

**TRINITY EXPLORATION & PRODUCTION (UK) LIMITED\***

(company number SC396945)

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**Articles of Association**

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\* Note that on 2013 the members of the Company passed a special resolution that the name of the Company be changed from Trinity Exploration & Production Limited to Trinity Exploration & Production (UK) Limited.

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**THE COMPANIES ACTS 1985 TO 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

**Articles of Association**  
**(company number SC396945)**

**of**

**TRINITY EXPLORATION & PRODUCTION OPERATING COMPANY LIMITED**  
**(the "Company")**

**adopted by special resolution passed on 6 September 2011**  
**(the "Adoption Date")**

**1 EXCLUSION OF MODEL ARTICLES**

None of the regulations contained in the Companies (Model Articles) Regulations 2008 apply to the Company and these Articles alone are the articles of association of the Company.

**2 DEFINITIONS AND INTERPRETATION**

2.1 In these Articles, if not inconsistent with the subject or context, the following words and phrases shall have the following meanings:

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

"**Alternate**" or "**Alternate Director**" has the meaning ascribed to in Article 50;

"**Appointor**" has the meaning ascribed to it in Article 50;

"**Articles**" means these articles of association;

"**Auditors**" means the auditors of the Company from time to time;

"**Bankruptcy**" includes individual insolvency proceedings in a jurisdiction other than England and Wales, Scotland or Northern Ireland which have an effect similar to that of bankruptcy;

"**Board**" means the board of Directors of the Company from time to time;

**"business day"** means a day, other than a Saturday or a Sunday or a public holiday, on which United Kingdom clearing banks are open for commercial business in London;

**"Clearing ROFO Bid Price"** has the meaning in Article 18;

**"Deemed Transfer Notice"** has the meaning in Article 19;

**"Director"** means a Director of the Company from time to time;

**"Drag Along Notice"** has the meaning in Article 21;

**"Drag Along Sellers"** has the meaning in Article 21;

**"Drag Along Shares"** has the meaning in Article 21;

**"Employee"** means an employee of the Group;

**"Executive Director"** means a Director holding any office or employment or providing any services as referred to in Article 53;

**"Fully Paid"** in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;

**"Group"** means the Company and all its subsidiaries and subsidiary undertakings from time to time and **"Member of the Group"** shall be construed accordingly;

**"Holder"** in relation to Shares means the person whose name is entered in the Register as the holder of the Shares;

**"Investor Director"** has the meaning in Article 43;

**"Market Value"** means the open market value of each Share or Sale Shares as the case may be;

**"Member"** means any registered Holder of a Share;

**"Pre-emption offer"** has the meaning in Article 5;

**"Register"** means the register of Members of the Company;

**"ROFO Bid Price"** has the meaning in Article 18;

**"ROFO Expiry Date"** has the meaning in Article 18;

**"ROFO Period"** has the meaning in Article 18;

**"ROFO Offer Notice"** has the meaning in Article 18;

**"ROFO Sale Price"** has the meaning in Article 18;

**"ROFO Sale Shares"** has the meaning in Article 18;

**"ROFO Transfer Notice"** has the meaning in Article 18;

**"Secretary"** means the secretary of the Company or any other person appointed by the Board to perform the duties of the secretary of the Company including a joint, assistant or deputy secretary;

**"Sale Notice"** has the meaning in Article 17;

**"Sale Price"** has the meaning in Article 17;

**"Sale Shares"** has the meaning in Article 17;

**"Share"** means an ordinary share of US\$1.00 in the capital of the Company;

**"Tag Along Offer"** has the meaning in Article 20;

**"Third Party Transferee"** has the meaning in Article 21;

**"Total Transfer Condition"** has the meaning in Article 17;

**"Transfer Notice"** has the meaning in Article 17;

**"Transferor"** has the meaning in Article 17;

**"Transmittee"** means a person entitled to a Share as a result of the death or Bankruptcy of a Member or otherwise by operation of law;

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

**"Valuers"** means the Auditors of the Company unless:

- (i) a report on the Market Value is to be made pursuant to a Deemed Transfer Notice and, within 21 days after the date of the Deemed Transfer Notice, the Transferor notifies the Directors in writing that it objects to the Auditors making that report; or
- (ii) the Auditors give notice to the Company that they decline an instruction to report on Market Value,

when Valuers will mean a firm of chartered accountants agreed between the Transferor and the Directors or, in default of agreement within 20 working days after the event referred to in (i) or (ii) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Transferor or the Directors.

2.2 Any references in these Articles to an Article by number is a reference to a particular Article of these Articles.

2.3 These Articles shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company.

2.4 In these Articles where the context so permits:

- (a) words importing the singular number only shall include the plural number, and vice versa;
- (b) words importing the masculine gender only shall include the feminine gender;
- (c) words importing persons shall include bodies corporate, unincorporated associations and partnerships;
- (d) the expression "**paid up**" shall include credited as paid up; and
- (e) the word "**writing**" shall include using electronic communications.

2.5 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act in force on the date of adoption of these Articles including the following words which are defined in the following sections of the Act:

<b>Word(s)/expression</b>	<b>Section Number in Act</b>
electronic form	section 1168



equity share capital	section 548
hard copy form	section 1168
ordinary resolution	section 282
special resolution	section 283
subsidiary	section 1159
subsidiary undertaking	section 1162
working day	section 1173

2.6 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them.

2.7 Headings used in these Articles shall not affect their construction or interpretation.

2.8 In construing these Articles the *ejusdem generis* rule shall not apply.

2.9 References to any statute or section of any statute shall include reference to any statutory amendment, extension, modification or re-enactment thereof for the time being in force.

### 3 **LIMITATION OF LIABILITY OF MEMBERS**

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

### 4 **SHARE CAPITAL**

4.1 The Company is a private company as defined by section 4 of the Act and in accordance with section 755 of the Act must not offer to the public any securities of the Company or allot or agree to allot any securities of the Company with a view to their being offered to the public.

4.2 The Company may execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two Directors or any one Director and the Secretary.

### 5 **OFFERS OF NEW SHARES TO EXISTING MEMBERS**

5.1 Subject to Article 5.6, the Directors must offer any Shares which they propose to offer or allot or grant rights to subscribe for or to convert any security into or otherwise deal in or

dispose of to Members in accordance with the provisions of this Article, before allotting them to any other person.

5.2 The Directors must make an offer to allot to each person who is a Member at the date of such offer, a proportion of the Shares being offered that is as nearly as practicable equal to the proportion in nominal value held by him of the equity share capital of the Company (the "**Pre-emption offer**"). Each Pre-emption offer must be made in writing to all Members on the same day and must state:

- (a) the aggregate number of Shares to be allotted;
- (b) the terms of such allotment; and
- (c) the number of Shares offered for sale to the Member to whom the Pre-emption offer is addressed.

5.3 The following conditions must be incorporated in the Pre-emption offer:

- (a) if the Member wishes to purchase all or any of the Shares which are subject to the Pre-emption offer (the "**Offered Shares**"), he must accept such offer in writing in accordance with the provisions of Article 62 within 14 days of the date of service of the Pre-emption offer (the "**Acceptance**"); and
- (b) if the Member wishes to purchase more than the number of Offered Shares he must indicate in the Acceptance, the maximum number of additional Shares he is willing to purchase (the "**Additional Acceptance**"); and
- (c) if within 14 days of the date of service of the Pre-emption offer there are Shares which have not been accepted for purchase by the Members, (the "**Surplus Shares**"), the Surplus Shares will be allocated to and deemed to be accepted by each Member who has made an Additional Acceptance; and
- (d) if there are insufficient Surplus Shares to satisfy all Additional Acceptances, the number of Surplus Shares to be allocated to each Member who has made an Additional Acceptance shall be calculated according to the proportion which the number of Fully Paid Shares held by the relevant Member as at the date of the Pre-emption offer bears to the aggregate number of Fully Paid Shares held by all Members who have made an Additional Acceptance. Each Member who made an Additional Acceptance will be deemed to agree to purchase the number of Surplus Shares allocated to him pursuant to such calculation; and
- (e) each Member must no later than five working days after the allocation of Shares to him pay to the Company the total subscription price payable for such Shares and upon payment of such sum, the Company must deliver a share certificate to the relevant Member for the number of Shares purchased by him.

5.4 If any Pre-emption offer is not accepted in full, the Directors may within three months after the date of such offer dispose of any Shares referred to in the Pre-emption offer and not allotted to any Member to such person or persons as they think fit but only at the same price and on the same terms which were specified in the Pre-emption offer.

5.5 Sections 561 and 562(1) to (6) of the Act shall not apply to the Company.

5.6 Notwithstanding the provisions of Articles 5.1 to 5.5 (inclusive), the Directors be and they are hereby given power in accordance with section 570 of the Act to allot Shares for cash, provided that this power is limited to:

- (a) the allotment of Shares pursuant to a Pre-emptive offer as described above but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory; and
- (b) the allotment (otherwise than pursuant to Article 5.6 (a) above) of Shares up to an aggregate nominal amount of 5% of the issued share capital of the Company from time to time.

## 6 ALL SHARES TO BE FULLY PAID UP

6.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

6.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

## 7 VARIATION OF RIGHTS

7.1 Subject to the Act, the rights attached to any class may (unless otherwise provided by the terms of issue of the Shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the Holders of three-fourths (75%) of the nominal value of the issued Shares of the relevant class or with the sanction of a special resolution passed at a separate meeting of the Holders of the issued Shares of that class (but not otherwise).

7.2 The rights conferred upon the Holders of any Shares or class of Shares shall, unless otherwise provided by these Articles or the terms of issue of the Shares concerned, be deemed to be varied by a reduction of capital paid up on those Shares but shall be deemed not to be varied by the creation, allotment or issue of further Shares ranking *pari passu* with them or subsequent to them. No consent or sanction of the Holders of Shares shall be required under these Articles to any variation or abrogation effected by a resolution on which only the Holders of Shares are entitled to vote.

