this Article 188 shall cease to be of any effect.

188.8 Notwithstanding any other provision of these Articles, both the Company and the Board shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than to the Purchaser pursuant to the Scheme.