

Company No. 1885586

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

WS ATKINS PLC

Incorporated 13 February 1985

(as adopted by special resolution passed on 9 September 2010 [and amended pursuant to a special resolution passed on \[26 June\] 2017](#))

CONTENTS

PRELIMINARY	1
1. INTERPRETATION	1
2. EXCLUSION OF MODEL ARTICLES	4
3. LIMITED LIABILITY	4
SHARE CAPITAL	4
4. ALLOTMENT	4
5. POWER TO ATTACH RIGHTS	4
6. REDEEMABLE SHARES	5
7. VARIATION OF RIGHTS	5
8. COMMISSION	5
9. TRUSTS NOT RECOGNISED	5
10. SHARE WARRANTS TO BEARER	6
11. UNCERTIFICATED SHARES	6
SHARE CERTIFICATES	7
12. RIGHT TO CERTIFICATE	7
13. REPLACEMENT CERTIFICATES	7
LIENS	
14. COMPANY'S LIEN ON SHARES NOT FULLY PAID	8
15. ENFORCEMENT OF LIEN BY SALE	8
16. APPLICATION OF PROCEEDS OF SALE	8
CALLS ON SHARES	9
17. CALLS	9
18. POWER TO DIFFERENTIATE	9
19. INTEREST ON CALLS	9
20. PAYMENT IN ADVANCE	9
21. AMOUNTS DUE ON ALLOTMENT OR ISSUE TREATED AS CALLS	9
FORFEITURE	10

22.	NOTICE IF CALL NOT PAID	10
23.	FORFEITURE FOR NON-COMPLIANCE	10
24.	NOTICE AFTER FORFEITURE	10
25.	DISPOSAL OF FORFEITED SHARES	10
26.	ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE	11
27.	SURRENDER	11
	UNTRACED SHAREHOLDERS	11
28.	POWER OF SALE	11
29.	APPLICATION OF PROCEEDS OF SALE	12
	TRANSFER OF SHARES	12
30.	METHOD OF TRANSFER	12
31.	RIGHT TO REFUSE REGISTRATION	13
32.	FEES ON REGISTRATION	14
	TRANSMISSION OF SHARES	14
33.	ON DEATH	14
34.	ELECTION OF PERSON ENTITLED BY TRANSMISSION	14
35.	RIGHTS ON TRANSMISSION	15
	ALTERATION OF SHARE CAPITAL	15
36.	SUB-DIVISION	15
37.	FRACTIONS	15
	GENERAL MEETINGS	16
38.	ANNUAL GENERAL MEETINGS	16
39.	CONVENING OF GENERAL MEETINGS BY THE BOARD	16
40.	CONVENING OF GENERAL MEETINGS BY REQUIREMENT OF THE MEMBERS	16
41.	PERSONS ENTITLED TO NOTICE	16
42.	OMISSION TO SEND NOTICE	17
43.	POSTPONEMENT OF GENERAL MEETINGS	17
	PROCEEDINGS AT GENERAL MEETINGS	17

44.	QUORUM	17
45.	PROCEDURE IF QUORUM NOT PRESENT	17
46.	CHAIRMAN	18
47.	RIGHT TO ATTEND AND SPEAK	18
48.	POWER TO ADJOURN	18
49.	NOTICE OF ADJOURNED MEETING	19
50.	BUSINESS AT ADJOURNED MEETING	19
51.	ACCOMMODATION OF MEMBERS AT MEETING	19
52.	GENERAL MEETINGS AT MORE THAN ONE PLACE	19
53.	OTHER ARRANGEMENTS FOR VIEWING/HEARING PROCEEDINGS	20
54.	SECURITY	20
	VOTING	21
55.	METHOD OF VOTING	21
56.	PROCEDURE ON A POLL	21
57.	VOTES OF MEMBERS	22
58.	RESTRICTION ON VOTING RIGHTS FOR UNPAID CALLS ETC.	22
59.	VOTING BY PROXY	23
60.	APPOINTMENT OF PROXY	24
61.	WHEN ACTIONS BY PROXY OR REPRESENTATIVE OF A CORPORATION ARE VALID ALTHOUGH AUTHORITY REVOKED	25
62.	CORPORATE REPRESENTATIVES	25
63.	OBJECTIONS TO AND ERROR IN VOTING	25
64.	AMENDMENTS TO SPECIAL RESOLUTIONS	25
65.	AMENDMENTS TO ORDINARY RESOLUTIONS	26
66.	CLASS MEETINGS	26
67.	FAILURE TO DISCLOSE INTERESTS IN SHARES	26
	APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS	28
68.	NUMBER OF DIRECTORS	28

69.	POWER OF THE COMPANY TO APPOINT DIRECTORS	28
70.	POWER OF THE BOARD TO APPOINT DIRECTORS	29
71.	APPOINTMENT OF EXECUTIVE DIRECTORS	29
72.	ELIGIBILITY OF NEW DIRECTORS	29
73.	VOTING ON RESOLUTION FOR APPOINTMENT	29
74.	RETIREMENT BY ROTATION	30
75.	DIRECTORS SUBJECT TO RETIREMENT	30
76.	POSITION OF RETIRING DIRECTOR	30
77.	DEEMED REAPPOINTMENT	30
78.	REMOVAL BY ORDINARY RESOLUTION	31
79.	VACATION OF OFFICE BY DIRECTOR	31
	ALTERNATE DIRECTORS	32
80.	APPOINTMENT	32
81.	REVOCAION OF APPOINTMENT	32
82.	PARTICIPATION IN BOARD MEETINGS	32
83.	RESPONSIBILITY	32
	REMUNERATION, EXPENSES AND PENSIONS	33
84.	DIRECTORS' FEES	33
85.	ADDITIONAL REMUNERATION	33
86.	EXPENSES	33
87.	REMUNERATION AND EXPENSES OF ALTERNATE DIRECTORS	33
88.	DIRECTORS' PENSIONS AND OTHER BENEFITS	34
89.	REMUNERATION OF EXECUTIVE DIRECTORS	34
	POWERS AND DUTIES OF THE BOARD	34
90.	POWERS OF THE BOARD	34
91.	POWERS OF DIRECTORS BEING LESS THAN MINIMUM REQUIRED NUMBER	35
92.	POWERS OF EXECUTIVE DIRECTORS	35
93.	DELEGATION TO COMMITTEES	35

94.	AGENTS	36
95.	ASSOCIATE DIRECTORS	36
96.	EXERCISE OF VOTING POWERS	36
97.	PROVISION FOR EMPLOYEES	36
98.	REGISTERS	36
99.	BORROWING POWERS	36
100.	REGISTER OF CHARGES	42
101.	DIRECTORS' INTERESTS	43
	PROCEEDINGS OF DIRECTORS AND COMMITTEES	47
102.	BOARD MEETINGS	47
103.	NOTICE OF BOARD MEETINGS	47
104.	QUORUM	48
105.	CHAIRMAN OF BOARD	48
106.	VOTING	48
107.	PARTICIPATION BY TELEPHONE	48
108.	RESOLUTION IN WRITING	49
109.	PROCEEDINGS OF COMMITTEES	49
110.	MINUTES OF PROCEEDINGS	49
111.	VALIDITY OF PROCEEDINGS OF BOARD OR COMMITTEE	49
	SECRETARY AND AUTHENTICATION OF DOCUMENTS	50
112.	SECRETARY	50
113.	AUTHENTICATION OF DOCUMENTS	50
	SEALS	50
114.	SAFE CUSTODY	50
115.	APPLICATION OF SEALS	50
	DIVIDENDS AND OTHER PAYMENTS	51
116.	DECLARATION OF DIVIDENDS	51
117.	INTERIM DIVIDENDS	51

118.	ENTITLEMENT TO DIVIDENDS	51
119.	METHOD OF PAYMENT	51
120.	DIVIDENDS NOT TO BEAR INTEREST	52
121.	CALLS OR DEBTS MAY BE DEDUCTED FROM DIVIDENDS ETC.	53
122.	UNCLAIMED DIVIDENDS ETC.	53
123.	UNCASHED DIVIDENDS	53
124.	PAYMENT OF DIVIDENDS IN SPECIE	53
125.	PAYMENT OF SCRIP DIVIDENDS	54
126.	CAPITALISATION OF PROFITS	56
127.	RECORD DATES	57
	ACCOUNTS	57
128.	KEEPING AND INSPECTION OF ACCOUNTS	57
129.	ACCOUNTS TO BE SENT TO MEMBERS ETC.	57
	NOTICES AND COMMUNICATIONS	58
130.	FORM OF NOTICES AND COMMUNICATIONS BY THE COMPANY	58
131.	NOTICE BY ADVERTISEMENT	58
132.	DEEMED DELIVERY OF NOTICES, DOCUMENTS AND INFORMATION	59
133.	TERMS AND CONDITIONS FOR NOTICES, DOCUMENTS AND PROXY APPOINTMENTS SENT BY ELECTRONIC MEANS	59
134.	NOTICE BINDING ON TRANSFEREES ETC.	60
135.	NOTICE IN CASE OF JOINT HOLDERS AND ENTITLEMENT BY TRANSMISSION	60
	MISCELLANEOUS	60
136.	DESTRUCTION OF DOCUMENTS	60
137.	WINDING UP	61
138.	INDEMNITY OF OFFICERS, FUNDING DIRECTORS' DEFENCE COSTS AND POWER TO PURCHASE INSURANCE	61
	<u>SCHEME OF ARRANGEMENT</u>	<u>63</u>
139.	<u>SCHEME OF ARRANGEMENT</u>	<u>63</u>

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

WS ATKINS PLC

PRELIMINARY

1. **Interpretation**

(A) In these articles, unless the context otherwise requires:

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

"**articles**" means these articles of association as altered from time to time;

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

"**board**" means the board of directors from time to time of the Company or the directors present at a duly convened meeting of the directors at which a quorum is present;

"**business day**" means a day (not being a Saturday or Sunday) on which clearing banks are open for business in London;

"**certificated**" means, in relation to a share, a share which is not in uncertificated form;

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

"**company**" includes any body corporate (not being a corporation sole) or association of persons, whether or not a company within the meaning of the 2006 Act;

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

"**entitled by transmission**" means, in relation to a share, entitled as a consequence of the death or bankruptcy of a member, or as a result of another event giving rise to a transmission of entitlement by operation of law;

"**executed**" includes, in relation to a document, execution under hand or under seal or by any other method permitted by law;

"**holder**" means, in relation to a share, the member whose name is entered in the register as the holder of that share;

"**in writing**" means in hard copy form or, to the extent permitted by the 2006 Act, in any other form;

"**London Stock Exchange**" means London Stock Exchange plc;

"**member**" means a member of the Company;

"**office**" means the registered office of the Company;

"**paid**", "**paid up**" and "**paid-up**" mean paid or credited as paid;

"**qualifying person**" means an individual who is a member of the Company, a person authorised under section 323 of the 2006 Act to act as the representative of a corporation in relation to a meeting or a person appointed as proxy of a member in relation to the meeting;

"**register**" means the register of members of the Company kept pursuant to section 113 of the 2006 Act or the issuer register of members and Operator register of members maintained pursuant to Regulation 20 of the Uncertificated Securities Regulations 2001 and, where the context requires, any register maintained by the Company or the Operator of persons holding any renounceable right of allotment of a share;

"**seal**" means the common seal of the Company or any official or securities seal that the Company may have or may be permitted to have under the 2006 Act;

"**secretary**" means the secretary of the Company and includes any joint, assistant or deputy secretary and a person appointed by the board to perform the duties of the secretary;

"**UKLA**" means the UK Listing Authority, a division of the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 or any successor enactment;

"**uncertificated proxy instruction**" means an instruction or notification sent by means of a relevant system and received by such participant in that system acting on behalf of the Company as the board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the board (subject always to the facilities and requirements of the relevant system concerned);

"**Uncertificated Securities Regulations**" means the Uncertificated Securities Regulations 2001, as amended from time to time, including any provisions of or under the 2006 Act which alter or replace such regulations; and

"**uncertificated**" means, in relation to a share, a share title to which is recorded in the register as being held in uncertificated form title to which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of a relevant system.

The expressions "**issuer register of members**", "**Operator**", "**Operator-instruction**", "**Operator register of members**", "**participating issuer**", "**participating security**" and "**relevant system**" have the same meaning as in the Uncertificated Securities Regulations.

- (B) Unless the context otherwise requires words and expressions to which a particular meaning is given by the 2006 Act, shall have the same meaning in the articles; except where the word or expression is otherwise defined in the articles.
- (C) All references in the articles to the giving of instructions by means of a relevant system shall be deemed to relate to a properly authenticated dematerialised instruction given in accordance with the Uncertificated Securities Regulations. The giving of such instructions shall be subject to:
 - (i) the facilities and requirements of the relevant system;
 - (ii) the Uncertificated Securities Regulations; and
 - (iii) the extent to which such instructions are permitted by or practicable under the rules and practices from time to time of the Operator of the relevant system.
- (D) Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- (E) References to a "**meeting**" shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.
- (F) References to "**writing**" include references to any method of representing or reproducing words in a legible and non-transitory form whether sent or supplied in electronic form or otherwise and **written** shall be construed accordingly.
- (G) A member is "present" at a meeting if the member (being an individual) attends in person or if the member (being a corporation) attends by its duly authorised representative, who attends in person, or if the member attends by his or its duly appointed proxy, who attends in person.
- (H) The headings in the articles do not affect the interpretation of the articles.
- (I) References to a "**debenture**" include debenture stock.
- (J) In these articles and subject always to the 2006 Act:
 - (i) powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them;
 - (ii) "**board**" in the context of the exercise of any power contained in these articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated;

- (iii) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and
 - (iv) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these articles or under another delegation of the power.
- (K) References to any statutory provision or statute include all modifications thereto and all re-enactments thereof (with or without modification) and all subordinate legislation made thereunder in each case for the time being in force. This article does not affect the interpretation of article 1(B).

2. **Exclusion of model articles**

No articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the articles of the Company.