## 8 ALTERATION OF SHARE CAPITAL

- 8.1 The Company may by ordinary resolution:
- (a) increase its share capital by new Shares of such amount as the resolution prescribes;
  - (b) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
  - (c) subject to the provisions of the Act, sub-divide its Shares, or any of them, into Shares of smaller amount and the resolution may determine that, as between the Shares resulting from the sub-division, any of them may have any preference or advantage or deferred rights or be subject to any restrictions as compared with the others; or
  - (d) cancel or reduce the nominal value of Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled or the amount of the reduction.
- 8.2 Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account or other undistributable reserve in any way.

## 9 **SHARES AND WARRANTS**

- 9.1 Subject to the provisions of the Act and without prejudice to any rights attached to any existing Shares, any Share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
- 9.2 Subject to the provisions of the Act and any resolution of the Company, the Board may allot, grant options over or otherwise dispose of the Shares of the Company, or rights to subscribe for or convert any security into Shares, to such persons, on such terms and at such times as it may think fit except that no Share may be issued at a discount.
- 9.3 Subject to the provisions of the Act and without prejudice to any rights attached to any existing Shares, Shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the Holder on such terms and conditions and in such manner as the Directors may determine prior to the date on which such Shares are allotted.
- 9.4 Any Shares held in treasury are held at the discretion of the Board who may dispose of them on such terms as it may decide or cancel them.
- 9.5 In addition to all other powers of paying commissions the Company may exercise the powers of paying commissions or brokerage conferred or permitted by the Act. Subject to the provisions of the Act, any such commission or brokerage 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.

- 9.6 Except as required by law or as otherwise provided by these Articles, the Company shall not recognise any person as holding any Share on any trust and the Company shall not be bound to recognise any interest in any Share except an absolute right to the entirety of the Share in the Holder.
- 9.7 The Company may, subject to the provisions of the Act and of these Articles, issue warrants or grant options to subscribe for Shares in the Company. Such warrants or options shall be issued on such terms and subject to such conditions as may be resolved upon by the Board including, without prejudice to the generality of the foregoing, terms and conditions which provide that, on a winding up of the Company, a Holder of warrants or grantee of options may be entitled to receive, out of the assets of the Company available in the liquidation *pari passu* with the Holders of Shares of the same class as the Shares in respect of which the subscription rights conferred by the warrants or the options can be exercised, such a sum as he would have received had he exercised the subscription rights conferred by his warrants or options prior to the winding up but after deduction of the price (if any) payable on exercise of such subscription rights.
- 9.8 If any warrant or option is worn out, defaced, or is alleged to have been destroyed, lost or stolen, a new share warrant may be issued on receipt by the Company of a written request and delivery to the Company of such worn out or defaced warrant or option or, if the warrant or option is alleged to have been destroyed, lost or stolen, on compliance with such conditions and delivery of such indemnity and the payment of any out-of-pocket expenses of the Company as the Board may require, provided that, before the issue of any new warrant or option, the Company has satisfied itself beyond reasonable doubt that the original warrant or option has been destroyed, lost or stolen.

## 10 **SHARE CERTIFICATES**

- 10.1 Every Member (other than a person who is not entitled to a certificate under the Act) shall be entitled, without payment, on the issue or transfer to him of Shares in certificated form to receive within 15 business days after allotment or lodgement of a transfer to him of those Shares, one certificate for all the Shares of each class held by him in certificated form and, on transferring a part of the Shares comprised in a certificate, a certificate for the balance of such Shares without charge to the extent that the balance is held in certificated form. Shares of different classes may not be included in the same certificate. 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 one joint Holder shall be a sufficient delivery to all of them.
- 10.2 Should the Directors determine it appropriate, share certificates of the Company may be issued under the Seal or under any official seal kept by the Company by virtue of section 50 of the Act.
- 10.3 The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any certificates for Shares, stock or debenture or loan stock (except where the trust deed constituting any stock or debenture or loan stock provides to the contrary) or representing any other form of security of the Company need not be autographic but may be applied to the certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person. Every share

certificate shall specify the number and class of the Shares to which it relates and the amount paid up on such Shares.

- 10.4 If a share certificate is worn out, defaced, lost, stolen or destroyed, it may be renewed without payment of any fee but on such terms (if any) as to evidence and indemnity with or without security and otherwise as the Board requires and, in the case of a worn out or defaced certificate, on delivery up of that certificate. In the case of loss, theft or destruction, the person to whom the new certificate is issued may be required to pay to the Company any exceptional out of pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity.

## 11 LIEN ON SHARES

- 11.1 The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Board may at any time declare any Share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a Share shall extend to any amount payable in respect of it and to any Share or security issued in right of it.
- 11.2 The Company may sell in such manner as the Board determines any Shares on which the Company has a lien if the sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the Holder of the Share or to the person entitled to it in consequence of the death or Bankruptcy of the Holder or otherwise by operation of law, demanding payment and stating that if the notice is not complied with the Shares may be sold.
- 11.3 To give effect to a sale the Board may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The purchaser shall not be bound to see to the application of the purchase moneys, and the title of the transferee to the Shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale.
- 11.4 The net proceeds of the sale, after payment of the costs of sale, shall be applied in or towards payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (on surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.

## 12 CALLS ON SHARES

- 12.1 Subject to the terms of allotment, the Board may make calls on the Members in respect of any moneys unpaid on the Shares held by them (whether in respect of nominal value or premium) and each Member shall (subject to at least 14 clear days' notice having been given specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable jointly and severally with the

successors in title to his Shares to pay the amount called notwithstanding the subsequent transfer of the Shares in respect of which the call was made.

- 12.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 12.3 The joint Holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 12.4 If a call remains unpaid after it has become due and payable the person from whom the sum is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is fixed, at such rate as the Board may decide, but the Board may waive payment of the interest wholly or in part.
- 12.5 An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.
- 12.6 Subject to the terms of allotment, the Board may make arrangements on the issue of Shares for a difference between the Holders in the amounts and times of payment of calls on their Shares.
- 12.7 The Board may, if it thinks fit, receive from any Member willing to advance it, all or any part of the moneys uncalled and unpaid upon any Shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate as the Board may decide or as may be agreed between the Board and such Member, subject to any directions of the Company in general meeting or by written resolution.

### 13 **FORFEITURE AND SURRENDER OF SHARES**

- 13.1 If a call or instalment of a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall state:
- (a) the place where payment is to be made; and
- (b) that if the notice is not complied with any Share in respect of which the call was made will be liable to be forfeited.
- 13.2 If the notice is not complied with any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board and the forfeiture shall include all dividends or other moneys payable in respect of the

forfeited Shares and not paid before the forfeiture. The Board may accept on such terms and conditions as may be agreed a surrender of any Share liable to be forfeited and, subject to such terms and conditions, a surrendered Share shall be treated as if it had been forfeited.

- 13.3 Subject to the provisions of the Act, a forfeited Share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board determines either to the person who was before the forfeiture the Holder or to any other person. At any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board thinks fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the Share to that person or otherwise effect the transfer.
- 13.4 A person any of whose Shares have been forfeited shall cease to be a Member in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at such rate as the Board may decide from the date of forfeiture until payment. The Board may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 13.5 A statutory declaration by a Director or the Secretary that a Share has been forfeited or sold to satisfy a lien of the Company on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the Share be affected by any irregularity in or invalidity of the proceedings relating to the forfeiture, sale or disposal of the Share.

#### 14 **TRANSFER OF SHARES - GENERAL PROVISIONS**

- 14.1 All transfers of Shares may be effected by transfer in writing in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor. The transferor shall be deemed to remain the Holder of the Share until the name of the transferee is entered in the Register in respect of it.
- 14.2 Where only some of the Shares comprised in a share certificate are transferred the old certificate shall be cancelled and to the extent that the balance is to be held in certificated form, a new certificate for the balance of such Shares issued in lieu without charge.
- 14.3 The Board may, in its absolute discretion, decline to recognise any instrument of transfer relating to Shares unless:
- (a) it is in respect of only one class of Shares;



- (b) it is lodged (duly stamped if required) at the registered office of the Company accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
  - (c) it is in favour of less than four persons jointly.
- 14.4 If the Board refuses to register a transfer of securities, it shall within two months after the date on which the transfer was lodged with the Company (in the case of Shares held in certificated form) send to the transferee notice of the refusal, unless they suspect that the proposed transfer may be fraudulent.
- 14.5 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any Share or for making any entry in the Register affecting the title to any Share.
- 14.6 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is given.
- 14.7 For all purposes of these Articles relating to the registration of transfers of Shares, the renunciation of the allotment of any Shares by the allottee in favour of some other person shall be deemed to be a transfer and the Board shall have the same powers of refusing to give effect to such a renunciation as if it were a transfer.
- 14.8 Notwithstanding any other provision of these Articles, the Directors must not register a transfer of any Share or any interest in any Share to any minor, undischarged bankrupt, trustee in Bankruptcy or person of unsound mind.
- 15 **DIRECTORS' POWERS ON TRANSFER OF SHARES**
- 15.1 The Directors must not register the transfer of any Share or any interest in any Share unless the transfer:
  - (a) is permitted by Article 16; or
  - (b) is made in accordance with Article 17 or 18.
- 15.2 The Directors may at any time require any Member or any person named as transferee in an instrument of transfer lodged for registration to give the Directors such information and evidence as the Directors believe is relevant to ensure that:
  - (a) a transfer of Shares is being made in accordance with these Articles; and/or

- (b) that no circumstances have arisen which would result in a Transfer Notice being bound to be given or being deemed to have been given.
- 15.3 If the Directors are not given such information or evidence within 20 days after they have requested it, the Directors may in their absolute discretion give notice of refusal to register the transfer concerned together with reasons for the refusal to the person named as transferee or require the Member by written notice to give a Transfer Notice in respect of the relevant Shares.
- 15.4 If the information or evidence received by the Directors under Article 15.2 discloses to their satisfaction that a Member may be bound to give or is deemed to have given a Transfer Notice, the Directors may in their absolute discretion by written notice to the relevant Member require that a Transfer Notice be given in respect of the relevant Shares.
- 15.5 An obligation to transfer a Share under these Articles is an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance.