3. **Limited Liability**

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

SHARE CAPITAL

4. **Allotment**

- (A) Subject to the 2006 Act and relevant authority given by the Company in general meeting, the board has general and unconditional authority to allot, grant options over, or otherwise dispose of shares of the Company, or rights to subscribe for or convert any security into shares, to such persons, at such times and on such terms as the board may decide except that no share may be issued at a discount.
- (B) The board may at any time after the allotment of a share but before a person has been entered in the register as the holder of the share recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on such terms and conditions as the board thinks fit.

5. **Power to attach rights**

Subject to the rights attached to existing shares, new shares may be issued with, or have attached to them, such rights or restrictions as either the Company may by ordinary resolution decide, or, if no such resolution is passed or so far as any pertinent resolution does not make specific provision, as the board may decide. Such rights and restrictions shall apply to the relevant shares as if the same were set out in these articles.

6. **Redeemable shares**

Subject to the rights attached to existing shares, shares may be issued on terms that they are to be redeemed or, at the option of the Company or the holder, are liable to be redeemed. The board may determine the terms, conditions and manner of redemption of any redeemable share so issued. Such terms and conditions shall apply to the relevant shares as if the same were set out in these articles.

7. **Variation of rights**

(A) Subject to the 2006 Act, if at any time the capital of the Company is divided into different classes of shares, the rights attached to a class of shares may be varied or abrogated (whether or not the Company is being wound up) either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class (excluding any share of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with article 67 and other relevant provisions of the articles.

(B) The rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, deemed to be varied by:

- (i) the creation, allotment or issue of further shares ranking *pari passu* with or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the 2006 Acts and the articles; or
- (ii) the Company permitting, in accordance with the Uncertificated Securities Regulations, the holding of and transfer of title to shares of that or any other class in uncertificated form by means of a relevant system.

(C) The rights attached to a class of shares shall be deemed to be varied by:

- (i) the reduction of the capital paid up on that share or class of shares otherwise than by a purchase or redemption by the Company of its own shares; and
- (ii) the allotment of another share ranking in priority for payment of a dividend or in respect of a capital which confers on its holder voting rights more favourable than those conferred by that share or plans of shares.

8. **Commission**

The Company may exercise all the powers conferred or permitted by the 2006 Act of paying commission or brokerage. Subject to the 2006 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. **Trusts not recognised**

Except as ordered by a court of competent jurisdiction or as required by law, the Company shall not recognise a person as holding a share on trust and shall not be bound

by or otherwise compelled to recognise (even if it has notice of it) any interest in any share other than an absolute right in the holder to the whole of the share.

10. Share warrants to bearer

- (A) The board may issue share warrants to bearer in respect of any fully paid shares under a seal of the Company or in any other manner authorised by the board. Any share while represented by such a warrant shall be transferable by delivery of the warrant relating to it. In any case in which a warrant is so issued, the board may provide for the payment of dividends or other moneys on the shares represented by the warrant by coupons or otherwise. The board may decide, either generally or in any particular case or cases, that any signature on a warrant may be applied by electronic or mechanical means or printed on it or that the warrant need not be signed by any person.
- (B) The board may determine, and from time to time vary, the conditions on which share warrants to bearer shall be issued and, in particular, the conditions on which:
 - (i) a new warrant or coupon shall be issued in place of one worn out, defaced, lost or destroyed (but no new warrant shall be issued unless the Company is satisfied beyond reasonable doubt that the original has been destroyed); or
 - (ii) the bearer shall be entitled to attend and vote at general meetings; or
 - (iii) a warrant may be surrendered and the name of the bearer entered in the register in respect of the shares specified in the warrant.
- (C) The bearer of such a warrant shall be subject to the conditions for the time being in force in relation to the warrant, whether made before or after the issue of the warrant. Subject to those conditions and to the provisions of the 2006 Act, the bearer shall be deemed to be a member of the Company and shall have the same rights and privileges as he would have if his name had been included in the register as the holder of the shares comprised in the warrant.
- (D) The Company shall not be bound by or be compelled in any way to recognise any right in respect of the share represented by a share warrant other than the bearer's absolute right to the warrant.

11. Uncertificated shares

- (A) Subject to the 2006 Act and to the Uncertificated Securities Regulations, the board has the power to resolve that a class of shares shall become a participating security and/or that a class of shares shall cease to be a participating security.
- (B) Uncertificated shares of a class are not to be regarded as forming a separate class from certificated shares of that class.
- (C) A member may, in accordance with the Uncertificated Securities Regulations, change a share of a class which is a participating security from a certificated share to an uncertificated share and from an uncertificated share to a certificated share.

- (D) The Company may give notice to a member requiring the member to change uncertificated shares to certificated shares by the time stated in the notice. The notice may also state that the member may not change certificated shares to uncertificated shares. If the member does not comply with the notice, the board may authorise a person to change the uncertificated shares to certificated shares in the name and on behalf of the member.
- (E) While a class of shares is a participating security, the articles only apply to an uncertificated share of that class to the extent that they are consistent with:
 - (i) the holding of shares of that class in uncertificated form;
 - (ii) the transfer of title to shares of that class by means of a relevant system; and
 - (iii) the Uncertificated Securities Regulations.

SHARE CERTIFICATES

12. **Right to certificate**

- (A) A person (except a person to whom the Company is not required by law to issue a certificate) whose name is entered in the register as a holder of a certificated share is entitled, without charge, to receive within two months of allotment or lodgement with the Company of a transfer to him of those shares or within two months after the relevant Operator instruction is received by the Company (or within any other period as the terms of issue of the shares provide) one certificate for all the certificated shares of a class registered in his name or, in the case of certificated shares of more than one class being registered in his name, to a separate certificate for each class of shares.
- (B) Where a member transfers part of his shares comprised in a certificate he is entitled, without charge, to one certificate for the balance of certificated shares retained by him.
- (C) The Company is not bound to issue more than one certificate for certificated shares held jointly by two or more persons and delivery of a certificate to one joint holder is sufficient delivery to all joint holders.
- (D) A certificate shall specify the number and class and the distinguishing numbers (if any) of the shares in respect of which it is issued and the amount paid up on the shares and shall otherwise comply with the requirements of the UKLA. It shall be issued under a seal, which may be affixed to or printed on it, or in such other manner as the board may approve, having regard to the terms of allotment or issue of the shares.

13. **Replacement certificates**

- (A) Where a member holds two or more certificates for shares of one class, the board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate for certificated shares of that class.
- (B) At the request of a member, the board may cancel a certificate and issue two or more in its place (representing certificated shares in such proportions as the member may

specify), on surrender of the original certificate and on payment of such reasonable sum as the board may decide.

- (C) Where a certificate is worn out or defaced the board may require the certificate to be delivered to it before issuing a replacement and cancelling the original. If a certificate is lost or destroyed, the board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity and to payment of any exceptional out-of-pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity as the board may decide.

LIEN

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

- (A) The Company has a first and paramount lien on all partly paid shares for an amount payable in respect of the share, whether the due date for payment has arrived or not. The lien applies to all dividends from time to time declared or other amounts payable in respect of the share.
- (B) The board may either generally or in a particular case declare a share to be wholly or partly exempt from the provisions of this article. Unless otherwise agreed with the transferee, the registration of a transfer of a share operates as a waiver of the Company's lien (if any) on that share.

15. **Enforcement of lien by sale**

- (A) For the purpose of enforcing the lien referred to in article 14, the board may sell shares subject to the lien in such manner as it may decide provided that:
 - (i) the due date for payment of the relevant amounts has arrived; and
 - (ii) the board has served a written notice on the member concerned (or on any person entitled by transmission to the shares) stating the amounts due, demanding payment thereof and giving notice that if payment has not been made within 14 clear days after the service of the notice that the Company intends to sell the shares.
- (B) To give effect to a sale, the board may authorise a person to transfer the shares in the name and on behalf of the holder (or any person entitled by transmission to the shares), or to cause the transfer of such shares, to the purchaser or his nominee. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity in or invalidity of the proceedings connected with the sale.

16. **Application of proceeds of sale**

The net proceeds of a sale effected under article 15, after payment of the Company's costs of the sale, shall be applied in or towards satisfaction of the amount in respect of which the lien exists. Any residue shall (on surrender to the Company for cancellation of any certificate for the shares sold, or the provision of an indemnity as to any lost or destroyed certificate required by the board and subject to a like lien for amounts not

presently payable as existed on the shares before the sale) be paid to the member (or person entitled by transmission to the shares) immediately before the sale.

CALLS ON SHARES

17. **Calls**

Subject to the terms of allotment, the board may make calls on members in respect of amounts unpaid on the shares held by them respectively (whether in respect of the nominal value or a premium) and not by the terms of issue thereof made payable on a fixed date. Each member shall (on receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company at the time and place specified, the amount called as required by the notice. A call may be made payable by instalments and may, at any time before receipt by the Company of an amount due, be revoked or postponed in whole or in part as the board may decide. A call is deemed made at the time when the resolution of the board authorising it is passed. A person on whom a call is made remains liable to pay the amount called despite the subsequent transfer of the share in respect of which the call is made. The joint holders of a share are jointly and severally liable for payment of a call in respect of that share.

18. **Power to differentiate**

Subject to the terms of allotment, the board may make arrangements on the allotment or, subject to the terms of the allotment, on the issue of shares for a difference between the allottees or holders in the amounts and times of payment of a call on their shares.

19. **Interest on calls**

If the whole of the amount called is not paid on or before the date fixed for payment, the person from whom it is payable shall pay interest on the unpaid amount. This interest will run from the day the unpaid amount is due until the day it has been paid. The interest rate may be fixed by the terms of allotment or issue of the share or, if no rate is fixed, at such rate (not exceeding 20 per cent. per annum) as the board may decide. The board may waive payment of the interest in whole or in part.

20. **Payment in advance**

The board may, if it thinks fit, receive from a member all or part of the amounts uncalled and unpaid on shares held by him. A payment in advance of calls extinguishes to the extent of the payment the liability of the member on the shares in respect of which it is made. The Company may pay interest on the amount paid in advance, or on so much of it as from time to time exceeds the amount called on the shares in respect of which the payment in advance has been made, at such rate (not exceeding 15 per cent. per annum or, if higher, the appropriate rate) as the board may decide.

21. **Amounts due on allotment or issue treated as calls**

An amount (whether in respect of nominal value or a premium) which by the terms of issue of a share becomes payable on allotment or issue or on a fixed date shall be deemed to be a call. In case of non-payment, the provisions of these articles as to

payment of interest, forfeiture or otherwise apply as if that amount had become payable by virtue of a call.

FORFEITURE

22. **Notice if call not paid**

If a member fails to pay the whole of a call or an instalment of a call by the date fixed for payment, the board may serve notice on the member or on a person entitled by transmission to the share in respect of which the call was made demanding payment of the unpaid amount, on a date not less than 14 clear days from the date of the notice, together with any interest that may have accrued on it and all costs, charges and expenses incurred by the Company by reason of the non-payment. The notice shall state:

- (i) the place where payment is to be made; and
- (ii) that if the notice is not complied with the share in respect of which the call was made will be liable to be forfeited.

23. **Forfeiture for non-compliance**

If the notice referred to in article 22 is not complied with, a share in respect of which it is given may, at any time before the payment required by the notice (including interest, costs, charges and expenses) has been made, be forfeited by a resolution of the board. All dividends declared or other amounts due in respect of the forfeited share and not paid before the forfeiture shall also be forfeited.

24. **Notice after forfeiture**

When a share has been forfeited, the Company shall serve notice of the forfeiture on the person who was before forfeiture the holder of the share or the person entitled by transmission to the share but no forfeiture is invalidated by an omission to give such notice. An entry of the fact and date of forfeiture shall be made in the register.

25. **Disposal of forfeited shares**

- (A) A forfeited share and all rights attaching to it shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture the holder thereof or to another person, on such terms and in such manner as the board may decide. The board may, if necessary, authorise a person to transfer a forfeited share to a new holder. The Company may receive the consideration (if any) for the share on its disposal and may register or cause the registration of the transferee as the holder of the share.
- (B) The board may before a forfeited share has been sold, re-allotted or otherwise disposed of annul the forfeiture on such conditions as it thinks fit.
- (C) A statutory declaration that the declarant is a director or the secretary and that a share has been forfeited or sold to satisfy a lien of the Company on the date stated in the declaration is conclusive evidence of the facts stated in the declaration against all

persons claiming to be entitled to the share. The declaration (subject if necessary to the transfer of the share) constitutes good title to the share and the person to whom the share is sold, re-allotted or disposed of is not bound to see to the application of the consideration (if any). His title to the share is not affected by an irregularity in or invalidity of the proceedings connected with the forfeiture or disposal.

- (D) The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Company, except only those rights and liabilities expressly saved by these articles, or as given or imposed in the case of past members by the 2006 Act.

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

A person whose share has been forfeited ceases on forfeiture to be a member in respect thereof and if that share is in certificated form, shall surrender to the Company for cancellation any certificate for the forfeited share. A person remains liable to pay all calls, interest, costs, charges and expenses owing in respect of such share at the time of forfeiture, with interest, from the time of forfeiture until payment, at such rate as may be fixed by the terms of allotment or issue of such share or, if no rate is fixed, at such rate (not exceeding 15 per cent. per annum or, if higher, the appropriate rate) as the board may decide. The board may if it thinks fit enforce payment without allowance for the value of such share at the time of forfeiture or for any consideration received on its disposal.

27. **Surrender**

The board may accept the surrender of a share liable to be forfeited and in that case references in the articles to forfeiture include surrender.