## 16 PERMITTED TRANSFERS

16.1 In this Article:

- (a) **"Employee Trust"** means any employee trust established by the Company from time to time with the consent of the Holders of not less than 75 per cent. in nominal value of the Shares for the benefit of Employees or Directors (or former Employees or Directors); and
- (b) **"Family Member"** means, in relation to a Member, any of his mother, father, spouse (or widow or widower), civil partner, children, sons-in-law, daughters-in-law and grandchildren (including step and adopted children and grandchildren) and other lineal ascendants or descendants; and
- (c) **"Family Trust"** means, in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member or any of his Family Members and under which no power of control over the voting powers conferred by any Shares, the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member or any of his Family Members.

16.2 A Member which is a body corporate may transfer Shares to:

- (a) any company of which that Member is a subsidiary; or
- (b) any subsidiary of such company; or
- (c) any subsidiary of that Member

(each a "**Permitted Group Member**").

16.3 A Member who is an individual may transfer Shares to:

- (a) any Family Member; or
- (b) the trustee(s) of any Family Trust,

and such Family Member or trustee may transfer Shares to each other but not otherwise.

16.4 A Member which is an investment fund or collective investment scheme or a nominee or custodian of or investors of any such fund or scheme may transfer Shares to:

- (a) holders of units, a partner or participant in or a nominee or trustee for the holders of units in or partners in or members of or investors in such fund or scheme; or
- (b) another fund or scheme (or nominee or trustee for another fund) which is managed or advised by the same manager or adviser as the transferor (or the person for whom the transferor is a nominee or trustee) or by any member of the same group of companies as such manager or adviser; or
- (c) a nominee or trustee for such fund or scheme (and such nominee or trustee may transfer Shares back to such fund or scheme).

16.5 Any Member may transfer Shares to the trustee(s) of any Employee Trust.

16.6 The trustee(s) of any Employee Trust may transfer Shares to the beneficiaries of such trust (or any of them) as may be approved by the Directors.

16.7 Any Member (a "**Transferring Member**") may transfer Shares to any person with the prior written consent of Members holding Shares representing not less than 75% of the total Shares in issue (the "**Consenting Members**") and such consent must be received by the Transferring Member from the Consenting Members within 20 business days of the receipt by the Consenting Members of the request for such consent.

16.8 Article 17 or 18 does not apply to a transfer of Shares made pursuant to Articles 16.1 to 16.7.

16.9 Any transfer of any Share pursuant to this Article 16 will only be treated as a permitted transfer if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant Family Trust or Employee Trust, where applicable).

- 16.10 If any person to whom Shares are transferred pursuant to Articles 16.1 to 16.6 whether by one or a series of transfers and whether directly or indirectly, ceases to be within the required relationship with the original transferor of such Shares:
- (a) such Shares must be transferred back to the original transferor (or to any other person falling within the required relationship with the original transferor) immediately upon such relationship ceasing; and
  - (b) if the Holder of such Shares fails to make such transfer within 20 days of such relationship ceasing, the Holder of those Shares will be deemed to have served a Transfer Notice in respect of all such Shares held by him and the provisions of Article 17 apply.

## 17 **PRE-EMPTIVE TRANSFERS**

17.1 Unless the transfer is permitted by Article 16 or is in accordance with Article 18 or is required by Article 19, 20 or 21, a Member or person entitled to a Share by transmission is prohibited from transferring or disposing of or agreeing to transfer or dispose of or grant any interest or right in any Share to any person unless such Shares have been offered for sale to the other Members in accordance with this Article.

17.2 The offer referred to in Article 17.1 must be effected as follows:

- (a) the Member wishing to sell the Shares (the "**Transferor**") must serve notice in writing on the Company that he wishes to sell Shares (a "**Transfer Notice**");
- (b) the Transfer Notice must:
  - (i) specify the number and class of Shares offered (the "**Sale Shares**"); and
  - (ii) specify the identity of any proposed transferee; and
  - (iii) set out the price per Share at which the Sale Shares are proposed to be offered (the "**Specified Price**"); and
  - (iv) contain any other terms relating to the proposed sale; and
  - (v) state whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the provisions of this Article (a "**Total Transfer Condition**"); and
  - (vi) relate to one class of Share only; and

- (vii) appoint the Company as the agent of the Transferor for the sale of the Sale Shares on the terms of this Article; and
- (viii) be irrevocable; and
- (ix) not contain or be deemed to contain a Total Transfer Condition unless this is both expressly stated and is permitted by these Articles.

17.3 The Sale Shares must be offered for purchase at the price per Sale Share (the "**Sale Price**") specified in the Transfer Notice.

17.4 Within 5 working days after the Transfer Notice has been received by the Company, the Directors must give written notice (the "**Offer Notice**") to the Members (other than the Transferor) of:

- (a) the Sale Price; and
- (b) the other information set out in the Transfer Notice; and
- (c) unless the Transfer Notice is deemed to be given as provided in these Articles, the identity of any proposed transferee,

and it must invite each Member to state by written notice to the Company within 30 working days (the "**Expiry Date**") whether he is willing to purchase any of the Sale Shares and if so, the maximum number of Shares he is willing to purchase.

17.5 The Sale Shares must be offered in the first instance to Members who hold Shares of the same class as the Sale Shares and to the extent not accepted by those Members, to Members holding Shares of other classes (but no Shares will be treated as offered to the Transferor or any other Member who is then bound to give, has given or is deemed to have given a Transfer Notice).

17.6 After the Expiry Date of the Offer Notice, (or earlier if valid applications have been received for all the Sale Shares offered prior to such Expiry Date), the Directors must allocate the Sale Shares to or amongst the Members in accordance with the applications received. If:

- (a) there are applications from any class of Members for more than the number of Sale Shares available for that class, the Sale Shares must be allocated to those Members in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively;
- (b) if it is not possible to allocate any of the Sale Shares without involving fractions, those Shares shall be allocated amongst the Members of each class in such manner as the Directors think fit; and

- (c) if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.
  
- 17.7 Within five working days of the Expiry Date of the last Offer Notice, the Directors must give notice in writing (a "**Sale Notice**") to the Transferor and to each Member to whom Sale Shares have been allocated (each a "**Purchaser**") specifying:
  - (a) the name and address of each Purchaser; and
  - (b) the number of Sale Shares agreed to be purchased by him; and
  - (c) the total price payable for the Sale Shares.
  
- 17.8 Each Purchaser must no later than five working days after such allocation pay to the Transferor the total sale proceeds for the transfer of the relevant Sale Shares to him at the price per Share equal to the Sale Price and upon payment of such sum, the Transferor must deliver to the Company the documents required to transfer the Sale Shares and the Directors must register such transfer and deliver the relevant share certificate to the relevant Purchaser.
  
- 17.9 If the Transferor does not transfer the Sale Shares when required pursuant to Article 17.8:
  - (a) the Directors may authorise any person (who will be deemed to be irrevocably appointed as the attorney of the Transferor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Transferor's behalf;
  - (b) the Company may receive the purchase money for such Sale Shares from the Purchaser and upon receipt (subject, if necessary, to the transfer being duly stamped) must register the Purchaser as the Holder of such Sale Shares;
  - (c) the Company must hold any purchase money paid to it in a separate bank account on trust for the Transferor but need not earn or pay interest on any money so held;
  - (d) the Company's receipt for such purchase money will be a good discharge to the Purchaser who is not required to see to the application of it; and
  - (e) after the name of the Purchaser has been entered in the Register, the validity of the proceedings cannot be questioned by any person.

- 17.10 The Transferor may, for 90 working days after the Expiry Date of the Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of *bona fide* sale to the proposed transferee named in the Transfer Notice or at any price per Sale Share which is not less than the Sale Price, provided that:
- (a) the Transferor may not transfer any Sale Share and the Directors must not register any transfer to a transferee who is not at that date a Member unless such transferee is first approved in writing by the Directors; and
  - (b) if the Transfer Notice contained a Total Transfer Condition, the Transferor is not entitled to sell only some of the Sale Shares under this Article unless he has obtained the written consent of all the other Members.
- 17.11 For the avoidance of doubt, if after the expiry of 90 working days after the Expiry Date of the Offer Notice as referred to in Article 17.10 above, the sale of those Sale Shares has not completed, the Transferor must then re-offer such Sale Shares to the other Members in accordance with this Article 17 and such process shall be repeated so often as any Member desires to sell, transfer, assign or otherwise dispose of Shares (unless such sale, transfer, assignment or disposal is otherwise permitted or required in accordance with Articles 16, 18, 19, 20 or 21).

## 18 RIGHT OF FIRST OFFER

- 18.1 Notwithstanding the provisions of Articles 16, 17, 19, 20 and 21 a Member may transfer or dispose of or agree to transfer or dispose of or grant any interest or right in any Share to another person provided such Member has complied with the terms of this Article, in which case the aforementioned Articles shall not be applicable.
- 18.2 Before effecting a transfer or disposal or agreement to transfer or dispose of or grant any interest or right in any Share to another Person in accordance with this Article 18, the following provisions must be complied with:
- (a) the Transferor must serve notice in writing on the Company that it wishes to sell Shares (a "**ROFO Transfer Notice**"); and
  - (b) the ROFO Transfer Notice must specify the number and class of Shares offered (the "**ROFO Sale Shares**").
- 18.3 Within 5 working days after the ROFO Transfer Notice has been received by the Company, the Directors must give written notice (the "**ROFO Offer Notice**") to the Members (other than the Transferor) of the ROFO Transfer Notice, and it must invite each Member to offer by written notice to the Company within 20 working days (the "**ROFO Expiry Date**") whether he is willing to purchase any of the ROFO Sale Shares and if so, the maximum number of ROFO Sale Shares he is willing to purchase, and the price the Member bids for purchase of such ROFO Sale Shares (the "**ROFO Bid Price**").
- 18.4 If the other Members so notify the Company that they wish to purchase all of the ROFO Sale Shares at their ROFO Bid Prices, then the Company shall deliver written notice to the

Transferor, which notice must be delivered within 30 working days after the ROFO Transfer Notice has been received by the Company, of the other Members' offers and the highest price (the "**Clearing ROFO Bid Price**") at which all of the ROFO Sale Shares would be purchased by the other Members (e.g. if based on Members' ROFO Bid Prices only half of the ROFO Sale Shares would be purchased at a certain price but all would be purchased at a lower ROFO Bid Price, then the Company shall respond with such lower ROFO Bid Price).

- 18.5 Upon receipt of such a notice from the Company, the Transferor shall have the option (but not the obligation) to sell the ROFO Sale Shares to the other Members at the Clearing ROFO Bid Price. If the Transferor elects to exercise such option, then the closing of such purchase and sale shall occur within 20 days thereafter, and the Company shall deliver to the Transferor by wire transfer of immediately available funds the applicable purchase price.
- 18.6 Each other Member purchasing ROFO Sale Shares must no later than five working days after the Company notifies it of its allocation pay to the Company the total sale proceeds for the transfer of the relevant ROFO Sale Shares to him at the price per ROFO Sale Share equal to the Clearing ROFO Bid Price and upon payment of such sum, the Transferor must deliver to the Company the documents required to transfer the ROFO Sale Shares, and the Directors must register such transfer and deliver the relevant share certificate to the relevant purchaser of the ROFO Sale Shares.
- 18.7 If the Company does not timely notify the Transferor that the other Members wish to purchase all of the ROFO Sale Shares and of the Clearing ROFO Bid Price, or if the Company does deliver such notice but the Transferor elects not to exercise its option to transfer to such other Members, then in either case the Transferor may, for 90 working days after the ROFO Expiry Date (the "**ROFO Period**"), sell all or any of those ROFO Sale Shares by way of *bona fide* sale to any person at any price per ROFO Sale Share (the "**ROFO Sale Price**") that is higher than the ROFO Clearing Bid Price and not on any economic terms less favourable, in the aggregate, to the Transferor than the terms offered by the Company on behalf of the Members pursuant to Section 18.4.
- 18.8 If the Transferor does not transfer the ROFO Sale Shares when required pursuant to Article 18.6:
- (a) the Directors may authorise any person (who will be deemed to be irrevocably appointed as the attorney of the Transferor for the purpose) to execute the necessary transfer of such ROFO Sale Shares and deliver it on the Transferor's behalf;
  - (b) the Company may receive the purchase money for such ROFO Sale Shares from the Transferor and upon receipt (subject, if necessary, to the transfer being duly stamped) must register the purchaser of the ROFO Sale Shares as the Holder of such ROFO Sale Shares;
  - (c) the Company must hold any purchase money paid to it in a separate bank account on trust for the Transferor but need not earn or pay interest on any money so held;
  - (d) the Company's receipt for such purchase money will be a good discharge to the Transferor who is not required to see to the application of it; and



- (e) after the name of the purchaser of the ROFO Sale Shares has been entered in the Register, the validity of the proceedings cannot be questioned by any person.

18.9 For the avoidance of doubt, if after the end of the ROFO Period the sale of those ROFO Sale Shares has not completed, the Transferor must then re-offer such ROFO Sale Shares to the other Members in accordance with Articles 17 or 18 and such process shall be repeated so often as the Transferor desires to sell, transfer, assign or otherwise dispose of the ROFO Sale Shares or other Shares held by the Transferor (unless such sale, transfer, assignment or disposal is otherwise permitted or required in accordance with Articles 16, 17, 19, 20 or 21).

## 19 COMPULSORY TRANSFERS

19.1 In this Article:

- (a) **"Acting in Concert"** has the meaning given in the City Code on Takeovers and Mergers which is in force at the date of adoption of these Articles; and
- (b) **"Agent"** means any accountant in bankruptcy, executor, attorney under a power of attorney, receiver, manager, receiver, administrator, or other third party who, by virtue of a Potential Transfer Event pursuant to Article 19.2, has been charged with the administration or control of Shares held by that Member in respect of whom the Potential Transfer Event has occurred.

19.2 If:

- (a) a Member is an individual and:
  - (i) a Bankruptcy order is made against him; or
  - (ii) he has died; or
  - (iii) by reason of his mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (b) a Member makes or offers or purports to make any arrangement or composition with his creditors generally; or
- (c) a Member is a body corporate and:
  - (i) a receiver, manager or administrative receiver has been appointed over all or any part of its undertaking or assets; or

- (ii) an administrator has been appointed in relation to it; or
  - (iii) it enters into liquidation (other than a voluntary liquidation for the purpose of a *bona fide* scheme of solvent amalgamation or reconstruction); or
  - (iv) any equivalent action is taken in respect of it in any jurisdiction;
- (d) a Member or any Family Member or the trustees of any Family Trust of a Member attempts to deal with or dispose of any Share or any interest in it otherwise than in accordance with Articles 16, 17, 20 or 21 and this Article or in breach of Article 14.8; or
- (e) a Member does not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by Articles 15.3, 15.4, 17.9 or 18.8,

a potential transfer event (a "**Potential Transfer Event**") in relation to that Member has occurred for the purposes of this Article.

19.3 Within 5 working days after becoming aware of any Potential Transfer Event (whether by notice from the Potential Transferor, another Member or otherwise), the Directors must give written notice to each Member (other than the Potential Transferor) of the Potential Transfer Event and such written notice must include (but is not limited to) the following:

- (a) the reason for and background to the Potential Transfer Event (to the extent known);
- (b) the name of the Potential Transferor; and
- (c) a request for consent from the Members as to whether the Potential Transferor as a result of the occurrence of the Potential Transfer Event shall be deemed to have given a Transfer Notice in respect of all such Shares held by the Potential Transferor and any other Member who has acquired Shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) under Article 16 (including any Shares received by way of rights or on capitalisation) (a "**Deemed Transfer Notice Request**").

(the "**Members' Potential Transfer Event Notice**").

19.4 On receipt by the Company of Deemed Transfer Notice Requests from any Members holding Shares representing not less than 75% of the total Shares in issue (but excluding those Shares held by the relevant Potential Transferor), the Potential Transferor and any other Member who has acquired Shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) under Article 16 will be deemed to have given a Transfer Notice in respect of all such Shares then held by them (including any Shares received by way of rights or on capitalisation) (a "**Deemed Transfer Notice**").

- 19.5 A Transfer Notice given under Article 15.3, 15.4 or Article 16.10(b) shall be automatically a **"Deemed Transfer Notice"** for the purposes of this Article.
- 19.6 A Deemed Transfer Notice supersedes and cancels any then current Transfer Notice if it relates to some or all of the Shares referred to in the Transfer Notice except for Shares which have been validly transferred pursuant to that Transfer Notice.
- 19.7 Notwithstanding any other provision of these Articles, if the Directors so decide, any Member who holds Shares which are subject to a Deemed Transfer Notice must not from the date of the relevant Deemed Transfer Notice until the date of entry in the Register of another person as the Holder of those Shares, exercise any voting rights at general meetings of the Company in respect of those Shares.
- 19.8 Shares which are the subject of a Deemed Transfer Notice must be offered for sale in accordance with Article 17 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Transferor the Member who is deemed to have given the Deemed Transfer Notice save that:
- (a) the Sale Price shall be a price per Sale Share agreed between the Transferor and the other Members or, in default of agreement within 15 working days after the Directors resolving that a transfer event has occurred, the Market Value determined by the Valuers in accordance with Article 19.13;
  - (b) a Deemed Transfer Notice will be deemed not to contain a Total Transfer Condition and will be irrevocable;
  - (c) the Transferor may retain any Sale Shares for which Purchasers are not found;
  - (d) the Sale Shares must be sold together with all rights attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date.
- 19.9 Once a Deemed Transfer Notice is deemed to have been served then no permitted transfer under Article 16 may be made in respect of any Share which is the subject of the Deemed Transfer Notice unless and until an Offer Notice has been served in respect of such Share and the period of allocation permitted under Article 18 has expired without such allocation.
- 19.10 A Deemed Transfer Notice Request shall not lapse or expire once delivered to the Company unless the Member that has returned the Deemed Transfer Notice Request specifically requests the same in writing to the Company.
- 19.11 The Company's right to issue a Members' Potential Transfer Event Notice and a Member's right to return a Deemed Transfer Notice Request under this Article 18 shall not expire. Any delay in exercising, omission to exercise or non-exercise of the right to issue a Members' Potential Transfer Event Notice or a Deemed Transfer Notice Request under this Article 18 is not a waiver of that right and shall not adversely affect it.