UNTRACED SHAREHOLDERS

28. **Power of sale**

- (A) Subject to the Uncertificated Securities Regulations, the Company may sell the share of a member or of a person entitled by transmission at the best price reasonably obtainable at the time of sale, if:
- (i) during a period of not less than 12 years before the date of publication of the advertisements referred to in paragraph (A)(iii) of this article (or, if published on two different dates, the first date) (the "**relevant period**") at least three cash dividends have become payable in respect of the share;
 - (ii) throughout the relevant period no cheque, warrant or money order payable on the share has been presented by the holder of, or the person entitled by transmission to, the share to the paying bank of the relevant cheque, warrant or money order, no payment made by the Company by any other means permitted by article 119(A) has been claimed or accepted and, so far as any director of the Company at the end of the relevant period is then aware, the Company has not

at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the share;

- (iii) on expiry of the relevant period the Company has given notice of its intention to sell the share by advertisement in a national newspaper and in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the share shown in the register;
 - (iv) the Company has not, so far as the board is aware, during a further period of three months after the date of the advertisements referred to in paragraph (A)(iii) of this article (or the later advertisement if the advertisements are published on different dates) and before the exercise of the power of sale received a communication from the holder of, or person entitled by transmission to, the share; and
 - (v) if the shares are listed or admitted to trading on the London Stock Exchange, notice has been given to the London Stock Exchange of the Company's intention to make such sale before the publication of the advertisements.
- (B) Where a power of sale is exercisable over a share pursuant to paragraph (A) of this article (a "**Sale Share**"), the Company may at the same time also sell any additional share issued in right of such Sale Share or in right of such an additional share previously so issued provided that the requirements of paragraphs (A)(ii) to (iv) of this article (as if the words "throughout the relevant period" were omitted from paragraph (A)(ii) of this article and the words "on expiry of the relevant period" were omitted from paragraph (A)(iii) of this article) shall have been satisfied in relation to the additional share.
- (C) To give effect to a sale pursuant to paragraphs (A) or (B) of this article, the board may authorise a person to transfer the share in the name and on behalf of the holder of, or the person entitled by transmission to, the share, or to cause the transfer of such share, to the purchaser or his nominee and in relation to an uncertificated share may require the Operator to convert the share into certificated form in accordance with the Uncertificated Securities Regulations. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity or invalidity in the proceedings connected with the sale of the share.

29. **Application of proceeds of sale**

The Company shall be indebted to the member or other person entitled by transmission to the share for the net proceeds of sale and shall carry any amount received on sale to a separate account. The Company is deemed to be a debtor and not a trustee in respect of that amount for the member or other person. Any amount carried to the separate account may either be employed in the business of the Company or invested as the board may think fit. No interest is payable on that amount and the Company is not required to account for money earned on it.

TRANSFER OF SHARES

30. **Method of transfer**

- (A) A member may transfer all or any of his certificated shares by instrument of transfer in writing in any usual form or in any other form approved by the board, and the instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee.
- (B) A member may transfer all or any of his uncertificated shares in accordance with the Uncertificated Securities Regulations.
- (C) Subject to the provisions of the Uncertificated Securities Regulations, the transferor of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register in respect of it.

31. **Right to refuse registration**

- (A) Subject to this article and article 67, shares of the Company are free from any restriction on transfer. In exceptional circumstances approved by the UKLA, the board may refuse to register a transfer of certificated shares provided that such refusal would not disturb the market in those shares. Subject to the requirements of the listing rules of the UKLA, the board may, in its absolute discretion, refuse to register the transfer of a certificated share which is not fully paid or the transfer of a certificated share on which the Company has a lien.
- (B) The board may also, in its absolute discretion, refuse to register the transfer of a certificated share or a renunciation of a renounceable letter of allotment unless all of the following conditions are satisfied:
 - (i) it is in respect of only one class of shares;
 - (ii) it is in favour of (as the case may be) a single transferee or renounee or not more than four joint transferees or renounees;
 - (iii) it is duly stamped (if required); and
 - (iv) it is delivered for registration to the office or such other place as the board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a person to whom the Company is not required by sections 769, 776, 777 or 778 of the 2006 Act to issue a certificate, or in the case of a renunciation) and such other evidence as the board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.
- (C) If the board refuses to register the transfer of a certificated share it shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee together with its reasons for the refusal. An instrument of transfer which the board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it.

Subject to article 136, the Company may retain all instruments of transfer which are registered.

- (D) In accordance with and subject to the provisions of the Uncertificated Securities Regulations, the Operator of the relevant system shall register a transfer of title to any uncertificated share or any renounceable right of allotment of a share which is a participating security held in uncertificated form unless the Uncertificated Securities Regulations permit the Operator of the relevant system to refuse to register such a transfer in certain circumstances in which case the said Operator may refuse such registration.
- (E) In accordance with and subject to the provisions of the Uncertificated Securities Regulations, where title to an uncertificated share is transferred by means of a relevant system to a person who is to hold such share in certificated form thereafter, the Company as participating issuer shall register the transfer in accordance with the relevant Operator-instruction, but so that the Company may refuse to register such a transfer in any circumstance permitted by the Uncertificated Securities Regulations.

32. **Fees on registration**

The Company (at its option) may or may not charge a fee for registering the transfer of a share or the renunciation of a renounceable letter of allotment or other document or instructions relating to or affecting the title to a share or the right to transfer it or for making any other entry in the register.

TRANSMISSION OF SHARES

33. **On death**

- (A) The Company shall recognise only the personal representative or representatives of a deceased member as having title to a share held by that member alone or to which he alone was entitled. In the case of a share held jointly by more than one person, the Company may recognise only the survivor or survivors as being entitled to it.
- (B) Nothing in the articles releases the estate of a deceased member from liability in respect of a share which has been solely or jointly held by him.

34. **Election of person entitled by transmission**

- (A) A person becoming entitled by transmission to a share may, on production of such evidence as, subject to the 2006 Act, the board may require as to his entitlement, elect either to be registered as a member or to have a person nominated by him registered as a member.
- (B) If he elects to be registered himself, he shall give notice to the Company to that effect. If he elects to have another person registered, he shall:
 - (i) if it is a certificated share, execute an instrument of transfer of the share to that person; or
 - (ii) if it is an uncertificated share:

- (a) procure that instructions are given by means of a relevant system to effect transfer of the share to that person; or
 - (b) change the share to a certificated share and execute an instrument of transfer of the share to that person.
- (C) All the provisions of the articles relating to the transfer of certificated shares apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event giving rise to a transmission of entitlement had not occurred.
- (D) The board may give notice requiring a person to make the election referred to in paragraph (A) above. If that notice is not complied with within 60 days, the board may withhold payment of all dividends and other amounts payable in respect of the share until notice of election has been made.

35. **Rights on transmission**

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share cease. The person entitled by transmission may, however, give a good discharge for dividends and other amounts payable in respect of the share and, subject to articles 34 and 118, has the rights to which he would be entitled if he were the holder of the share. The person entitled by transmission is not, however, before he is registered as the holder of the share entitled in respect of it to receive notice of or exercise rights conferred by membership in relation to meetings of the Company or a separate meeting of the holders of a class of shares.

ALTERATION OF SHARE CAPITAL

36. **Sub-division**

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

37. **Fractions**

- (A) If, as the result of consolidation and division or sub-division of shares, members would become entitled to fractions of a share, the board may on behalf of the members deal with the fractions as it thinks fit. Subject to the 2006 Act and to the Uncertificated Securities Regulations, the board may, in effecting divisions and/or consolidations, treat a member's shares held in certificated form and uncertificated form as separate holdings. In particular, the board may:
 - (i) sell any shares representing fractions to a person (including, subject to the 2006 Act, to the Company) and distribute the net proceeds of sale in due proportion amongst the persons entitled or, if the board decides, some or all of the sum raised on a sale may be retained for the benefit of the Company; or

- (ii) subject to the 2006 Act, allot or issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub-division, leaves a whole number of shares (such allotment or issue being deemed to have been effected immediately before consolidation or sub-division, as the case may be).
- (B) To give effect to a sale pursuant to sub-paragraph (A)(i) above the board may arrange for the shares representing the fractions to be entered in the register as certificated shares. The board may also authorise a person to transfer the shares to, or to the direction of, the purchaser. The purchaser is not bound to see to the application of the purchase money and the title of the transferee to the shares is not affected by an irregularity or invalidity in the proceedings connected with the sale.
- (C) If shares are allotted or issued pursuant to sub-paragraph (A)(ii) above, the amount required to pay up those shares may be capitalised as the board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to article 125. In relation to the capitalisation the board may exercise all the powers conferred on it by article 125 without an ordinary resolution of the Company.

GENERAL MEETINGS

38. **Annual general meetings**

Subject to the 2006 Act, the Company shall hold an annual general meeting in each period of 6 months beginning with the day following its accounting reference date. Such meetings shall be convened by the board at such time and place as it thinks fit.

39. **Convening of general meetings by the board**

The board may convene a general meeting whenever it thinks fit.

40. **Convening of general meetings by requirement of the members**

The board, on the requirement of members pursuant to the 2006 Act, shall call a general meeting: (i) within 21 days from the date on which the board becomes subject to the requirement; and (ii) to be held on a date not more than 28 days after the date of the notice convening the meeting. At a meeting convened on a requisition or by requisitionists no business may be transacted except that stated by the requisition or proposed by the board. A general meeting may also be convened in accordance with article 90.

41. **Persons entitled to notice**

- (A) The notice of meeting shall be given to the members (other than any who, under the provisions of the articles or the terms of allotment or issue of shares, are not entitled to receive notice), to the directors and to the auditors.
- (B) The board may determine that persons entitled to receive notices of meeting are those persons entered on the register at the close of business on a day determined by the board, provided that, if the Company is a participating issuer, the day determined by the board may not be more than 21 days before the day that the relevant notice of meeting is being sent.

42. **Omission to send notice**

The accidental omission to give notice of a general meeting or to send, supply or make available any document or information relating to the meeting, or the non-receipt of any such notice, document or information by a person entitled to receive any such notice, document or information, whether or not the Company is aware of such omission or non-receipt, shall not invalidate the proceedings at that meeting.

43. **Postponement of general meetings**

If the board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting at the time, date or place specified in the notice calling the general meeting, it may move and/or postpone the general meeting to another time, date and/or place. When a meeting is so moved and/or postponed, notice of the time, date and place of the moved and/or postponed meeting shall (if practical) be placed in at least two national newspapers in the United Kingdom. Notice of the business to be transacted at such moved and/or postponed meeting is not required. The board must take reasonable steps to the extent practicable to ensure that members trying to attend the general meeting at the original time, date and/or place are informed of the new arrangements for the general meeting. Proxy forms can be delivered as specified in article 60. Any postponed and/or moved meeting may also be postponed and/or moved under this article.

PROCEEDINGS AT GENERAL MEETINGS

44. **Quorum**

- (A) No business may be transacted at a general meeting unless a quorum is present. The absence of a quorum does not prevent the appointment of a chairman in accordance with the articles, which shall not be treated as part of the business of the meeting.
- (B) Subject to the 2006 Act, the quorum for a general meeting is two qualifying persons present and entitled to vote.

45. **Procedure if quorum not present**

- (A) If a quorum is not present within five minutes (or such longer time not exceeding 30 minutes as the chairman decides to wait) after the time fixed for the start of the meeting or if there is no longer a quorum present at any time during the meeting, the meeting, if

convened by or on the requisition of members, is dissolved. In any other case it stands adjourned to such other day (not being less than 10 clear days from the day on which the meeting was adjourned) and at such other time and/or place as the chairman (or, in default, the board) decides.

- (B) At an adjourned meeting the quorum is one qualifying person present and entitled to vote. If a quorum is not present within fifteen minutes from the time fixed for the start of the meeting, the adjourned meeting shall be dissolved.

46. **Chairman**

- (A) The chairman (if any) of the board or, in his absence, the deputy chairman (if any) shall preside as chairman at a general meeting. If there is no chairman or deputy chairman, or if at a meeting neither is present and willing and able to act within five minutes after the time fixed for the start of the meeting or neither is willing and able to act, the directors present shall select one of their number to be chairman. If only one director is present and willing and able to act, he shall be chairman. If no director is willing to act as chairman, or if no director is present within five minutes after the time fixed for the start of the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- (B) Without prejudice to any other power which he may have under the provisions of the articles or at common law, the chairman may take such action as he thinks fit to promote the orderly conduct of the business of the meeting as specified in the notice of meeting and the chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such a nature.

47. **Right to attend and speak**

- (A) Each director shall be entitled to attend and speak at a general meeting and at a separate meeting of the holders of a class of shares or debentures whether or not he is a member.
- (B) The chairman may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.

48. **Power to adjourn**

- (A) The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn a meeting from time to time and from place to place or for an indefinite period.
- (B) Without prejudice to any other power which he may have under the provisions of the articles or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:
 - (i) secure the proper and orderly conduct of the meeting;
 - (ii) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or

(iii) ensure that the business of the meeting is properly disposed of.

49. **Notice of adjourned meeting**

(A) Whenever a meeting is adjourned for 30 days or more or for an indefinite period pursuant to article 48 or if business is to be transacted at an adjourned meeting the general nature of which was not stated in the notice of the original meeting, notice of the adjourned meeting shall be given as in the case of an original meeting. Except in these circumstances it is not necessary to give notice of a meeting adjourned pursuant to article 48 or of the business to be transacted at the adjourned meeting.

(B) The board may determine that persons entitled to receive notice of an adjourned meeting in accordance with this article are those persons entered on the register at the close of business on a day determined by the board, provided that, if the Company is a participating issuer, the day determined by the board may not be more than 21 days before the day that the relevant notice of meeting is being sent.

50. **Business at adjourned meeting**

No business may be transacted at an adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

51. **Accommodation of members at meeting**

If it appears to the chairman that the meeting place specified in the notice convening the meeting is or has become inadequate to accommodate all members entitled and wishing to attend, the meeting shall be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able to:

- (i) participate in the business for which the meeting has been convened;
- (ii) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere; and
- (iii) be heard and seen by all other persons present in the same way.

52. **General meetings at more than one place**

The board may resolve to enable members to attend a general meeting by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The members present at satellite meeting places shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members attending at all the meeting places are able to:

- (a) participate in the business for which the meeting has been convened;

- (b) hear and see all persons who speak (whether by the use of microphones, loudspeakers, audio visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and
- (c) be heard and seen by all other persons so present in the same way.

The chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place.