- 19.12 On the occurrence of a Potential Transfer Event the Potential Transferor shall not transfer its Shares unless in accordance with the permitted transfer provisions in Articles 16, 20 and 21 or required pursuant to Articles 17 or 18 and provided that any reference to a Family Member, Family Trust, Permitted Group Member or other permitted transferee shall be a reference to a Family Member, Family Trust, Permitted Group Member or other permitted transferee of the Member in respect of whom the Potential Transfer Event has occurred and not any Agent of such Member.
- 19.13 If the Transferor and the other Members cannot agree on the Sale Price by the end of the 15th working day after the date of service of the Deemed Transfer Notice, the Directors must instruct the Valuers to determine the Market Value of each Sale Share as at the date of service of the Transfer Notice.
- 19.14 If instructed by the Directors to report on Market Value, the Valuers shall:
- (a) act as expert and not as arbitrator and their written determination shall be final and binding on the Members (except in the case of manifest error); and
  - (b) proceed on the basis that the Market Value of each Sale Share is the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares form part, divided by the number of issued Shares then comprised in that class, and applying no premium or discount to take into account to the size of the holding the subject of the Transfer Notice and/or any restrictions on the transferability of the Sale Shares; and
  - (c) be entitled in their absolute discretion to appoint legal or other professional advisers to advise on the interpretation and effect of any records or documents provided to it for the purposes of determining the Market Value of each Sale Share.
- 19.15 The Company must use its reasonable endeavours to procure that the Valuers deliver their report on the Market Value to the Directors and to the Transferor within 28 working days of being requested to do so.
- 19.16 One half of the Valuers' fees for reporting on Market Value must be paid by the Transferor and the other half must be paid by the purchasers *pro rata* to the number of Sale Shares purchased by them unless:
- (a) the Transferor revokes the Transfer Notice pursuant to Article 19.18; or
  - (b) none of the Sale Shares are purchased by the Members pursuant to this Article 19;
- when the Transferor must pay all the Valuers' fees.

19.17 The Sale Price is the lower of:

- (a) the Specified Price; and
- (b) the Market Value.

19.18 If the Market Value determined and reported by the Valuers is less than the Specified Price, the Transferor may revoke the Transfer Notice by giving written notice to the Directors within the period of seven working days after the date the Directors deliver the Valuers' report on Market Value to the Transferor.

## 20 TAG ALONG

20.1 In this Article, "**Controlling Interest**" means the ownership by a person and his connected persons of Shares carrying the right to exercise more than 75 per cent of the total number of voting rights and a person shall be deemed to be connected with another if that person is connected with that other within the meaning of Section 1122 of the Corporation Tax Act 2010 or Section 993 of the Income Tax Act 2007.

20.2 No person may transfer any Shares if that transfer would result in any person acquiring or increasing a Controlling Interest (the "**Proposed Transfer**") unless:

- (i) the Proposed Transfer is made following the issue of a Drag Along Notice; or
- (ii) the Proposed Transfer is made pursuant to Articles 16 to 18; or
- (iii) an offer (the "**Tag Along Offer**") has been made to all the other Holders of Shares to acquire all of their Shares on terms no less favourable than those applying to the Proposed Transfer.

20.3 The Tag Along Offer must:

- (i) be in writing and expressed to be open for acceptance for at least 21 days; and
- (ii) contain an undertaking in favour of the offerees that neither the offeror or its connected persons nor any person Acting in Concert with them during the previous six months acquired or agreed to acquire Shares on more favourable terms.

20.4 The Proposed Transfer which requires the Tag Along Offer to be made must not be registered unless the Tag Along Offer has been made and all the Members who submitted acceptances within the 21 day time period have received the consideration payable under such offer in respect of their Shares. The Tag Along Offer will be deemed to be rejected by any Member who has not accepted it within the 21 day period.

20.5 The consideration payable on acceptance of the Tag Along Offer must be settled in full on completion of the purchase which must take place no later than 30 days after the date of the Tag Along Offer or on the date (if any) specified in the Tag Along Offer.

## 21 **DRAG ALONG**

21.1 If the Holders of more than 75 per cent of the Shares (the "**Drag Along Sellers**") propose to transfer all of their Shares to any person who is a bona fide third party purchaser (the "**Third Party Transferee**"), the remaining Members (the "**Compulsory Sellers**") must, if required to do so by notice in writing by the Drag Along Sellers (the "**Drag Along Notice**") given at any time, transfer all their Shares to the Third Party Transferee on terms no less favourable than those applying to the transfer by any of the Drag Along Sellers.

21.2 If terms applying to the transfer by the Drag Along Sellers provide for the payment or reimbursement by the Third Party Transferee or some other person of the out of pocket costs and expenses of the Drag Along Sellers incurred in connection with the transfer, that term must be disregarded in establishing whether the terms applying to the transfer by the Compulsory Sellers are less favourable than those applying to the transfer by the Drag Along Sellers. In deciding whether terms are as favourable, due regard must be given to the different rights attaching to the different classes of Shares and the impact on value of such differences.

21.3 A Compulsory Seller is not required to transfer his Shares (the "**Drag Along Shares**") to the Third Party Transferee pursuant to a Drag Along Notice if:

- (a) the total value of the consideration offered by the Third Party Transferee for the Shares held by the Compulsory Seller is less than the total Subscription Price for those Shares; or
- (b) the form of consideration offered by the Transferee for the Shares held by the Compulsory Seller is not cash or securities listed on any recognised stock exchange.

21.4 Completion of the sale of the Drag Along Shares must take place on the same date as the date proposed for completion of the sale of the Shares of the Drag Along Sellers unless all of the Drag Along Sellers and the Compulsory Sellers agree otherwise or that date is less than seven days after the date of the Drag Along Notice when it shall be deferred until the seventh day after the date of the Drag Along Notice.

21.5 On service of the Drag Along Notice, each of the Compulsory Sellers will be deemed to have irrevocably appointed each of the Drag Along Sellers severally to be his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Drag Along Shares pursuant to this Article.

## 22 TRANSMISSION OF SHARES

22.1 If title to a Share passes to a Transmittor, the Company may only recognise the Transmittor as having any title to that Share.

22.2 A Transmittor who produces such evidence of entitlement to Shares as the Directors may properly require:

(a) may, subject to Article 19, within 28 clear days of written notice to that effect, choose either to become the Holder of those Shares or to have them transferred to another person (and if no choice is made by the Transmittor, he shall be deemed to have elected to become the Holder of those Shares); and

(b) subject to Article 19, pending any transfer of the Shares to another person, has the same rights as the Holder had save that the Transmittor does not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which he is entitled, by reason of the Holder's death or Bankruptcy or otherwise, unless he becomes the Holder of those Shares.

22.3 Article 23 shall apply to the notice referred to in Article 22.2(a) as if it were an instrument of transfer executed by the Member and the event resulting in title to the Share passing to the Transmittor had not occurred.

## 23 TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a Member in respect of Shares and a Transmittor is entitled to those Shares, the Transmittor is bound by the notice if it was given to the Member before the Transmittor's name has been entered in the Register.

## 24 FRACTIONAL ENTITLEMENTS

24.1 If on any consolidation and division or sub-division of Shares, Members are entitled to fractions of Shares, the Directors may:

(a) sell the Shares representing the fractions to any person (including the Company) for the best price reasonably obtainable; and

(b) distribute the net proceeds of sale in due proportion among the Holder of the Shares.

24.2 Where any Holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that Member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

24.3 The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant person.

24.4 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## 25 **PURCHASE OF OWN SHARES**

Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and any shares to be so purchased may be selected by the Board in any manner.

## 26 **NOTICE OF GENERAL MEETINGS**

26.1 The Directors may call a general meeting of the Company in accordance with section 302 of the Act and the Members may require the Directors to call a general meeting of the Company in accordance with sections 303, 304 and 305 of the Act. The court may order a general meeting of the Company in accordance with section 306 of the Act.

26.2 The notice of a general meeting of the Company must state:

- (a) the time and date of the meeting;
- (b) the place of the meeting; and
- (c) the general nature of the business to be transacted.

## 27 **ANNUAL GENERAL MEETINGS**

The Company is not required to hold an annual general meeting.

## 28 **ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

28.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

28.2 A person is able to exercise the right to vote at a general meeting when:

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and



- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

28.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

28.4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.

28.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

## 29 **ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

29.1 Directors may attend and speak at general meetings, whether or not they are Members.

29.2 The chairman of the meeting may at the relevant meeting permit other persons who are not:

- (a) Members of the Company; or
- (b) otherwise entitled to exercise the rights of Members in relation to general meetings;

to attend and speak at such meeting.

## 30 **QUORUM FOR GENERAL MEETINGS**

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. Two Members present in person or by proxy or by a duly authorised representative shall form a quorum.

## 31 **CHAIRING GENERAL MEETINGS**

31.1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

31.2 If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

- (a) the Directors present; or

(b) (if no Directors are present), the meeting,

must appoint a Director or Member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

31.3 The person chairing a meeting in accordance with this Article is referred to as the "**chairman of the meeting**".

## 32 **ADJOURNMENT**

32.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

32.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment; or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

32.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

32.4 When adjourning a general meeting, the chairman of the meeting must:

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

32.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
- (b) containing the same information which such notice is required to contain.

32.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

### 33 **VOTING: GENERAL**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

### 34 **VOTING: MENTAL DISORDER**

If a court has appointed a person to manage the affairs of a Member as a result of a mental disorder of such Member, the person appointed by that court may, provided he has not less than 48 hours before the time appointed for the relevant meeting, deposited at the registered office of the Company evidence to the satisfaction of the Directors that he has authority to exercise the right to vote, attend any general meeting of the Company and vote at such meeting whether on a show of hands or on a poll.

### 35 **ERRORS AND DISPUTES**

35.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

35.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

### 36 **POLL VOTES**

36.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

36.2 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the Directors;
- (c) two or more persons having the right to vote on the resolution; or

- (d) a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.

36.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chairman of the meeting consents to the withdrawal,

and such demand will not invalidate the result of a show of hands declared before the demand was made.

36.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs. The result of the poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

36.5 A demand for a poll does not prevent a general meeting from continuing except as regards the question on which the poll was demanded.

36.6 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken.

## 37 **CONTENT OF PROXY NOTICES**

37.1 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:

- (a) states the name and address of the Member appointing the proxy;
- (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.