53. **Other arrangements for viewing/hearing proceedings**

- (A) Without prejudice to articles 51 or 52, the board may make arrangements for persons entitled to attend a general meeting or an adjourned general meeting to be able to view and hear the proceedings of the general meeting or adjourned general meeting and to speak at the meeting (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) by attending at a venue anywhere in the world not being a satellite meeting place. Those attending at any such venue shall not be regarded as present at the general meeting or adjourned general meeting and shall not be entitled to vote at the meeting at or from that venue. The inability for any reason of any member present at such a venue to view or hear all or any of the proceedings of the meeting or to speak at the meeting shall not in any way affect the validity of the proceedings of the meeting.
- (B) The board may from time to time make any arrangements for controlling the level of attendance at any venue for which arrangements have been made pursuant to paragraph (A) above (including without limitation the issue of tickets or the imposition of some other means of selection) which it in its absolute discretion considers appropriate, and may from time to time change those arrangements. If a member is, pursuant to those arrangements, not entitled to attend at a particular venue, he shall be entitled to attend at any other venue for which arrangements have been made pursuant to paragraph (A) above. The entitlement of any member to be present at such venue shall be subject to any such arrangement then in force and stated by the notice of meeting or adjourned meeting to apply to the meeting.

54. **Security**

The board and, at any general meeting, the chairman may make any arrangement and impose any restriction it or he considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The board and, at any general meeting, the chairman may authorise one or more persons, who shall include a director or the secretary or the chairman of the meeting to:

- (i) refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions; and
- (ii) eject from a meeting any person who causes the proceedings to become disorderly.

VOTING

55. **Method of voting**

- (A) At a general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll is properly demanded by:
- (i) the chairman of the meeting;
 - (ii) not less than five members entitled to vote on the resolution;
 - (iii) a member or members representing in aggregate not less than ten per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or
 - (iv) a member or members holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than ten per cent. of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares).

For the purposes of (ii) above, a demand by a proxy counts as a demand by the member. For the purposes of (iii) above, a demand by a proxy counts as a demand by a member representing the voting rights that the proxy is authorised to exercise. For the purposes of (iv) above, a demand by a proxy counts as a demand by a member holding the shares to which those rights are attached.

- (B) On a vote on a resolution at a meeting on a show of hands a declaration by the chairman that the resolution has or has not been passed, or has or has not been passed by a particular majority, is conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. An entry in respect of such a declaration in minutes of the meeting recorded in accordance with section 355 of the 2006 Act is also conclusive evidence of that fact without such proof.

56. **Procedure on a poll**

- (A) If a poll is properly demanded, it shall be taken in such manner as the chairman directs. He may appoint scrutineers, who need not be members, and may fix a time, date and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (B) A poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on another question shall be taken at such time, date and place as the chairman decides, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the demand).
- (C) No notice need be given of a poll not taken immediately if the time, date and place at which it is to be taken are announced at the meeting at which it is demanded. In any

other case at least seven clear days' notice shall be given specifying the time, date and place at which the poll shall be taken.

- (D) The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- (E) The demand for a poll (other than on the election of the chairman or on a question of adjournment) does not prevent the meeting continuing for the transaction of business other than the question on which a poll has been demanded.
- (F) On a poll taken at a general meeting of the Company, a member present and entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

57. Votes of members

- (A) Subject to special rights or restrictions as to voting attached to any class of shares by or in accordance with the articles, members and proxies shall be entitled to vote whether on a show of hands or on a poll as provided in the Act. For this purpose, where a proxy is given discretion as to how to vote on a show of hands, this shall be treated as an instruction by the relevant member to vote in the way in which the proxy elects to exercise that discretion;
- (B) In the case of joint holders of a share, only the vote of the senior holder who votes, (and any proxy duly authorised by him) may be counted by the Company. For the purposes of this article, the senior holder of a share is determined by the order in which the names of the joint holders appear in the register.
- (C) A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or other authorised and appointed person may, on a poll, vote by proxy if evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is received at the office (or at another place specified in accordance with the articles for the delivery or receipt of forms of appointment of a proxy) or in any other manner specified in the articles for the appointment of a proxy within the time limits prescribed by the articles for the appointment of a proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

58. Restriction on voting rights for unpaid calls etc.

Unless the board otherwise decides, no member is entitled in respect of a share held by him to be present or to vote, either in person or by proxy, at a general meeting or at a separate meeting of the holders of any class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll, if a call or other

amount due and payable in respect of the share is unpaid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non-payment.

59. Voting by proxy

- (A) Subject to paragraph (B) below, an instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the board) executed under the hand of the appointor or his duly constituted attorney or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign.
- (B) Subject to the 2006 Act, the board may accept the appointment of a proxy received by electronic means on such terms and subject to such conditions as it considers fit. The appointment of a proxy received by electronic means shall not be subject to the requirements of paragraph (A) above. Subject to the provisions of the 2006 Act, the board may require the production of any evidence it considers necessary to determine the validity of such an appointment.
- (C) A member may appoint another person as his proxy to exercise all or any of his rights to attend and to speak and to vote (both on a show of hands and on a poll) on a resolution or amendment of a resolution, or on other business arising, at a meeting or meetings of the Company. Unless the contrary is stated in it, the appointment of a proxy shall be deemed to confer authority to exercise all such rights, as the proxy thinks fit.
- (D) A proxy need not be a member.
- (E) A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to different shares held by the member. When two or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.
- (F) Delivery or receipt of an appointment of proxy does not prevent a member attending and voting in person at the meeting or an adjournment of the meeting or on a poll.
- (G) The appointment of a proxy shall (unless the contrary is stated in it) be valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. The appointment of a proxy shall be valid for 12 months from the date of execution or, in the case of an appointment of proxy delivered by electronic means, for 12 months from the date of delivery unless otherwise specified by the board.
- (H) Subject to the 2006 Act and the requirements of the listing rules of the UKLA, the Company may send a form of appointment of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent, the form shall provide for three-way voting on all resolutions (other than procedural resolutions) set out in the notice of meeting.

60. **Appointment of proxy**

(A) The form of appointment of a proxy, and (if required by the board) reasonable evidence of the identity of the member and of the proxy, the members instructions (if any) on how the proxy should vote and where the proxy is appointed by a person acting on behalf of the member, authority of that person to make the appointment, shall be:

(i) subject to sub-paragraphs (iii) and (iv) below, in the case of an instrument of proxy in hard copy form, delivered to the office, or another place in the United Kingdom specified in the notice convening the meeting or in the form of appointment of proxy or other accompanying document sent by the Company in relation to the meeting not less than 48 hours (excluding any part of a day that is not a working day) before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote;

(ii) subject to sub-paragraphs (iii) and (iv) below, in the case of an appointment of a proxy sent by electronic means, where the Company has given an electronic address:

(a) in the notice calling the meeting; or

(b) in an instrument of proxy sent out by the Company in relation to the meeting; or

(c) in an invitation to appoint a proxy issued by the Company in relation to the meeting,

received at such address not less than 48 hours (excluding any part of a day that is not a working day) before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote;

(iii) in the case of a meeting adjourned for less than 28 days but more than 48 hours or in the case of a poll taken more than 48 hours after it is demanded, delivered or received as required by sub-paragraphs (i) or (ii) not less than 24 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting or the taking of the poll; or

(iv) in the case of a meeting adjourned for not more than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours after it was demanded, delivered at the adjourned meeting or at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

An appointment of proxy not delivered or received in accordance with this article is invalid.

(B) Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the board may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction and may in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated

proxy instruction to be so made. The board may in addition prescribe the method of determining the time at which any such uncertificated proxy instruction (and/or other instruction or notification) is to be treated as received by the Company or a participant acting on its behalf. The board may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

61. **When actions by proxy or representative of a corporation are valid although authority revoked**

The termination of the authority of a person to act as proxy or as the duly authorised representative of a member which is a corporation does not affect whether he counts in deciding whether there is a quorum at a meeting, the validity of anything he does as chairman of a meeting, the validity of a poll demanded by him at a meeting, or the validity of a vote given by that person unless notice in writing of the termination was received by the Company at the office or, in the case of a proxy, any other place specified for delivery or receipt of the form of appointment of proxy or, where the appointment of proxy was sent by electronic means, at the address at which the form of appointment was received, not later than the last time at which an appointment of proxy should have been delivered or received in order to be valid for use at the relevant meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for use on the holding of the poll at which the vote is cast.

62. **Corporate representatives**

In accordance with the 2006 Act, a corporation which is a member may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company (a "**representative**"). A director, the secretary or other person authorised for the purpose by the secretary may require a representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

63. **Objections to and error in voting**

No objection may be made to the qualification of a voter or to the counting of, or failure to count, a vote, except at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. An objection properly made shall be referred to the chairman and only invalidates the decision of the meeting on any resolution if, in the opinion of the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman on such matters is conclusive and binding on all concerned.

64. **Amendments to special resolutions**

No amendment to a resolution duly proposed as a special resolution (other than an amendment to correct a patent error) may be considered or voted on.

65. **Amendments to ordinary resolutions**

No amendment to a resolution duly proposed as an ordinary resolution (other than an amendment to correct a patent error) may be considered or voted on unless either:

- (i) at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and intention to move it has been lodged at the office; or
- (ii) the chairman in his absolute discretion decides that the amendment may be considered or voted on.

If an amendment proposed to a resolution under consideration is ruled out of order by the chairman the proceedings on the substantive resolution are not invalidated by an error in his ruling.

66. **Class meetings**

A separate meeting for the holders of a class of shares shall be convened and conducted as nearly as possible in the same way as a general meeting, except that:

- (i) no member is entitled to notice of it or to attend unless he is a holder of shares of that class;
- (ii) no vote may be cast except in respect of a share of that class;
- (iii) the quorum at a meeting (other than an adjourned meeting) is two qualifying persons present and entitled to vote and holding, representing or authorised to exercise voting rights in respect of, at least one-third in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares);
- (iv) the quorum at an adjourned meeting is one qualifying person present and entitled to vote and holding, representing or authorised to exercise voting rights in respect of, shares of that class; and
- (v) any holder of shares of that class present and entitled to vote may demand a poll.

67. **Failure to disclose interests in shares**

- (A) Having regard to the requirements of the listing rules of the UKLA, where notice is served by the Company under section 793 of the 2006 Act (a "**section 793 notice**") on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the "**default shares**", which expression includes any shares allotted or issued after the date of the section 793 notice in respect of those shares) to give the Company the information required within the prescribed period from the date of service of the section 793 notice, the following sanctions apply, unless the board otherwise decides:

- (i) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll; and
 - (ii) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class (excluding any share of their class held as treasury shares):
 - (a) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to article 125, to receive shares instead of a dividend; and
 - (b) no transfer of any certificated default shares shall be registered unless the transfer is an excepted transfer or:
 - (i) the member is not himself in default in supplying the information required; and
 - (ii) the member proves to the satisfaction of the board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.
- (B) For the purpose of enforcing the sanction in paragraph (A)(ii)(b), the board may give notice to the member requiring the member to change default shares held in uncertificated form to certificated form by the time stated in the notice. The notice may also state that the member may not change any default shares held in certificated form to uncertificated form. If the member does not comply with the notice, the board may require the Operator to convert default shares held in uncertificated form into certificated form in the name and on behalf of the member in accordance with the Uncertificated Securities Regulations. The board may at any time give notice cancelling a notice given pursuant to this paragraph (B).
- (C) The sanctions under paragraph (A) cease to apply seven days after the earlier of:
- (i) receipt by the Company of notice of an excepted transfer, but only in relation to the shares thereby transferred; and
 - (ii) receipt by the Company, in a form satisfactory to the board, of all the information required by the section 793 notice.
- (D) Where, on the basis of information obtained from a member in respect of a share held by him, the Company issues a section 793 notice to another person, it shall at the same time send a copy of the section 793 notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of paragraphs (A) or (B).
- (E) For the purposes of this article 67:
- (i) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the

person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;

- (ii) **"interested"** shall be construed as it is for the purpose of section 793 of the 2006 Act;
 - (iii) reference to a person having failed to give the Company the information required by a section 793 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it, and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
 - (iv) the **"prescribed period"** means 14 days;
 - (v) an **"excepted transfer"** means, in relation to shares held by a member:
 - (a) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the 2006 Act); or
 - (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000) or another stock exchange outside the United Kingdom on which shares in the capital of the Company are normally traded; or
 - (c) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.
- (F) The provisions of this article are in addition and without prejudice to the provisions of the 2006 Act.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

68. **Number of directors**

Unless and until otherwise decided by the Company by ordinary resolution the number of directors must not be less than two but shall not be subject to any maximum in number.

69. **Power of the Company to appoint directors**

Subject to the articles, the Company may by ordinary resolution appoint a person who is willing to act to be a director, either to fill a vacancy or as an addition to the board, but the total number of directors may not exceed any maximum number fixed in accordance with the articles.

70. **Power of the board to appoint directors**

Without prejudice to the power of the Company to appoint a person to be a director pursuant to the articles, the board may appoint a person who is willing to act as a director, either to fill a vacancy or as an addition to the board, but the total number of directors may not exceed any maximum number fixed in accordance with the articles. A director appointed in this way may hold office only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during that meeting. He is not required, and is not taken into account in determining the number of directors who are, to retire by rotation at the meeting.

71. **Appointment of executive directors**

- (A) Subject to the 2006 Act, the board may appoint one or more of its body to hold an executive office with the Company for such term and on such other terms and conditions as (subject to the 2006 Act) the board thinks fit. The board may revoke or terminate an appointment, without prejudice to a claim for damages for breach of the contract of service between the director and the Company or otherwise.
- (B) Subject to the 2006 Act, the board may enter into an agreement or arrangement with any director for the provision of any services outside the scope of the ordinary duties of a director. Any such agreement or arrangement may be made on such terms and conditions as (subject to the 2006 Act) the board thinks fit and (without prejudice to any other provision of the articles) it may remunerate any such director for such services as it thinks fit.

72. **Eligibility of new directors**

- (A) No person other than a director retiring (by rotation or otherwise) may be appointed or reappointed a director at a general meeting unless:
 - (i) he is recommended by the board; or
 - (ii) not less than seven nor more than 42 days before the date fixed for the meeting, notice has been given to the Company by a member (other than the person to be proposed) qualified to vote at the meeting of the intention to propose that person for appointment or reappointment. The notice shall (a) state the particulars which would, if the proposed director were appointed or reappointed, be required to be included in the Company's register of directors, (b) be accompanied by notice given by the proposed director of his willingness to be appointed or reappointed, and (c) be lodged at the office.
- (B) A director need not be a member.

73. **Voting on resolution for appointment**

A resolution for the appointment of two or more persons as directors by a single resolution is void unless an ordinary resolution that the resolution for appointment is proposed in this way has first been agreed to by the meeting without a vote being given against it.

74. **Retirement by rotation**

- (A) Subject to paragraph (B) below, at each annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not less than one-third, shall retire from office provided that if there are fewer than three directors who are subject to retirement by rotation, one shall retire from office.
- (B) If any one or more directors:
- (i) were last appointed or reappointed three years or more prior to the meeting;
 - (ii) were last appointed or reappointed at the third immediately preceding annual general meeting; or
 - (iii) at the time of the meeting will have served more than eight years as a non-executive director of the Company (excluding as the chairman of the board),

he or they shall retire from office and shall be counted in obtaining the number required to retire at the meeting, provided that the number of directors required to retire under paragraph (A) above shall be increased to the extent necessary to comply with this paragraph.

75. **Directors subject to retirement**

Subject to the 2006 Act and the articles, the directors to retire by rotation at an annual general meeting include, so far as necessary to obtain the number required, first, a director who wishes to retire and not offer himself for reappointment, and, second, those directors who have been longest in office since their last appointment or reappointment. As between two or more who have been in office an equal length of time, the director to retire shall, in default of agreement between them, be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined on the basis of the composition of the board at the start of business on the date of the notice convening the annual general meeting, disregarding a change in the number or identity of the directors after that time but before the close of the meeting.

76. **Position of retiring director**

A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be reappointed. If he is not reappointed or deemed reappointed, he may retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

77. **Deemed reappointment**

At a general meeting at which a director retires by rotation the Company may fill the vacancy and, if it does not do so, the retiring director shall be, if willing, deemed reappointed unless it is expressly resolved not to fill the vacancy or a resolution for the reappointment of the director is put to the meeting and lost.

78. **Removal by ordinary resolution**

In addition to any power of removal conferred by the 2006 Act, the Company may by ordinary resolution remove a director before the expiry of his period of office (without prejudice to a claim for damages for breach of contract or otherwise) and may (subject to the articles) by ordinary resolution appoint another person who is willing to act to be a director in his place. A person appointed in this way is treated, for the purposes of determining the time at which he or another director is to retire, as if he had become a director on the date on which the person in whose place he is appointed was last appointed or reappointed a director.

79. **Vacation of office by director**

(A) Without prejudice to the provisions for retirement (by rotation or otherwise) contained in the articles, the office of a director is vacated if:

- (i) he resigns by notice delivered to the secretary at the office or tendered at a board meeting;
- (ii) where he has been appointed for a fixed term, the term expires;
- (iii) he ceases to be a director by virtue of a provision of the 2006 Act, is removed from office pursuant to the articles or becomes prohibited by law from being a director;
- (iv) he becomes bankrupt or compounds 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;
- (v) he is or has been suffering from mental or physical ill health or becomes a patient for the purpose of any statute relating to mental health or any court claiming jurisdiction on the ground of mental disorder (however stated) makes an order for his detention or for the appointment of a guardian, receiver or other person (howsoever designated) to exercise powers with respect to his property or affairs, and in any such case the board resolves that his office be vacated;
- (vi) both he and his alternate director appointed pursuant to the provisions of the articles (if any) are absent, without the permission of the board, from board meetings for six consecutive months and the board resolves that his office be vacated; or
- (vii) he is removed from office by notice addressed to him at his last-known address and signed by all his co-directors (without prejudice to a claim for damages for breach of contract or otherwise).

(B) A resolution of the board declaring a director to have vacated office under the terms of this article is conclusive as to the fact and grounds of vacation stated in the resolution.

(C) If the office of a director is vacated for any reason, he shall cease to be a member of any committee of the board.

ALTERNATE DIRECTORS

80. **Appointment**

- (A) A director (other than an alternate director) may by notice delivered to the secretary at the office or tabled at a meeting of the board, or in any other manner approved by the board, appoint as his alternate director:
- (i) another director, or
 - (ii) another person approved by the board and willing to act.

No appointment of an alternate director who is not already a director shall be effective until his consent to act as a director in the form prescribed by the 2006 Act has been received at the office or tabled at a meeting of the board.

- (B) An alternate director need not be a member and shall not be counted in reckoning the number of directors for the purpose of article 68.

81. **Revocation of appointment**

A director may by notice delivered to the secretary at the office or tabled at a meeting of the board revoke the appointment of his alternate director and, subject to the provisions of article 80, appoint another person in his place. If a director ceases to hold the office of director or if he dies, the appointment of his alternate director automatically ceases. If a director retires but is reappointed or deemed reappointed at the meeting at which his retirement takes effect, a valid appointment of an alternate director which was in force immediately before his retirement continues to operate after his reappointment as if he had not retired. The appointment of an alternate director ceases on the happening of an event which, if he were a director otherwise appointed, would cause him to vacate office, or if he resigns his office by notice to the Company.

82. **Participation in board meetings**

An alternate director shall be, if he gives the Company an address in the United Kingdom at which notices may be served on him or an address at which notices may be served on him by electronic means, entitled to receive notice of all meetings of the board and all committees of the board of which his appointor is a member and, in the absence from those meetings of his appointor, to attend and vote at the meetings and to exercise all the powers, rights, duties and authorities of his appointor. A director acting as alternate director has a separate vote at meetings of the board and committees of the board for each director for whom he acts as alternate director but he counts as only one for the purpose of determining whether a quorum is present.

83. **Responsibility**

A person acting as an alternate director shall be an officer of the Company, shall alone be responsible to the Company for his acts and defaults, and shall not be deemed to be the agent of his appointor.

REMUNERATION, EXPENSES AND PENSIONS

84. **Directors' fees**

- (A) Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the directors (but not alternate directors) for their services as directors (who do not hold executive office) such amount of aggregate fees as the board decides (not exceeding £600,000 per annum or such larger amount as the Company may by ordinary resolution decide). The aggregate fees shall be divided among the directors in such proportions as the board decides or, if no decision is made, equally. A fee payable to a director pursuant to this article is distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of the articles or otherwise and accrues from day to day.
- (B) Subject to the 2006 Act and to the articles and the requirements of the listing rules of the UKLA, the board may arrange for part of a fee payable to a director under this article to be provided in the form of fully-paid shares in the capital of the Company. The amount of the fee payable in this way shall be at the discretion of the board and shall be applied in the purchase or subscription of shares on behalf of the relevant director. In the case of a subscription of shares, the subscription price per share shall be deemed to be the closing middle-market quotation for a fully-paid share of the Company of that class as published in the Daily Official List of the London Stock Exchange (or such other quotation derived from such other source as the board may deem appropriate) on the day of subscription.

85. **Additional remuneration**

A director who, at the request of the board, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the board may decide.

86. **Expenses**

A director is entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director including, without limitation, expenses incurred in attending meetings of the board or of committees of the board or general meetings or separate meetings of the holders of a class of shares or debentures. Subject to the 2006 Act, the directors shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him properly to perform his duties as an officer of the Company or to enable him to avoid incurring any such expenditure.

87. **Remuneration and expenses of alternate directors**

An alternate director is not entitled to a fee from the Company for his services as an alternate director. The fee payable to an alternate director is payable out of the fee payable to his appointor and consists of such portion (if any) of the fee as he agrees with his appointor. The Company shall, however, repay to an alternate director expenses

incurred by him in the performance of his duties if the Company would have been required to repay the expenses to him under article 86 and indemnify him had he been a director. An alternate director shall be entitled to be indemnified by the Company to the same extent as if he were a director.

88. Directors' pensions and other benefits

(A) The board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (by insurance or otherwise) for a person who is or has at any time been an executive director of:

- (i) the Company;
- (ii) a company which is or was a subsidiary undertaking of the Company;
- (iii) a company which is or was allied to or associated with the Company or a subsidiary undertaking of the Company; or
- (iv) a predecessor in business of the Company or of a subsidiary undertaking of the Company,

(or, in each case, for any member of his family, including a spouse or former spouse, or a person who is or was dependent on him). For this purpose the board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums. The board may arrange for this to be done by the Company alone or in conjunction with another person.

(B) An executive director or former executive director is entitled to receive and retain for his own benefit a pension or other benefit provided under paragraph (A) and is not obliged to account for it to the Company.

89. Remuneration of executive directors

The salary or other remuneration of a director appointed to hold employment or executive office in accordance with the articles may be a fixed sum of money, or wholly or in part governed by business done or profits made, or as otherwise decided by the board, and may be instead of any fee which would have been payable to him for his services as director pursuant to the articles if he did not hold executive office.

POWERS AND DUTIES OF THE BOARD

90. Powers of the board

Subject to the 2006 Act, the articles and to directions given by special resolution of the Company, the business and affairs of the Company shall be managed by the board which may exercise all the powers of the Company (including without limitation the power to dispose of all or any part of the undertaking of the Company) whether relating to the management of the business or not. No alteration of the articles and no direction given by the Company shall invalidate a prior act of the board which would have been valid if the alteration had not been made or the direction had not been given. The provisions of

the articles giving specific powers to the board do not limit the general powers given by this article.

91. **Powers of directors being less than minimum required number**

If the number of directors is less than the minimum prescribed by the articles or decided by the Company by ordinary resolution, the remaining director or directors may act only for the purposes of appointing an additional director or directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If no director or directors is or are able or willing to act, two members may convene a general meeting for the purpose of appointing directors. An additional director appointed in this way holds office (subject to the articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting.

92. **Powers of executive directors**

The board may delegate to a director holding executive office any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, without limitation, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the director. The board may at any time revoke the delegation or alter its terms and conditions.

93. **Delegation to committees**

- (A) The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to a committee consisting of one or more persons (whether a member or members of the board or not) as it thinks fit. A committee may exercise its power to sub-delegate by sub-delegating to any person or persons (whether or not a member or members of the board or of the committee). The board may retain or exclude its right to exercise the delegated powers, authorities or discretions collaterally with the committee. The board may at any time revoke the delegation or alter any terms and conditions or discharge the committee in whole or in part. Where a provision of the articles refers to the exercise of a power, authority or discretion by the board (including, without limitation, the power to pay fees, remuneration, additional remuneration, expenses and pensions and other benefits pursuant to articles 71 or 84 to 89) and that power, authority or discretion has been delegated by the board to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.
- (B) The board may establish local or divisional boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local or divisional boards, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the board, with power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any appointment or delegation made pursuant to this article

may be made on such terms and subject to such conditions as the board may decide. The board may remove any person so appointed and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

94. **Agents**

The board may by power of attorney or otherwise appoint a person to be the agent of the Company and may delegate to that person any of its powers, authorities and discretions for such purposes, for such time and on such terms and conditions (including as to remuneration) as it thinks fit. In particular, without limitation, the board may grant the power to sub-delegate and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the agent. The board may at any time revoke or alter the terms and conditions of the appointment or delegation.

95. **Associate directors**

The board may appoint a person (not being a director) to an office or employment having a designation or title including the word "director" or attach to an existing office or employment that designation or title and may terminate the appointment or use of that designation or title. The inclusion of the word "director" in the designation or title of an office or employment does not imply that the person is, or is deemed to be, or is empowered to act as, a director for any of the purposes of the 2006 Act or the articles.

96. **Exercise of voting powers**

Subject to article 98, the board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by the Company, or a power of appointment to be exercised by the Company, in any manner it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of a director as an officer or employee of that company).

97. **Provision for employees**

The board may exercise the powers conferred on the Company by the 2006 Act to make provision for the benefit of a person employed or formerly employed by the Company or any of its subsidiary undertakings (or any member of his family, including a spouse or former spouse, or any person who is or was dependent on him) in connection with the cessation or the transfer to a person of the whole or part of the undertaking of the Company or the subsidiary undertaking.

98. **Registers**

Subject to the 2006 Act and the Uncertificated Securities Regulations, the board may exercise the powers conferred on the Company with regard to the keeping of an overseas, local or other register and may make and vary regulations as it thinks fit concerning the keeping of such a register.

99. **Borrowing powers**

Power to borrow

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

Borrowing limit

- (B) The board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (but as regards subsidiaries, only so far as by the exercise of such rights or powers of control the board can secure) that, save with the previous sanction of an ordinary resolution and subject as provided below, no money shall be borrowed if the principal amount outstanding of all moneys borrowed by the Company and its subsidiaries (if any) (the "**Group**" and "**member of the Group**" shall be construed accordingly), excluding amounts borrowed by one member of the Group from another member of the Group, then exceeds, or would as a result of such borrowing exceed, the higher of £350,000,000 and an amount equal to three times the adjusted capital and reserves.

Persons dealing with the Company

- (C) No person dealing with the Company shall be concerned to see or enquire whether the restriction imposed by the provisions of this article is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded.

Determining whether limit breached

- (D) A certificate or report by the auditors as to the amount of moneys borrowed or the amount of the adjusted capital and reserves or to the effect that the limit imposed by this article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this article. Nevertheless for the purposes of this article the board may at any time act in reliance on a bona fide estimate of the amount of the adjusted capital and reserves and if, in consequence, the foregoing restriction would otherwise have been breached, an amount equal to the excess of moneys borrowed shall be disregarded until the expiration of six months after the date on which by reason of a determination of the auditors or otherwise the board become aware that such a situation has or may have arisen.