37.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

37.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

37.4 Unless a Proxy Notice indicates otherwise, it must be treated as:

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## 38 DELIVERY OF PROXY NOTICES

38.1 Any notice of a general meeting must specify the address or addresses ("**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

38.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

38.3 Subject to Articles 38.4 and 38.5, a Proxy Notice must be delivered to a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting which it relates. A Proxy Notice which is not delivered in such manner shall be invalid unless the Directors in their absolute discretion, accept the Proxy Notice at any time before the meeting.

38.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll.

38.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered:

- (a) in accordance with Article 38.3; or
- (b) at the meeting at which the poll was demanded to the chairman of the meeting, the Secretary or any Director.

38.6 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.

- 38.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 38.8 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Appointor's behalf.

## 39 **AMENDMENTS TO RESOLUTIONS**

- 39.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 39.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 39.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution.

## 40 **CORPORATE REPRESENTATIVES**

Any corporation (which includes, without prejudice to the foregoing, any company, body corporate (not being a corporation sole), limited partnership or association of persons) which is a Member may, by resolution of its Directors or other governing body, authorise any person it thinks fit to act as its representative at any meeting of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member in person and shall for the purposes of these Articles be regarded as a Member present in person. Any Director or the Secretary may require the representative to produce a copy of such resolution certified by a proper officer of such corporation before permitting him to exercise his power.

## 41 **CLASS MEETINGS**

- 41.1 Unless otherwise provided by the terms of issue of any class of Shares of the Company, all the provisions of these Articles relating to general meetings of the Company or to the proceedings at general meetings shall apply, *mutatis mutandis*, to every separate meeting of the Holders of any class of Shares of the Company, except that in the case of a meeting held in connection with the variation or abrogation of the rights attached to the Shares of the class:
- (a) the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal amount of the issued Shares of the class (excluding any Share of that class held as treasury Shares) or, at any adjourned meeting of such Holders, one person holding Shares of the class present in person or by proxy;
  - (b) a poll may be demanded by any Holder of Shares of the class present in person or by proxy; and
  - (c) the Holders of Shares of the class shall, on a poll, have one vote in respect of every Share of the class held by them respectively.
- 41.2 For the purposes of these Articles, a general meeting at which no Holder of a Share other than a Share may, in his capacity as a Member, attend or vote shall also constitute a separate general meeting of the Holders of the Shares.

## 42 NUMBER OF DIRECTORS

The number of Directors shall not be less than two and there shall be no maximum number.

## 43 INVESTOR DIRECTOR

- 43.1 If and for so long as a Member, together with his connected persons, holds at least 20% of the Shares in issue it may appoint one person to be a non-executive Director (the "**Investor Director**"), to remove any person from that position and, if desired to appoint another in his place.
- 43.2 Any Investor Director appointed pursuant to Article 43.1 will be deemed to be removed from that position on the date when the Member ceases to hold 20% or more of the Shares in issue.
- 43.3 Every appointment and removal under Article 43.1 must be in writing and signed on behalf of the Member. The notice of appointment will take effect on and from the date on which the notice of appointment or removal is lodged at the registered office of the Company.
- 43.4 A Member shall only have the right to appoint one Investor Director pursuant to Article 43.1 at any one time. For the avoidance of doubt, for so long as a Member's shareholding is counted in reaching and maintaining the 20% threshold to appoint and remove an Investor Director (whether directly by that Member or by a connected person of that Member) in

accordance with Article 43.1, their shareholding shall not be available to count towards the 20% threshold to appoint another Investor Director.

43.5 For the purposes of this Article 43 a person shall be deemed to be connected with another if that person is connected with that other within the meaning of Section 1122 of the Corporation Tax Act 2010 or Section 993 of the Income Tax Act 2007.

#### 44 **CALLING A DIRECTORS' MEETING**

44.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Secretary (if any) to give such notice.

44.2 Notice of any Directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place;
- (c) the proposed business of the meeting; and
- (d) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

44.3 Unless otherwise agreed by all of the Directors, at least five days' notice of a Directors' meeting must be given to each Director, but the notice need not be in writing.

44.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than five days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

#### 45 **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

45.1 In addition to any power of removal conferred by the Act on the Members and the Directors to remove a Director from office, the office of a Director shall be vacated if:

- (a) he becomes bankrupt or makes any arrangement or composition with his creditors generally or he applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that act; or



- (b) a registered medical practitioner who is treating that person 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; or
- (c) by reason of that person's mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have; or
- (d) he is absent from meetings of the Board during a continuous period of six months without permission of the Board and his Alternate Director (if any) shall not during such period have attended in his stead, and the Board resolves that his office be vacated; or
- (e) he ceases to be a Director by virtue of any provision of the Act, is removed from office or becomes prohibited by law from being a Director; or
- (f) he resigns his office by notice to the Company; or
- (g) where he was appointed for a fixed term, that term expires; or
- (h) he is removed from office by notice in writing signed by all the other Directors.

45.2 A person ceases to be a Director as soon as:

- (a) (being an executive Director of the Company or any subsidiary) he ceases to hold office as an Employee without being appointed or continuing to be an employee of another Member of the Group; and
- (a) a majority of the Board so requires.

## 46 **PARTICIPATION IN DIRECTORS' MEETINGS**

46.1 Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with these Articles; and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

46.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

46.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

#### 47 **QUORUM FOR DIRECTORS' MEETINGS**

47.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

47.2 The quorum for Directors' meetings may be fixed from time to time by an ordinary resolution but it must never be less than two, and unless otherwise fixed it is two.

47.3 A person holding office as an Alternate Director shall only be counted in the quorum if his Appointor is not present.

47.4 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

(a) to appoint further Directors; or

(b) to call a general meeting so as to enable the Members to appoint further Directors.

#### 48 **CHAIRING OF DIRECTORS' MEETINGS**

48.1 The Directors may appoint a Director to chair their meetings.

48.2 The person so appointed for the time being is known as the chairman.

48.3 The Directors may terminate the chairman's appointment at any time.

48.4 If the chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

#### 49 **CASTING VOTE**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting or other Director chairing the meeting shall not be entitled to a casting vote.

#### 50 **ALTERNATE DIRECTORS**

50.1 Any Director (the "**Appointor**") may appoint as an alternate any other Director, or another person approved by resolution of the Directors to:

(a) exercise that Director's powers; and

(b) carry out that Director's responsibilities;

in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor (the "**Alternate**" or "**Alternate Director**").

50.2 Any appointment or removal of an Alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

50.3 The notice must:

(a) identify the proposed Alternate; and

(b) in the case of a notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the Alternate of the Director giving the notice.

50.4 An Alternate Director may act as Alternate Director to more than one Director and has the same rights, in relation to any decision of the director's as the Alternate's Appointor.

50.5 Alternate Directors:

(a) are deemed for all purposes to be Directors;

(b) are liable for their own acts and omissions;

(c) are subject to the same restrictions as their Appointors;

(d) are not deemed to be agents of or for their Appointors,

and in particular, (but without limitation) each Alternate Director is entitled to receive notice of all meetings of directors and all meetings of committees of Directors of which his Appointor is a member.

- 50.6 A person who is an Alternate Director but not a Director:
- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
  - (b) may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision and does not participate).

No Alternate may be counted as more than one Director for such purposes.

50.7 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

50.8 An Alternate Director's appointment as an alternate terminates:

- (a) when the Alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the Alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
- (c) on the death of the Alternate's Appointor; or
- (d) when the Alternate's Appointor's appointment as a Director terminates.

50.9 A Director who is also an Alternate Director has an additional vote on behalf of each Appointor who is:

- (a) not participating in a Directors' meeting; and
- (b) would have been entitled to vote if they were participating in it

but shall not count as more than one Director for the purposes of determining whether a quorum is present.

## 51 **POWERS OF DIRECTORS**

51.1 Subject to the provisions of the Act and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No alteration of these Articles and no such direction shall

invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board by these Articles and a duly convened meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.

- 51.2 The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board with power to sub-delegate.
- 51.3 The Board may from time to time, by power of attorney executed by the Company or otherwise, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney or other authority may contain such provisions for the protection and convenience of persons dealing with any such attorney or agent as the Board may think fit and may also authorise any such attorney or agent to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 51.4 The Board may exercise any of the powers conferred by the Act to make provision for the benefit of any persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.

## 52 **DELEGATION OF DIRECTORS' POWERS**

- 52.1 The Board may delegate any of its powers, authorities and discretions (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the agreement of the terms of service or termination of employment or appointment of or the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to any committee consisting of one or more Directors together with any other person or persons approved by the Board, with power to sub-delegate. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers. The Board may revoke or alter the delegation or impose or alter any conditions imposed on the delegation. Subject to any such conditions, the proceedings of a committee with two or more Members shall be governed by the provisions of these Articles regulating the proceedings of the Board so far as they are capable of applying.
- 52.2 Insofar as any power, authority or discretion is delegated to a committee, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be read and construed as if it were a reference to the exercise of such power, authority or discretion by such committee.
- 52.3 Every such committee shall have as a majority of its membership persons who are Directors and no resolution of any such committee shall be effective unless the majority of the persons present (in person or by their Alternate Directors) at the meeting at which it is passed are Directors.

## 53 EXECUTIVE DIRECTORS

53.1 Subject to the provisions of the Act, the Board may:

- (a) appoint one or more of its body to the office of managing Director or chief executive or to any other executive office (except that of auditor) of the Company; and
- (b) may enter into an agreement or arrangement with any Director for his employment by the Company or any subsidiary undertaking or for the provision by him of any services outside the scope of the ordinary duties of a Director.

Any such appointment, agreement or arrangement may be made upon such terms as the Board determines and the Board may remunerate any such Director for his services as it thinks fit.

53.2 Subject to the provisions of the Act, the Board may permit any person appointed to be a Director to continue in any other office or employment held by him with the Company or any subsidiary undertaking before he was so appointed.