Definitions

- (E) For the purposes of this article:
- (i) "**adjusted capital and reserves**" means a sum equal to the aggregate of:
 - (a) the amount paid up (or credited as or deemed to be paid up) on the issued share capital of the Company; and

- (b) the amount standing to the credit of the reserves of the Group (including, without limitation, any share premium account, capital redemption reserve or revaluation reserve) after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account of the Group,

all as shown in the then latest audited balance sheet, but after:

- (c) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital or any such reserves subsequent to the relevant balance sheet date and so that for this purpose:

- (I) if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional); and

- (II) share capital (including any premium) shall be deemed to have been paid up as soon as it has been unconditionally agreed to be subscribed or taken up (within six months of such agreement) by any person;

- (d) making such adjustments as may be appropriate in respect of any distributions declared, recommended, made or paid by the Company or its subsidiaries (otherwise than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or subsidiary (as the case may be) to the extent that such distribution is not provided for in such balance sheet;

- (e) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiaries since the date of the latest audited balance sheet of the Company;

- (f) making all such adjustments, if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any body corporate is to become or cease to be a subsidiary, as would be appropriate if such transaction had been carried into effect;

- (g) excluding minority interests in subsidiaries,

but adding back any cumulative amount of goodwill resulting from acquisitions prior to 1 April 2004 which has been written off to the reserves of the Group or amortised;

- (ii) **"audited balance sheet"** means the audited balance sheet of the Company prepared for the purposes of the 2006 Act or, if an audited consolidated balance sheet dealing with the state of affairs of the Company and all its subsidiaries to be dealt with in group accounts has been prepared for those purposes for the same financial year, that audited consolidated balance sheet, in which event all references to reserves and profit and loss shall be deemed to be references to consolidated reserves and consolidated profit and loss and any amounts attributable to outside interests shall be excluded;
- (iii) **"moneys borrowed"** means the outstanding moneys borrowed of the Group determined as follows:
- (a) in addition to borrowings, there shall be deemed, subject as provided below, to have been borrowed and to be outstanding as moneys borrowed of the Group (but only to the extent that the same would not otherwise fall to be taken into account):
- (I) the principal amount of all debentures of any member of the Group, whether issued or incurred in whole or in part for cash or otherwise, which are not for the time being beneficially owned within the Group;
- (II) the nominal amount of any issued and paid up share capital (other than equity share capital which as regards capital has rights no more favourable than those attached to its ordinary share capital) of any subsidiary of the Company not for the time being beneficially owned by any member of the Group;
- (III) the nominal amount of any other issued and paid up share capital and the principal amount of any other debentures or other moneys borrowed (not being shares or debentures which are, or moneys borrowed the indebtedness in respect of which is for the time being beneficially owned within the Group) the redemption or repayment of which is:
- (A) guaranteed by any member of the Group; or
- (B) wholly or (to the extent of the part secured) partly secured on assets or the undertaking of any member of the Group;
- (IV) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other moneys borrowed falling to be taken into account;
- (V) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;

- (VI) any fixed amount in respect of any finance lease payable by any member of the Group which would be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the latest audited balance sheet;
- (b) moneys borrowed by any member of the Group for the purposes of repaying or redeeming (with or without premium) in whole or in part any other moneys borrowed falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not, during such period, except to the extent so applied, themselves fall to be taken into account;
- (c) any amounts borrowed by any member of the Group for the purpose of financing any contract up to an amount not exceeding those moneys receivable under such contract which are guaranteed or insured by the Export Credits Guarantee Department or other institution or body carrying on a similar business shall be deemed not to be moneys borrowed;
- (d) moneys borrowed by a partly owned subsidiary of the Company and not owing to the Company or any of its wholly owned subsidiaries shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion of the borrower; moneys borrowed by the Company or any of its wholly owned subsidiaries from and owing to a partly owned subsidiary of the Company shall be taken into account to the extent of a proportion thereof equal to the minority proportion of the lender; where moneys have been borrowed by one partly owned subsidiary of the Company and are owing to another partly owned subsidiary of the Company, the amount to be taken into account shall be reduced in accordance with the foregoing provisions of this sub-paragraph to take account of the minority proportion of the borrower and that of the lender;
- (e) an amount equal to the moneys borrowed by a body corporate which were outstanding at the time it becomes a subsidiary of the Company shall, for a period of six months after that date be deemed not to be moneys borrowed;
- (f) if any fixed amount payable by the Company or any of its subsidiaries in respect of any finance lease increases as a result of any change in legislation relating to or affecting taxation matters, for a period of six months after the date on which the directors become aware of the increase an amount equal to the increase shall be deemed not to be moneys borrowed;
- (g) there shall be credited against the amount of any moneys borrowed any amounts including cash, cash equivalents and financial assets but excluding intra-Group deposits beneficially owned by any member of the

Group (whether on current account or otherwise), subject, in the case of money deposited by a partly owned subsidiary, to the exclusion of a proportion thereof equal to the minority proportion;

- (h) moneys borrowed shall not include any moneys borrowed which are for the time being deposited with any governmental authority or body in any part of the world in connection with import deposits or any similar governmental scheme to the extent that the member of the Group making such deposit retains its interest therein;
- (i) where at any material time the amount of money which, under the terms of any borrowing, would be required, if it fell to be repaid (whether at the option of the borrower or by reason of default) at such material time, to discharge in full the principal amount of moneys borrowed thereunder, is less than the amount which would otherwise be taken into account in respect of such moneys borrowed for the purposes of this article, the amount of such moneys borrowed to be taken into account shall be such lesser amount;
- (j) when the aggregate amount of moneys borrowed at any material time is being ascertained, any moneys borrowed by any member of the Group denominated or repayable in a currency other than sterling shall be translated for the purposes of calculating the sterling equivalent:
 - (I) with the exception of excepted foreign currency borrowings at the lower of:
 - (A) the rate of exchange used for the purposes of translating assets and liabilities in the latest audited balance sheet; and
 - (B) the middle market rate at approximately 11 a.m. in London on the business day preceding the relevant day, as supplied by such person or calculated on such basis as the auditors may determine or approve;
 - (II) in the case of any excepted foreign currency borrowings, at the rate of exchange which would be applicable to such moneys borrowed on their repayment to the extent that such rate of exchange is fixed under any exchange cover scheme in connection with such moneys borrowed, unless the articles determine that it is not practicable to determine the rate of exchange applicable at the time of repayment of any such moneys borrowed, when they shall be translated into sterling on such other basis as the auditors may determine reasonably reflects the effect of the exchange cover scheme or, if no such basis is determined, in accordance with the provisions of paragraph (j)(I) above;
- (k) for the avoidance of doubt, the following shall be deemed not to be moneys borrowed of the Group:

- (I) sums advanced or paid to any member of the Group (or its agent or nominee) by customers of any member of the Group as prepayments or progress payments or payments on account or by way of deposit or security in respect of products or services or any guarantees or indemnities given by any member of the Group in relation thereto;
- (II) sums which otherwise would fall to be treated as moneys borrowed of any member of the Group which:
 - (A) were outstanding at the date of the latest audited balance sheet and were treated therein, with the concurrence of the auditors and in accordance with any current International Financial Reporting Standard or other accountancy principle or practice generally accepted for the time being in the United Kingdom, as otherwise than borrowings;
 - (B) were incurred after the date of the latest audited balance sheet and, in the reasonable opinion of the board, would have been so treated had they been outstanding at that date;
 - (C) are defined as contingent liabilities by International Financial Reporting Standards or other accountancy principle generally accepted for the time being in the United Kingdom;
- (iv) "**excepted foreign currency borrowings**" means moneys borrowed denominated or repayable in a currency other than sterling which have the benefit of an exchange cover scheme;
- (v) "**exchange cover scheme**" means any exchange cover scheme, forward currency contract, currency option, back to back loan, swap or other arrangement taken out or entered into to reduce the risks associated with fluctuations in exchange rates;
- (vi) "**finance lease**" means a contract between a lessor and a member of the Group as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the asset leased or sub-leased are to be borne by the lessee or sub-lessee; and
- (vii) "**minority proportion**" shall mean the proportion of the issued equity share capital of the partly owned subsidiary which is not attributable, directly or indirectly, to the Company or any of its wholly owned subsidiaries.

100. **Register of charges**

The Company shall keep a register of charges in accordance with the 2006 Act and the fee to be paid by a person other than a creditor or member for each inspection of the register of charges is the maximum sum prescribed by the 2006 Act or, failing which, decided by the board.

101. **Directors' interests**

Directors' interests other than in relation to transactions or arrangements with the Company - authorisation under section 175 of the 2006 Act

- (A) The board may authorise any matter proposed to it which would, if not so authorised, involve a breach of duty by a director under section 175 of the 2006 Act.
- (B) Any authorisation under paragraph (A) will be effective only if:
 - (i) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other director interested in the matter under consideration; and
 - (ii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- (C) The board may give any authorisation under paragraph (A) upon such terms as it thinks fit. The board may vary or terminate any such authorisation at any time.
- (D) For the purposes of this article 101, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

Confidential information and attendance at board meetings

- (E) A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. In particular the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he:
 - (i) fails to disclose any such information to the board or to any director or other officer or employee of the Company; and/or
 - (ii) does not use or apply any such information in performing his duties as a director of the Company.

However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this paragraph (E) applies only if the existence of that relationship has been authorised by the board pursuant to paragraph (A).

- (F) Where the existence of a director's relationship with another person has been authorised by the board pursuant to paragraph (A) and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he:
 - (i) absents himself from meetings 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; and/or

- (ii) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser on his behalf,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.

- (G) The provisions of paragraphs (E) and (F) are without prejudice to any equitable principle or rule of law which may excuse the director from:
 - (i) disclosing information, in circumstances where disclosure would otherwise be required under these articles; and/or
 - (ii) attending meetings or discussions or receiving documents and information as referred to in paragraph (F), in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles.

Declaration of interests in proposed or existing transactions or arrangements with the Company

- (H) A director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement.
- (I) A director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under paragraph (H) above.
- (J) Any declaration required by paragraph (H) may (but need not) be made at a meeting of the directors or by notice in writing in accordance with section 184 of the 2006 Act or by general notice in accordance with section 185 of the 2006 Act. Any declaration required by paragraph (I) must be made at a meeting of the directors or by notice in writing in accordance with section 184 of the 2006 Act or by general notice in accordance with section 185 of the 2006 Act.
- (K) If a declaration made under paragraph (H) or (I) above proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under paragraph (H) or (I), as appropriate.
- (L) A director need not declare an interest under this article 101:
 - (i) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - (ii) if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware);

- (iii) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for the purpose under these articles; or
- (iv) if the director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware).

Ability to enter into transactions and arrangements with the Company notwithstanding interest

- (M) Subject to the provisions of the 2006 Act and provided that he has declared to the board the nature and extent of any direct or indirect interest of his in accordance with this article 101 or where paragraph (L) applies and no declaration of interest is required, a director notwithstanding his office:
 - (i) may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested;
 - (ii) may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the board may decide; or
 - (iii) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is directly or indirectly interested.

Remuneration and benefits

- (N) A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:
 - (i) the acceptance, entry into or existence of which has been authorised by the board pursuant to paragraph (A) (subject, in any such case, to any terms upon which such authorisation was given); or
 - (ii) which he is permitted to hold or enter into by virtue of paragraph (M) or otherwise pursuant to these articles,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the 2006 Act. No transaction or arrangement authorised or permitted pursuant to paragraphs (A) or (M) or otherwise pursuant to these articles shall be liable to be avoided on the ground of any such interest or benefit.

General voting and quorum requirements

- (O) Save as otherwise provided by these articles, a director shall not vote on or be counted in the quorum in relation to a resolution of the board or committee of the board concerning a matter in which he has a direct or indirect interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other

securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters:

- (i) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
 - (ii) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
 - (iii) a transaction or arrangement concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
 - (iv) a transaction or arrangement to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he or any person connected with him is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "**relevant company**"), if he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the 2006 Act) representing one per cent. or more of either any class of the equity share capital (excluding any shares of that class held as treasury shares) in the relevant company or of the voting rights available to members of the relevant company;
 - (v) a transaction or arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates; or
 - (vi) a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.
- (P) For the purposes of paragraph (O) above, an interest of a person who is, for any purpose of the 2006 Act (excluding any statutory modification of the 2006 Act not in force when this article is adopted), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director otherwise has.
- (Q) A director shall not vote on or be counted in the quorum in relation to a resolution of the board or committee of the board concerning his own appointment (including, without limitation, fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any body corporate in which the Company is directly or indirectly interested. Where proposals are under

consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a body corporate in which the Company is directly or indirectly interested, such proposals may be divided and a separate resolution considered in relation to each director. In that case, each of the directors concerned (if not otherwise debarred from voting under this article 101) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- (R) If a question arises at a meeting as to the materiality of a director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a director (other than the chairman) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the director concerned is conclusive and binding on all concerned.
- (S) If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.
- (T) For the purposes of this article 101, in relation to an alternate director, the interest of his appointor is treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has. This article 101 applies to an alternate director as if he were a director otherwise appointed.

Miscellaneous

- (U) The Company may by ordinary resolution suspend or relax the provisions of this article 101 to any extent. Subject to the 2006 Act, the Company may by ordinary resolution ratify any transaction or arrangement not properly authorised by reason of a contravention of this article 101.

PROCEEDINGS OF DIRECTORS AND COMMITTEES

102. **Board meetings**

Subject to the articles, the board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

103. **Notice of board meetings**

A director may, and the secretary at the request of a director shall, summon a board meeting at any time. Notice of a board meeting is deemed to be duly given to a director if it is given to him personally or by word of mouth or by electronic means to an address given by him to the Company for that purpose or sent in writing to him at his last-known address or another address given by him to the Company for that purpose. A director may waive the requirement that notice be given to him of a board meeting, either

prospectively or retrospectively. A director absent or intending to be absent from the United Kingdom may request that notices of board meetings during his absence be sent in hard copy form or by electronic means to him to an address given by him to the Company for that purpose. If no request is made (and/or if no such non-United Kingdom address is given) it is not necessary to give notice of a board meeting to a director who is absent from the United Kingdom.

104. **Quorum**

The quorum necessary for the transaction of business may be decided by the board and until otherwise decided is two directors present in person or by alternate director. A duly convened meeting of the board at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the board. Any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the end of the board meeting if no director objects.

105. **Chairman of board**

The board may appoint one of its body as chairman to preside at every board meeting at which he is present and one or more deputy chairman or chairmen and decide the period for which he is or they are to hold office (and may at any time remove him or them from office). If no chairman or deputy chairman is elected, or if at a meeting neither the chairman nor a deputy chairman is present within five minutes of the time fixed for the start of the meeting, the directors and alternate directors (in the absence of their appointors) present shall choose one of their number to be chairman. If two or more deputy chairmen are present, the senior of them shall act as chairman, seniority being determined by length of office since their last appointment or reappointment or deemed reappointment. As between two or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by those directors and alternate directors (in the absence of their appointors) present. A chairman or deputy chairman may hold executive office or employment with the Company.

106. **Voting**

Questions arising at a meeting of the board are determined by a majority of votes. In case of an equality of votes the chairman has a second or casting vote.

107. **Participation by telephone**

A director or his alternate director may participate in a meeting of the board or a committee of the board through the medium of conference telephone, video teleconference or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in the quorum and entitled to vote. Subject to the 2006 Act, all business transacted in this way by the board or a committee of the board is for the purposes of the articles deemed to be validly and effectively transacted at a meeting of the board or a committee of the board although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the

largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

108. **Resolution in writing**

A resolution in writing executed by all directors for the time being entitled to receive notice of a board meeting and not being less than a quorum or by all members of a committee of the board for the time being entitled to receive notice of a committee meeting and not being less than a quorum is as valid and effective for all purposes as a resolution passed at a meeting of the board (or committee, as the case may be). The resolution in writing may consist of several documents in the same form each executed by one or more of the directors or members of the relevant committee. The resolution in writing need not be executed by an alternate director if it is executed by his appointor and a resolution executed by an alternate director need not be executed by his appointor.

109. **Proceedings of committees**

- (A) Proceedings of any committee of the board consisting of two or more members shall be conducted in accordance with terms prescribed by the board (if any). Subject to those terms and paragraph (B) below, proceedings shall be conducted in accordance with applicable provisions of the articles regulating the proceedings of the board.
- (B) Where the board resolves to delegate any of its powers, authorities and discretions to a committee and that resolution states that the committee shall consist of any one or more unnamed directors, it is not necessary to give notice of a meeting of that committee to directors other than the director or directors who form the committee.

110. **Minutes of proceedings**

- (A) The board shall cause minutes to be made in books kept for the purpose:
 - (i) of all appointments of officers and committees made by the board and of any remuneration fixed by the board; and
 - (ii) of all proceedings of general meetings of the Company, of the holders of any class of shares in the Company, and of the board, and of committees of the board, including the names of the directors present at each such meeting.
- (B) If purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, minutes are evidence of the proceedings at the meeting.
- (C) All such minutes must be kept for at least 10 years from the date of the meeting.

111. **Validity of proceedings of board or committee**

All acts done by a meeting of the board, or of a committee of the board, or by a person acting as a director, alternate director or member of a committee shall be valid notwithstanding that it is afterwards discovered that there was a defect in the appointment of a person or persons acting, or that they or any of them were or was

disqualified from holding office, or had ceased to hold office, or were not entitled to vote on the matter in question.

SECRETARY AND AUTHENTICATION OF DOCUMENTS

112. **Secretary**

- (A) Subject to the 2006 Act, the board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including, without limitation, remuneration) as it thinks fit. The board may remove a person appointed pursuant to this article from office and appoint another or others in his place.
- (B) Any provision of the 2006 Act or of the articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.

113. **Authentication of documents**

A director or the secretary or another person appointed by the board for the purpose may authenticate documents affecting the constitution of the Company (including, without limitation, the articles) and resolutions passed by the Company or holders of a class of shares or the board or a committee of the board and books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts.

SEALS

114. **Safe custody**

The board shall provide for the safe custody of every seal.

115. **Application of seals**

A seal may be used only by the authority of a resolution of the board or of a committee of the board. The board may decide who will sign an instrument to which a seal is affixed (or, in the case of a share certificate, on which the seal may be printed) either generally or in relation to a particular instrument or type of instrument. The board may also decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means. Unless otherwise decided by the board:

- (i) share certificates and certificates issued in respect of debentures or other securities (subject to the provisions of the relevant instrument) need not be signed or, if signed, a signature may be applied by mechanical or other means or may be printed; and
- (ii) every other instrument to which a seal is affixed shall be signed by one director and by the secretary or a second director, or by one director in the presence of a witness who attests his signature.

DIVIDENDS AND OTHER PAYMENTS

116. **Declaration of dividends**

Subject to the 2006 Act and the articles, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests, but no dividend may exceed the amount recommended by the board.

117. **Interim dividends**

Subject to the 2006 Act, the board may declare and pay such interim dividends (including, without limitation, a dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. No interim dividend shall be declared or paid on shares which do not confer preferred rights with regard to dividend if, at the time of declaration, any dividend on shares which do confer a right to a preferred dividend is in arrears. If the board acts in good faith, it does not incur any liability to the holders of shares conferring preferred rights for a loss they may suffer by the lawful payment of an interim dividend on shares ranking after those with preferred rights.

118. **Entitlement to dividends**

- (A) Except as otherwise provided by the rights attached to, or the terms of issue of, shares:
- (i) a dividend shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is declared and paid, but no amount paid up on a share in advance of a call may be treated for the purpose of this article as paid up on the share; and
 - (ii) 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.
- (B) Except as otherwise provided by the rights attached to shares, dividends may be declared or paid in any currency. The board may agree with any member that dividends which may at any time or from time to time be declared or become due on his shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.

119. **Method of payment**

- (A) The Company may pay any dividend, interest or other amount payable in respect of a share:
- (i) in cash;
 - (ii) by cheque, warrant or money order made payable to or to the order of the person entitled to the payment (and may, at the Company's option, be crossed "account payee" where appropriate);

- (iii) by a bank or other funds transfer system to an account designated in writing by the person entitled to the payment;
 - (iv) if the board so decides, by means of a relevant system in respect of an uncertificated share, subject to any procedures established by the board to enable a holder of uncertificated shares to elect not to receive dividends by means of a relevant system and to vary or revoke any such election; or
 - (v) by such other method as the person entitled to the payment may in writing direct and the board may agree.
- (B) The Company may send a cheque, warrant or money order by post:
- (i) in the case of a sole holder, to his registered address;
 - (ii) in the case of joint holders, to the registered address of the person whose name appears first in the register;
 - (iii) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with article 135(B); or
 - (iv) in any case, to a person and address that the person or persons entitled to the payment may in writing direct.
- (C) Where a share is held jointly or two or more persons are jointly entitled by transmission to a share:
- (i) the Company may pay any dividend, interest or other amount payable in respect of that share to any one joint holder, or any one person entitled by transmission to the share, and in either case that holder or person may give an effective receipt for the payment; and
 - (ii) for any of the purposes of this article 119, the Company may rely in relation to a share on the written direction or designation of any one joint holder of the share, or any one person entitled by transmission to the share.
- (D) Every cheque, warrant or money order sent by post is sent at the risk of the person entitled to the payment. If payment is made by bank or other funds transfer, by means of a relevant system or by another method at the direction of the person entitled to payment, the Company is not responsible for amounts lost or delayed in the course of making that payment.
- (E) Without prejudice to article 67, the board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided such evidence of his right as the board may reasonably require.

120. **Dividends not to bear interest**

No dividend or other amount payable by the Company in respect of a share bears interest as against the Company unless otherwise provided by the rights attached to the share.

121. **Calls or debts may be deducted from dividends etc.**

The board may deduct from a dividend or other amounts payable to a person in respect of a share amounts due from him to the Company on account of a call or otherwise in relation to a share.

122. **Unclaimed dividends etc.**

Any unclaimed dividend, interest or other amount payable by the Company in respect of a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed. A dividend unclaimed for a period of 12 years from the date it was declared or became due for payment is, if the board resolves, forfeited and ceases to remain owing by the Company. The payment of an unclaimed dividend, interest or other amount payable by the Company in respect of a share into a separate account does not constitute the Company a trustee in respect of it.

123. **Uncashed dividends**

If, in respect of a dividend or other amount payable in respect of a share, on any one occasion:

- (i) a cheque, warrant or money order is returned undelivered or left uncashed; or
- (ii) a transfer made by a bank or other funds transfer system is not accepted,

and reasonable enquiries have failed to establish another address or account of the person entitled to the payment, the Company is not obliged to send or transfer a dividend or other amount payable in respect of that share to that person until he notifies the Company of an address or account to be used for that purpose. If the cheque, warrant or money order is returned undelivered or left uncashed or transfer not accepted on two consecutive occasions, the Company may exercise this power without making such enquiries.

124. **Payment of dividends in specie**

Without prejudice to article 67, the board may, with the prior authority of an ordinary resolution of the Company, direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of another company. Where a difficulty arises in connection with the distribution, the board may settle it as it thinks fit and in particular, without limitation, may:

- (i) issue fractional certificates (or ignore fractions);
- (ii) fix the value for distribution of the specific assets (or any part of them);
- (iii) decide that a cash payment be made to a member on the basis of the value so fixed, in order to secure equality of distribution; and
- (iv) vest assets in trustees on trust for the persons entitled to the dividend as seems expedient to the board.

125. **Payment of scrip dividends**

- (A) Subject to the 2006 Act, but without prejudice to article 67, the board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares in either case credited as fully paid ("**new shares**") instead of cash in respect of all or part of a dividend or dividends specified by the resolution, subject to any exclusions, restrictions or other arrangements the board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.
- (B) Where a resolution under article 125(A) is to be proposed at a general meeting and the resolution relates in whole or in part to a dividend to be declared at that meeting, then the resolution declaring the dividend is deemed to take effect at the end of that meeting.
- (C) A resolution under article 125(A) may relate to a particular dividend or to all or any dividends declared or paid within a specified period, but that period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which the resolution is passed.
- (D) The board shall determine the basis of allotment of new shares so that, as nearly as may be considered convenient without involving rounding up of fractions, the value of the new shares (including a fractional entitlement) to be allotted (calculated by reference to the average quotation, or the nominal value of the new shares, if greater) equals (disregarding an associated tax credit) the amount of the dividend which would otherwise have been received by the holder (the "**relevant dividend**"). For this purpose the "**average quotation**" of each of the new shares is the average of the middle-market quotations for a fully-paid share of the Company of that class derived from the Daily Official List of the London Stock Exchange (or such other average value derived from such other source as the board may deem appropriate) for the business day on which the relevant class of shares is first quoted "ex" the relevant dividend (or such other date as the board may deem appropriate) and the four subsequent business days or shall be as determined by or in accordance with the resolution under article 125(A). A certificate or report by the auditors as to the value of the new shares to be allotted in respect of any dividend shall be conclusive evidence of that amount.
- (E) The board may make any provision it considers appropriate in relation to an allotment made or to be made pursuant to this article (whether before or after the passing of the resolution under article 125(A)), including, without limitation:
- (i) the giving of notice to holders of the right of election offered to them;
 - (ii) the provision of forms of election (whether in respect of a particular dividend or dividends generally);
 - (iii) determination of the procedure for making and revoking elections;
 - (iv) the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective;

- (v) the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual, retention or accumulation of the benefit of fractional entitlements to the Company (rather than to the holders concerned) or to or on behalf of any holder, or the application of any accrual, retention or accumulation to the allotment of fully paid shares to any holder; and
 - (vi) authorisation of any person, acting on behalf of the holders concerned, to enter into an agreement with the Company providing for such allotment and incidental matters. Any agreement made under such authority shall be effective and binding on all concerned.
- (F) On or as soon as practicable after announcing that any dividend is to be declared or recommended, the board, if it intends to offer an election in respect of that dividend, shall also announce that intention. If, after determining the basis of allotment, the board decides to proceed with the offer, it shall notify the holders of shares of the terms and conditions of the right of election offered to them, specifying the procedure to be followed and place at which, and the latest time by which, elections or notices amending or terminating existing elections must be lodged in order to be effective.
- (G) The board shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised, and the board has authority to allot sufficient shares, to give effect to it after the basis of allotment is determined.
- (H) The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made (the "**elected shares**"); instead new shares are allotted to the holders of the elected shares on the basis of allotment calculated as in paragraph (D). For that purpose, the board may resolve to capitalise out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the board capitalising part of the reserves has the same effect as if the board had resolved to effect the capitalisation with the authority of an ordinary resolution of the Company pursuant to article 126. In relation to the capitalisation the board may exercise all the powers conferred on it by article 126 without an ordinary resolution of the Company.
- (I) The new shares rank *pari passu* in all respects with each other and with the fully-paid shares of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date.

- (J) In relation to any particular proposed dividend, the board may in its absolute discretion decide:
- (i) that shareholders shall not be entitled to make any election in respect thereof and that any election previously made shall not extend to such dividend;
 - (ii) at any time prior to the allotment of the new shares which would otherwise be allotted in lieu thereof, that all elections to take ordinary shares in lieu of such dividend shall be treated as not applying to that dividend, and if so the dividend shall be paid in cash as if no elections had been made in respect of it; or
 - (iii) to amend, suspend or terminate any offer pursuant to this article.

126. **Capitalisation of profits**

Subject to the 2006 Act, the board may, with the authority of an ordinary resolution of the Company:

- (i) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account) not required for paying any preferential dividend, whether or not available for distribution;
- (ii) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amount of ordinary shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards:
 - (l) paying up the amounts (if any) for the time being unpaid on shares held by them respectively; or
 - (m) paying up in full shares or debentures of a nominal amount equal to that sum,

and allot the shares or debentures, credited as fully paid, to the members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this article, only be applied in paying up full shares to be allotted to members credited as fully paid;

- (iii) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions the board may deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than £5, or such other sum as the board may decide, the sum may be retained for the benefit of the Company);

- (iv) authorise a person to enter (on behalf of all the members concerned) an agreement with the Company providing for either:
 - (a) the allotment to the members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation, or
 - (b) the payment by the Company on behalf of the members (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares,an agreement made under the authority being effective and binding on all those members; and
- (v) generally do all acts and things required to give effect to the resolution.