53.3 Any appointment of a Director to the office of managing Director or chief executive shall terminate if he ceases to be a Director but without prejudice to any claim for damages for breach of contract of service between the Director and the Company and he shall not (unless any agreement between him and the Company shall otherwise provide) cease to hold his office as Director by reason only of his ceasing to be managing Director or chief executive.

53.4 The emoluments and benefits of any Executive Director for his services as such shall be determined by the Board and may be of any description, and (without limiting the generality of the foregoing) may include membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for Employees or their dependants or, apart from membership of any such scheme or fund, the payment of a pension or other benefits to him or his dependants on or after retirement or death. Any emoluments or benefits of any Executive Director may be in addition to or instead of any fee payable to him for his services as Director pursuant to these Articles.

53.5 The Board may delegate or entrust to and confer upon any Executive Director any of the powers, authorities and discretions exercisable by it (with power to sub-delegate) on such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw or vary all or any part of such powers.

## 54 ASSOCIATE DIRECTORS

The Board may at any time and from time to time appoint any person to be an associate Director having such title, including the word "Director", as the Board may decide and may at any time remove any person so appointed. A person so appointed shall not be a Director

of the Company and shall not be a member of the Board. Subject as aforesaid, the Board may define and limit the powers and duties of any associate Director and may determine his remuneration which may be in addition to any other remuneration receivable by him from the Company or any subsidiary undertaking.

## **55 REMUNERATION OF DIRECTORS**

55.1 The Company shall pay to the Directors (other than any Executive Directors appointed under these Articles) remuneration (excluding any bonus payments made or to be made under the terms of any performance bonus scheme operated by the Company from time to time) of such amount as the Directors shall from time to time determine. A Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration.

55.2 Any Director who, by request of the Board, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Company in general meeting may from time to time determine.

## **56 DIRECTORS' EXPENSES**

The Directors may be paid all travelling, hotel and other expenses as they may incur in connection with their attendance at meetings of the Board or of committees of the Board or general meetings or separate meetings of the Holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties.

## **57 DIRECTORS' GRATUITIES AND PENSIONS**

The Board may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary undertaking or a predecessor in business of the Company or of any subsidiary undertaking, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

## **58 DIRECTORS' INTEREST**

58.1 A Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement with the Company shall, at a meeting of the Board, declare the nature of his interest in accordance with the Act. For the purposes of this Article 58:

- (a) a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;

- (b) an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his; and
- (c) an interest of a person who is connected with a Director shall be treated as an interest of the Director.

58.2 Subject to the provisions of the Act, and provided that he has disclosed to the Board the nature and extent of any interest of his in accordance with this Article, a Director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transaction, arrangement or proposal with the Company or in which the Company is otherwise interested;
- (b) may be a Director or other officer of, or employed by, or a party to any transaction, arrangement or proposal with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction, arrangement or proposal or from any interest in any such body corporate and no such transaction, arrangement or proposal shall be liable to be avoided on the ground of any such interest or benefit.

58.3 Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

58.4 Where a Director has an interest in a transaction or arrangement with the Company, such Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning such arrangement or transaction where his interest is material (otherwise than by virtue of his interest in Shares, debentures or other securities of, or otherwise in or through, the Company) unless his interest arises only because the case falls within one or more of the following paragraphs:

- (a) the resolution relates to the giving to him or a person connected with him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him or such a person at the request of or for the benefit of, the Company or any subsidiary undertaking;
- (b) the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any subsidiary undertaking for which the Director or a person connected with him has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of him or a person connected with him subscribing or agreeing to subscribe for any Shares, debentures or other securities of the Company or any subsidiary undertaking or by virtue of him or a person connected



with him being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such Shares, debentures, or other securities by the Company or any subsidiary undertaking for subscription, purchase or exchange;

- (d) the resolution relates in any way to any other company in which he is interested, directly or indirectly whether as an officer or Member or otherwise howsoever, provided that he and any persons connected with him do not to his knowledge hold an interest in Shares (as that term is used in section 820 of the Act) representing one per cent or more of any class of the equity share capital of such company or of the voting rights available to Members of such company;
- (e) the resolution relates in any way to an arrangement in whole or in part for the benefit of the Employees of the Company or any subsidiary undertaking which does not award him as such any privilege or advantage not generally awarded to the Employees to whom such arrangement relates; or
- (f) the resolution relates in any way to the purchase or maintenance for the Directors of insurance against any liability which by virtue of any rule of law would otherwise attach to all or any of them in respect of any negligence, default, breach of duty or breach of trust in relation to the Company or any subsidiary undertaking.

58.5 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

58.6 Subject to Article 58.8, the Board may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, result in a Director infringing 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 interests of the Company.

58.7 Any authorisation of a matter under this Article 58 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised. A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

58.8 Any authorisation given pursuant to this Article 58:

- (a) will only be effective if:
  - (i) the Director in question provides the Board with written details of the matter in respect of which authorisation is being sought (including the nature and extent of his interest in such matter) or in such other manner as the Board may from time to time direct;
  - (ii) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question and any other interested Director (the "**Interested Directors**"); and

- (iii) the matter was agreed to without any Interested Director voting or would have been agreed to if the votes of any Interested Director had not been counted;
- (b) may be given subject to any limits or conditions (including as to duration) as the Board may expressly impose at the time of the giving of the authorisation or subsequently; and
- (c) may be varied or terminated by the Board at any time (but this will not affect anything done by the relevant Director prior to such variation or termination in accordance with the terms of such authority).

The provisions of this Article 58.8 do not apply to any conflict of interest arising in relation to a transaction or arrangement with the Company.

58.9 In relation to any matter authorised by the Board in accordance with the provisions of this Article 58, the Board may:

- (a) require the relevant Director to absent himself from any meeting of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise;
- (b) require the relevant Director to abstain from voting at any meeting of the Board on any resolution relating to any matter that gives rise to the conflict of interest or possible conflict of interest;
- (c) require the relevant Director to make arrangements so as not to be given any documents or information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company;
- (d) direct the relevant Director that he is not required to disclose any information which he has obtained in connection with the matter that gives rise to the conflict of interest or possible conflict of interest to the Board or to any Director or other officer or Employee; and/or
- (e) direct the relevant Director that he is not required to use or apply any such information in performing his duties as a Director of the Company; and/or
- (f) impose upon the relevant Director such other terms as it may determine.

58.10 Subject to his declaring the nature and extent of the interest in accordance with the Act (save in the case of an interest falling within paragraph (a) below which shall not require to be so declared), a Director may have an interest of the following kind:

- (a) where his interest cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) where the Director (or a person connected with him) is a Director or other officer of or employed by or otherwise interested (including by the holding of shares) in any Relevant Company;
- (c) where the Director (or person connected with him) is a party to, or otherwise interested in any contract, transaction or arrangement with a Relevant Company or in which the Company is otherwise interested; or
- (d) where the Director (or any person connected with him) acts (or any firm of which he is a partner, employee or member acts) in a professional capacity for a Relevant Company (other than as Auditor) whether or not he is remunerated for such actions.

58.11 For the purposes of this Article 58:

- (a) a "Relevant Company" shall mean;
  - (i) the Company;
  - (ii) any subsidiary or subsidiary undertaking of the Company;
  - (iii) any holding company of the Company or any subsidiary or subsidiary undertaking of any such holding company;
  - (iv) any body corporate promoted by the Company; or
  - (v) any body corporate in which the Company is otherwise interested.
- (b) a person is connected with a Director if he is connected to him in terms of section 252 of the Act.

58.11.2 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or any person connected with him) derives from any contract, transaction or arrangement or from any office, employment or position which has been approved by the Board pursuant to this Article 58.

58.11.3 A Director shall not be entitled to vote on or be counted in the quorum in relation to any resolution of the Board or a committee of the Board concerning his own appointment (including fixing or varying the terms of appointment or its termination). Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or employments with the Company or a body corporate in which the Company is interested the proposals may be

divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

- 58.11.4 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, the question may (unless the Director concerned is the chairman of the meeting in which case he shall withdraw from the meeting and the Board shall elect a vice chairman to consider the question in place of the chairman), before the conclusion of the meeting, be referred to the chairman of the meeting. The chairman's ruling (or the vice chairman's ruling in the case of the chairman) shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned has not been fairly disclosed.

## 59 **BORROWING POWERS**

The Board may exercise all the powers of the Company to borrow or raise money and to mortgage and charge its undertaking, property (present and future) assets and uncalled capital or any part thereof, and, subject to the Act, to create and issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or its holding company (if any) or any subsidiary undertaking or of any third party.

## 60 **DIVIDENDS**

- 60.1 Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the Members, but no dividend shall exceed the amount recommended by the Board.
- 60.2 Except as otherwise provided by the rights attached to the Shares all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid but (for the purposes of this Article only) no amount paid on a Share in advance of calls shall be treated as paid on the Share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid; but, if any Share is issued on terms providing that it shall rank for dividend as from a particular date, that Share shall rank for dividend accordingly.
- 60.3 Subject to the provisions of the Act, the Board may pay interim dividends if it appears to the Board that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes of shares, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The Board may also pay at intervals settled by it any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Board acts in good faith the Directors shall not incur any liability to the Holders of Shares conferring preferred rights for any loss that they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

- 60.4 The Board may deduct from any dividend or other moneys payable on or in respect of a share to any Member 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.
- 60.5 No dividend or other moneys payable in respect of a Share shall bear interest as against the Company unless otherwise provided by the rights attached to the Share. All unclaimed dividends may be retained by the Company or invested or made use of by the Company as the Board may think fit until they are claimed and so that the Company shall not be obliged to account for any interest or other income derived from them nor shall it be constituted a trustee in respect of them or be responsible for any loss thereby arising. Any interest or profits earned on unclaimed dividends invested or otherwise made use of shall belong to the Company. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company.
- 60.6 Any dividend or other moneys payable in respect of a share shall belong and be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such other moneys shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
- 60.7 The Board may pay the dividends or other moneys payable on shares in respect of which any person is entitled to be registered as Holder by transmission to such person upon production of such evidence as would be required if such person desired to be registered as a Member in respect of such shares.
- 60.8 Any dividend or other moneys payable in cash in respect of a Share may be paid by:
- (a) cheque, warrant or money order sent by post to the address in the Register of the person entitled to the moneys or, if two or more persons are the Holders of the Share or are jointly entitled to it by reason of the death or Bankruptcy of the Holder or otherwise by operation of law, to the address in the Register of that one of those persons who is first named in the Register in respect of the joint holding or to such person and to such address as the person or persons entitled to the moneys may in writing direct. Every such cheque, warrant or money order shall be made payable to the person or persons entitled to the moneys or to such other person as the person or persons so entitled may in writing direct and shall be sent at the risk of the person or persons so entitled. Any such cheque, warrant or money order may be crossed "account payee" although the Company shall not be obliged to do so;
  - (b) direct debit or bank transfer to such account as the person or persons entitled to the moneys may in writing direct; or
  - (c) such other method of payment as the person or persons entitled to the moneys may in writing agree to.
- 60.9 The Company shall not be responsible for any loss of any such cheque, warrant or money order and any payment made by direct debit, bank transfer or by means of a relevant

system shall be at the sole risk of the Holder or joint Holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or money order has or shall be alleged to have been lost, or stolen or destroyed, the Directors may, on request of the person entitled thereto, issue a replacement cheque, warrant or money order 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. Payment of such cheque, warrant or money order, the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank transfer, shall be a good discharge of the Company.

60.10 If in respect of dividends or other moneys payable in respect of any shares, cheques, warrants or money orders have been sent through the post in accordance with the provisions of Article 60.9 but have been returned undelivered or left uncashed during the periods for which they are valid or bank transfers have not been accepted either:

- (a) on two consecutive occasions; or
- (b) on any one occasion and reasonable enquiries have failed to establish another address or account of the person entitled to the moneys,

the Company need not thereafter despatch further cheques or warrants or money orders or give instructions for bank transfers in payment of dividends or other moneys payable on or in respect of the share in question until the Member or other person entitled thereto shall have communicated with the Company and supplied in writing to the registered office of the Company a new address or account to be used for the purpose.

60.11 Any resolution declaring a dividend may, on the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets and in particular of fully paid shares or debentures of any other company, and the Board shall give effect to such directions. Where any difficulty arises in regard to the distribution, the Board may settle the same as it thinks expedient, and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members on the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, on trust for the Members entitled to the dividend, as may seem expedient to the Board.

60.12 If several persons are entered in the Register as joint Holders of any share or are jointly entitled to a share, any one of them may give receipts for any dividend or other moneys payable in respect of the share and the Board may deduct from the dividends or other moneys payable in respect of any share held jointly by several persons all sums of money (if any) presently payable to the Company from any one or more of the registered Holders on account of calls or otherwise in relation to shares in the Company held in the joint names of all (but not some only) of such registered Holders.

## 61 ACCOUNTS

61.1 No Member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by the Act or authorised by the Board or by ordinary resolution of the Company.

61.2 Save as provided in this Article, a copy of the annual accounts of the Company together with a copy of the Auditors' report and the Directors' report shall, not later than:

- (a) the end of the period for filing accounts and reports; or
- (b) if earlier, the date on which it actually delivers its accounts and reports to the registrar of companies,

be sent to every Member and to every debenture Holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings.

61.3 Copies of the documents referred to in Article 61.2 need not be sent:

- (a) to a person who is not entitled to receive notices of general meetings;
- (b) to a person of whose address the Company is unaware; or
- (c) to more than one of the joint Holders of Shares or debentures in respect of those Shares or debentures,

provided that any Member or debenture Holder to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the Company's registered office.

61.4 The Company may, in accordance with section 426 of the Act and any regulations made under it, send a summary financial statement to any of the persons otherwise entitled to be sent copies of the documents referred to in Article 61.2 instead of or in addition to these documents and, where it does so, the statement shall be delivered or sent by post to such person not less than twenty-one days before the general meeting at which copies of those documents are to be laid.

61.5 Any document required or permitted to be sent by the Company to a person under Article 61.2 or 61.4 shall be sent in accordance with Article 62.

## 62 **NOTICES**

62.1 The Company may send, supply or give any document, information or notice to a Member:

- (a) by delivering it by hand to the address recorded for the Member on the Register (by either handing it to or leaving it for the Member at such address); or

- (b) by sending it by first class post or other delivery service in an envelope (with postage or delivery paid) to the address recorded for the Member on the Register; or
- (c) by fax to a fax number notified by the Member to the Company in writing; or
- (d) by electronic mail to an address notified by the Member to the Company in writing; or
- (e) by advertisement in at least two national newspapers.

62.2 A document, information or notice sent or supplied to a Member shall be deemed to be delivered:

- (a) if delivered by hand, on the day such document, information or notice is handed to or left for the Member;
- (b) if delivered by first class post, 24 hours after it was posted; or
- (c) by a delivery service or, if first class post was not used, 72 hours after it was posted or given to delivery agents provided that it can be proved that the envelope containing the document, information or notice was properly addressed, stamped and posted or given to delivery agents with postage or delivery paid;
- (d) by fax, at the time it was sent provided a confirmatory transmission sheet was received by the Company; or
- (e) by electronic mail, at the time it was sent provided that it was sent in accordance with the guidance issued by the Institute of Chartered Secretaries and Administrators; or
- (f) by advertisement, at midday on the date when the last advertisement appears in the newspapers.

62.3 A Member whose address in the Register is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company. In this Article, "**address**", in relation to electronic communications, includes any number or address used for the purposes of such communications.

62.4 A Member present, either in person or by proxy, at any meeting of the Company or of the Holders of any class of shares in the Company (and, where such person is one of the joint Holders of a share, all the joint Holders) shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.



- 62.5 A notice may be given by the Company to the persons entitled to a share in consequence of the death or Bankruptcy of a Member or otherwise by operation of law by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a Member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or Bankruptcy or other event giving rise to the transmission of the share by operation of law had not occurred. Every person who becomes entitled to a share shall be bound by any notice in respect of that Share which, before his name is entered in the Register, has been duly given to a person from whom he derives his title.
- 62.6 If the Company has suspended the despatch of cheques, warrants or money order to any Member or other person entitled thereto in accordance with the provisions of these Articles or, if on two consecutive occasions notices have been sent through the post to any Member or other person entitled thereto at his registered address or address for service but have been returned undelivered, such Member or other person entitled thereto shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the registered office of the Company a new registered address or address within the United Kingdom for the service of notices.
- 62.7 Without prejudice to the Article governing the accidental omission to give notice and to the presumption of service by post and the presumed date of service by post in the last preceding Article, if at any time, by reason of the suspension or curtailment of postal services within all or any part of the United Kingdom, the Board reasonably believes that a notice of a general meeting, if sent by post, is unlikely to be delivered within seven days of posting, the Company may at its sole discretion and either in addition to or in substitution for notice by post, convene a general meeting by a notice advertised in at least one national newspaper and such notice shall be deemed to have been duly served on all Members and other persons entitled thereto on the day when the advertisement has appeared in at least one such newspaper. If in any such case notices have not been posted the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the delivery by post of notices to addresses throughout the United Kingdom again becomes practicable.
- 62.8 Any document, information or notice which is required to be sent or given to the Company must be sent by hard copy or electronic form or by means of a website in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act.
- 62.9 For the avoidance of doubt, the Company shall not be obliged to serve notices on, or otherwise communicate with, any Member under any circumstances which will, or which the Directors reasonably believe may, result in the Company breaching the laws of any jurisdiction as a result thereof.

## 63 AUTHENTICATION AND DESTRUCTION OF DOCUMENTS

- 63.1 Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any document affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee of the Board, and any books, records, documents and accounts relating to the business of the Company and may certify copies thereof or extracts therefrom as true copies or extracts. Except in the case of manifest error a document which is certified as aforesaid shall be conclusive evidence in

favour of all persons dealing with the Company in good faith that the document is true and complete and in the case of a copy of a resolution or an extract from the minutes of the Board or any committee of the Board that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

- 63.2 It shall be presumed conclusively in favour of the Company that every entry on the Register purporting to have been made on the basis of an instrument of transfer or other document destroyed by the Company was duly and properly made and that every instrument of transfer or operator instruction so destroyed or deleted was a valid and effective instrument duly and properly registered, and that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every paid dividend warrant or cheque or money order so destroyed was duly paid, provided always that:
- (a) six years shall have elapsed since the date of registration of the relevant instrument of transfer of shares and two years shall have elapsed since the date of recording of the relevant dividend mandate or notification of change of name or address and one year shall have elapsed since the recorded date of payment of the relevant dividend cheque or cancellation of the relevant cancelled share certificate; and
  - (b) the Company is not shown to have destroyed a document in bad faith or with actual notice of any claim (regardless of the parties) to which the document might be relevant.
- 63.3 The Company shall be entitled to destroy any such document after the relevant period referred to above but nothing in these Articles shall be construed as imposing upon the Company any duty to retain any document for such period.
- 63.4 References in this Article 63 to the destruction of any document include references to its disposal in any manner.
- 64 **INDEMNITY AND INSURANCE**
- 64.1 Subject to Article 64.2 but without prejudice to any indemnity to which he is otherwise entitled, a Relevant Director may be indemnified out of the Company's assets against:
- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated Company; and/or
  - (b) any other liability incurred by that Director as an officer of the Company or an associated company.
- 64.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

64.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

64.4 In this Article:

- (a) a "**Relevant Director**" means any Director or former Director of the Company or an associated Company;
- (b) a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to the Company, any associated Company or any pension fund or employees' share scheme of the Company or associated Company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.