For the purposes of this article, unless the relevant resolution provides otherwise, if the Company holds treasury shares of the relevant class at the record date specified in the relevant resolution, it shall be treated as if it were entitled to receive the dividends in respect of those treasury shares which would have been payable if those treasury shares had been held by a person other than the Company.

127. **Record dates**

Notwithstanding any other provision of the articles, but subject to the 2006 Act and rights attached to shares, the Company or the board may fix any date as the record date for a dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid.

ACCOUNTS

128. **Keeping and inspection of accounts**

- (A) The board shall ensure that accounting records are kept in accordance with the 2006 Act.
- (B) The accounting records shall be kept at the office or, subject to the 2006 Act, at another place decided by the board and shall be available during business hours for the inspection of the directors and other officers. No member (other than a director or other officer) has the right to inspect an accounting record or other document except if that right is conferred by the 2006 Act or he is authorised by the board or by an ordinary resolution of the Company.

129. **Accounts to be sent to members etc.**

- (A) In respect of each financial year, a copy of the Company's annual accounts, the directors' report, the directors' remuneration report, the auditors' report on those accounts and on the auditable part of the directors' remuneration report shall be sent or supplied to:
 - (i) every member (whether or not entitled to receive notices of general meetings);

- (ii) every holder of debentures (whether or not entitled to receive notices of general meetings); and
 - (iii) every other person who is entitled to receive notices of general meetings,
- not less than 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the 2006 Act. This article does not require copies of the documents to which it applies to be sent or supplied to:
- (a) a member or holder of debentures of whose address the Company is unaware; or
 - (b) more than one of the joint holders of shares or debentures.
- (B) The board may determine that persons entitled to receive a copy of the Company's annual accounts, the directors' report, the directors' remuneration report, the auditors' report on those accounts and on the auditable part of the directors' remuneration report are those persons entered on the register at the close of business on a day determined by the board, provided that, if the Company is a participating issuer, the day determined by the board may not be more than 21 days before the day that the relevant copies are being sent.
- (C) Where permitted by the 2006 Act, a summary financial statement derived from the Company's annual accounts, the directors' report and the directors' remuneration report in the form and containing the information prescribed by the 2006 Act may be sent or supplied to a person so electing in place of the documents required to be sent or supplied by article 129(A).

NOTICES AND COMMUNICATIONS

130. **Form of notices and communications by the Company**

Save where these articles expressly require otherwise, any notice, document or information to be sent or supplied by the Company may be sent or supplied in accordance with the 2006 Act (whether authorised or required to be sent or supplied by the 2006 Act or otherwise) in hard copy form, in electronic form or by means of a website.

131. **Notice by advertisement**

If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to convene a general meeting by notices sent by post, the board may, in its absolute discretion and as an alternative to any other method of service permitted by the articles, resolve to convene a general meeting by a notice advertised in at least one United Kingdom national newspaper. In this case, the Company shall send confirmatory copies of the notice to those members by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

132. **Deemed delivery of notices, documents and information**

- (A) A notice, document or information sent by post and addressed to a member at his registered address or address for service in the United Kingdom is deemed to be given to or received by the intended recipient 24 hours after it was put in the post if pre-paid as first class post and 48 hours after it was put in the post if pre-paid as second class post, and in proving service it is sufficient to prove that the envelope containing the notice, document or information was properly addressed, pre-paid and posted. If its sent by airmail from an address in the United Kingdom to an address outside of the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom) it is deemed to be given or received by the intended recipient on the third day following that on which the envelope containing it was posted.
- (B) A notice, document or information sent or supplied by electronic means to an address specified for the purpose by the member is deemed to have been given to or received by the intended recipient 24 hours after it was sent, and in proving service it is sufficient to prove that the communication was properly addressed and sent.
- (C) A notice, document or information sent or supplied by means of a website is deemed to have been given to or received by the intended recipient when (i) the material was first made available on the website or (ii) if later, when the recipient received (or, in accordance with this article 132, is deemed to have received) notification of the fact that the material was available on the website.
- (D) A notice, document or information not sent by post but left at a registered address or address for service in the United Kingdom is deemed to be given on the day it is left.
- (E) Where notice is given by newspaper advertisement, the notice is deemed to be given to all members and other persons entitled to receive it at noon on the day when the advertisement appears or, where notice is given by more than one advertisement and the advertisements appear on different days, at noon on the last of the days when the advertisements appear.
- (F) A notice, document or information served or delivered by the Company by any other means authorised in writing by the member concerned is deemed to be served when the Company has taken the action it has been authorised to take for that purpose.
- (G) A member present at a meeting of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

133. **Terms and conditions for notices, documents and proxy appointments sent by electronic means**

The board may from time to time issue, endorse or adopt terms and conditions relating to notices, other documents and proxy appointments sent by electronic means by the Company to members or persons entitled by transmission and by members or persons entitled by transmission to the Company.

134. **Notice binding on transferees etc.**

A person who becomes entitled to a share by transmission, transfer or otherwise is bound by a notice in respect of that share (other than a notice served by the Company under section 793 of the 2006 Act) which, before his name is entered in the register, has been properly served on a person from whom he derives his title.

135. **Notice in case of joint holders and entitlement by transmission**

- (A) In the case of joint holders of a share, a notice, document or information shall be validly sent or supplied to all joint holders if sent or supplied to whichever of them is named first in the register in respect of the joint holding. Anything to be agreed or specified in relation to a notice, document or information to be sent or supplied to joint holders, may be agreed or specified by the joint holder who is named first in the register in respect of the joint holding.
- (B) Where a person is entitled by transmission to a share, the Company may give a notice, document or information to that person as if he were the holder of a share by addressing it to him by name or by the title of representative of the deceased or trustee of the bankrupt member (or by similar designation) at an address in the United Kingdom supplied for that purpose by the person claiming to be entitled by transmission. Until an address has been supplied, a notice, document or information may be given in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this article is sufficient notice to any other person interested in the share.

MISCELLANEOUS

136. **Destruction of documents**

- (A) The Company may destroy:
- (i) a share certificate which has been cancelled at any time after one year from the date of cancellation;
 - (ii) a mandate for the payment of dividends or other amounts or a variation or cancellation of a mandate or a notification of change of name or address at any time after two years from the date the mandate, variation, cancellation or notification was recorded by the Company;
 - (iii) an instrument of transfer of shares (including a document constituting the renunciation of an allotment of shares) which has been registered at any time after six years from the date of registration;
 - (iv) all paid dividend warrants and cheques at any time after one year from the date of use;
 - (v) all proxy appointments which have been used for the purpose of a poll at any time after one year from the date of use;

- (vi) all proxy appointments which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the proxy appointment relates and at which no poll was demanded; and
 - (vii) any other document on the basis of which any entry in the register is made at any time after ten years from the date an entry in the register was first made in respect of it.
- (B) It is presumed conclusively in favour of the Company that every share certificate destroyed was a valid certificate validly cancelled, that every instrument of transfer destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company, but:
- (i) the provisions of this article apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document is relevant to a claim;
 - (ii) nothing contained in this article imposes on the Company liability in respect of the destruction of a document earlier than provided for in this article or in any case where the conditions of this article are not fulfilled; and
 - (iii) references in this article to the destruction of a document include reference to its disposal in any manner.

137. **Winding up**

On a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds, and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be carried out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner.

138. **Indemnity of officers, funding directors' defence costs and power to purchase insurance**

- (A) To the extent permitted by the 2006 Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or other officer of the Company (other than any person (whether or not an officer of the Company) engaged by the Company as auditor) shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise) in relation to the Company or its affairs provided that such indemnity shall not apply in respect of any liability incurred by him:

- (i) to the Company or to any associated company; or
 - (ii) to pay a fine imposed in criminal proceedings; or
 - (iii) to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising); or
 - (iv) in defending any criminal proceedings in which he is convicted; or
 - (v) in defending any civil proceedings brought by the Company, or an associated company, in which judgment is given against him; or
 - (vi) in connection with any application under any of the following provisions in which the court refuses to grant him relief, namely:
 - (a) section 661(3) or (4) of the 2006 Act (acquisition of shares by innocent nominee); or
 - (b) section 1157 of the 2006 Act (general power to grant relief in case of honest and reasonable conduct).
- (B) In article 138(A)(iv), (v) or (vi) the reference to a conviction, judgment or refusal of relief is a reference to one that has become final. A conviction, judgment or refusal of relief becomes final:
- (i) if not appealed against, at the end of the period for bringing an appeal, or
 - (ii) if appealed against, at the time when the appeal (or any further appeal) is disposed of.
- An appeal is disposed of:
- (i) if it is determined and the period for bringing any further appeal has ended, or
 - (ii) if it is abandoned or otherwise ceases to have effect.
- (C) To the extent permitted by the 2006 Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director of the Company acting in its capacity as a trustee of an occupational pension scheme shall be and shall be kept indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in connection with the Company's activities as trustee of the scheme provided that such indemnity shall not apply in respect of any liability incurred by him:
- (i) to pay a fine imposed in criminal proceedings; or
 - (ii) to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising); or
 - (iii) in defending criminal proceedings in which he is convicted.

For the purposes of this article, a reference to a conviction is to the final decision in the proceedings. The provisions of article 138(B) shall apply in determining when a conviction becomes final.

- (D) Without prejudice to article 138(A) or to any indemnity to which a director may otherwise be entitled, and to the extent permitted by the 2006 Act and otherwise upon such terms and subject to such conditions as the board may in its absolute discretion think fit, the board shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with an application under section 661(3) or (4) of the 2006 Act (acquisition of shares by innocent nominee) or section 1157 of the 2006 Act (general power to grant relief in case of honest and reasonable conduct) or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or to enable a director to avoid incurring any such expenditure.
- (E) Where at any meeting of the board or a committee of the board any arrangement falling within paragraph (D) above is to be considered, a director shall be entitled to vote and be counted in the quorum at such meeting unless the terms of such arrangement confers upon such director a benefit not generally available to any other director; in that event, the interest of such director in such arrangement shall be deemed to be a material interest for the purposes of article 101 and he shall not be so entitled to vote or be counted in the quorum.
- (F) To the extent permitted by the 2006 Act, the board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was:
- (i) a director alternate director, secretary or auditor of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect) ; or
 - (ii) trustee of a retirement benefits scheme or other trust in which a person referred to in sub-paragraph (F)(i) above is or has been interested,

indemnifying him and keeping him indemnified against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.

[SCHEME OF ARRANGEMENT](#)

[139. Scheme of Arrangement](#)

[\(A\) For the purposes of this article:](#)

- (i) [“Atkins Scheme” means the scheme of arrangement dated 18 May 2017 under Part 26 of the 2006 Act between the Company and the Scheme Shareholders \(as defined in the Atkins Scheme\), in its original form or with or subject to any modification, addition or condition agreed between the Company and SNC-Lavalin Bidco and approved or imposed by the High Court of Justice of England and Wales; and](#)

- (ii) “SNC-Lavalin Bidco” means SNC-Lavalin (GB) Holdings Limited.
- (B) Notwithstanding any other provision of these articles, if the Company issues any shares (other than to SNC-Lavalin Bidco, any subsidiary of SNC-Lavalin Bidco or any nominee(s) of SNC-Lavalin Bidco) after the adoption of this article and at or prior to the Scheme Record Time (as defined in the Atkins Scheme), such shares shall be issued subject to the terms of the Atkins Scheme and the holders of such shares shall be bound by the Atkins Scheme accordingly.
- (C) Notwithstanding any other provision of these articles, subject to the Atkins Scheme becoming effective, any shares issued to any person (other than to SNC-Lavalin Bidco, any subsidiary of SNC-Lavalin Bidco or any nominee(s) of SNC-Lavalin Bidco) after the Scheme Record Time (a “New Member”) (each a “Post-Scheme Share”) shall be issued on terms that they shall (on the Effective Date (as defined in the Atkins Scheme) or, if later, on issue), be immediately transferred to SNC-Lavalin Bidco (or such person as it may direct) (the “Purchaser”), who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon the payment by or on behalf of SNC-Lavalin Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the consideration to which a New Member would have been entitled had such Post-Scheme Share been a Scheme Share (as defined in the Atkins Scheme).
- (D) To give effect to any transfer of Post-Scheme Shares required pursuant to article 139(C), the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and/or its nominees and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to article 139(C) above by sending a cheque drawn on a United Kingdom clearing bank in favour of the New Member (or any subsequent holder) for the purchase price of such Post-Scheme Shares as soon as practicable and in any event no later than 14 days after the date on which the Post-Scheme Shares are issued to the New Member.
- (E) If the Atkins Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) paragraph 6(b) of the Atkins Scheme, this article 139 shall cease to be of any effect.
- (F) Notwithstanding any other provision of these articles, both the Company and the board shall refuse to register the transfer of any Scheme Shares effected between the Scheme

Record Time and the Effective Date (as defined in the Atkins Scheme) other than to SNC-Lavalin Bidco and/or its nominees pursuant to the Scheme.

Document comparison by Workshare Professional on 16 May 2017 12:29:27

Input:	
Document 1 ID	file:///C:/Users/EHH/AppData/Local/Temp/Workshare/wmtemp284c/Articles of Association_10.09.09.doc
Description	Articles of Association_10.09.09
Document 2 ID	C:/Users/EHH/AppData/Local/Temp/Workshare/tmpAC0E/Proposed revised Articles of Association CURRENT 543909058_13 (002).DOC
Description	C:/Users/EHH/AppData/Local/Temp/Workshare/tmpAC0E/Proposed revised Articles of Association CURRENT 543909058_13 (002).DOC
Rendering set	Standard

Legend:	
	<u>Insertion</u>
	Deletion
	Moved from
	<u>Moved to</u>
	Style change
	Format change
	Moved deletion
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	22
Deletions	0
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	22